



Department of City Development

Housing Authority
Redevelopment Authority
City Plan Commission
Historic Preservation Commission

October 18, 2004

Ald. Joe Davis, Sr.
Chairman
Community & Economic Development Committee
City Hall – Room 205

Dear Ald. Davis:

We appreciate the thoughtful discussion at the Community & Economic Development Committee meeting last week regarding the proposed Main Street Milwaukee program. This letter follows up on two aspects of that discussion: your request for some additional information about program impact, and proposed changes to the resolution, ordinance, and other program documents that establish the program.

Program impact

At the meeting last week, you and your colleagues asked for additional information about the impact of similar programs in other communities. We'll be attending the CED Committee meeting October 19th to share such information in detail. Here's a sneak preview of what we found.

The National Main Street Center collects data from 1,700 Main Street communities nationwide. The Center's study indicates that from 1980 to 2002, Main Street programs resulted in:

- a net increase of **231,682 jobs**
- **\$17 billion** in public and private investment
- **57,470 new businesses** added to commercial districts in which Main Street programs operate

The leveraging power of Main Street is very powerful. The Center's study indicates that **for every dollar spent to operate a local Main Street program, \$40.35 is invested** in Main Street districts.

We took a close look at the experiences in two cities of similar size to Milwaukee, Boston and Baltimore. Boston (population 589,000) has operated a Main Street program since 1995. There, the program has resulted in an increase of 3,454 net new jobs, 491 new businesses, and \$9.8 million in new investment in 19 Main Street districts. The program in Baltimore (population 651,000) started in 2000. In four years, Baltimore's eight Main Street districts have seen a net increase of 615 jobs, 198 new businesses, and \$33.5 million in investment.

At the Committee meeting October 5th, Neil White shared the results of the State of Wisconsin Main Street program that operates in Milwaukee's Lincoln Village neighborhood. Since November 2001, the Lincoln Village commercial district has seen 62 new full-time jobs, 12 new businesses, and investment of nearly \$3.5 million.

As you know, the proposed Main Street Milwaukee program is structured to require that participating commercial districts set goals and report their progress with respect to net new jobs, net new businesses, new investment, and volunteer participation. We are confident that Milwaukee's Main Street districts will show impressive gains in all these areas over the life of the program.

Proposed changes to program documents

We have reviewed the three substantive changes contained in the most recent revisions of the various documents in File No. 031155. We also have asked our private partner in this program, the Local Initiatives Support Corporation (LISC), to review these changes.

One change is the reduction in the period covered by the various agreements, from six years to three years. We support this change, as does LISC.

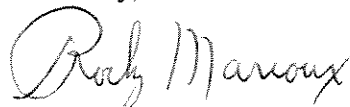
A second change alters the composition of the Main Street Partners Board. We support the proposal to have three board members appointed by the Mayor, three appointed by the President of the Common Council, and three appointed by LISC. LISC also supports this change.

A third proposed change provides that LISC give an annual report of the funds to be raised for the next program year. We believe this information could be helpful to City officials as they make budget decisions, and we support this change, as well.

The Milwaukee office of LISC has been a steadfast and reliable partner in the effort to organize Main Street Milwaukee. To date, the LISC fund-raising efforts on behalf of the Main Street program have yielded contributions totaling more than \$400,000 from local businesses and foundations. These efforts, along with the considerable LISC staff time invested in the lengthy Main Street Milwaukee community planning process, provide powerful evidence of the organization's commitment to the program. In order to ensure that LISC remains engaged, we must send a strong signal of our own that the organization is a trusted, valued partner.

I will attend the CED meeting October 19, 2004 to discuss these matters. Should you wish to talk prior to the meeting, please give me a call at Ext. 5800.

Sincerely,



Rocky Marcoux
Commissioner

C: CED Committee Members
Kimberly Montgomery, Mayor's Office