

NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1:
THE BREWERY DISTRICT
YEAR 18 OPERATING PLAN

September 1, 2025

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I. INTRODUCTION

Under Wisconsin Statutes section 66.1110, municipalities are authorized to create Neighborhood Improvement Districts ("NIDs") upon the petition of at least one property owner within the proposed district. Similar to the statute governing Business Improvement Districts (Wisconsin Statutes section 66.1109), the purpose of the NID statute is to allow owners of real property, at least some of which is used for residential purposes, within the districts ". . . to develop, to manage and promote the districts and to establish an assessment method to fund these activities." 1983 Wis. Act 184, Section 1, legislative declaration. See Appendix A.

The District was created by the Common Council of the City of Milwaukee (the "City") on May 13, 2009, by the adoption of Resolution No. 080615; the District is known as the Brewery Neighborhood Improvement District (the "District"). The purpose of the District is to promote and sustain the development and operation of the former historic Pabst Brewery as a thriving mixed-use development known as The Brewery, A Joseph J. Zilber Historic Redevelopment (the "Brewery"). In this regard, the District shall be authorized to manage, maintain, and contract for services which supplement those services currently provided by the City to owners and occupants in the District.

Pursuant to the NID statute, this Year 18 Operating Plan (the "Operating Plan") for the District has been prepared to establish the services proposed to be offered by the District, proposed expenditures by the District and the special assessment method applicable to properties within the District.

II. DISTRICT BOUNDARIES

The District boundaries cover approximately eight (8) blocks and encompass the former Pabst Brewery properties now known as "The Brewery District." The proposed District boundaries include Interstate 43 to the west, West Highland Avenue to the south, North 7th Street to the east and West Winnebago Street to the north. Boundaries of the NID are shown in Appendix B of this Operating Plan. A narrative listing of the properties included in the District is set forth in Appendix C.

III. PROPOSED OPERATING PLAN

A. Plan Objectives.

The objectives of the District are to promote and sustain the area of The Brewery District as a thriving mixed-use development and a clean, safe, and friendly environment in which to live, work, and play. The District proposes to achieve its objectives by supplementing the maintenance and

security services provided by the City in order to increase the safety and cleanliness (and the perceived safety and cleanliness) of The Brewery District area. The District also shall provide maintenance and utility cost of the neon Pabst sign over Juneau Avenue, maintenance and utility cost for Zilber Park and Preservation Park, maintenance of public art, maintenance including snow removal of common areas, maintenance of streetscapes and other landscaping features including the roundabout on W. Juneau Avenue as well as maintenance of stormwater management improvements including bio-swales.

B. Proposed Activities. The District will offer The Brewery District owners and occupants additional safety services, enhanced day portering activities, supplemental public space maintenance, Zilber Park and Preservation Parks operation and maintenance, streetscape maintenance, stormwater management maintenance, W. Juneau Avenue roundabout maintenance and integrated marketing and promotional services to complement a base level of services currently being provided by the City. As a supplement to City services, the District may employ and manage its own safety and maintenance staff and develop and implement its own marketing initiatives or contract with reputable third-party service providers to do so. The District may, from time to time and as it deems necessary, adjust the size and scope of the activities and staffing levels described below, but only so long as such adjustments in activities and staff are part of the activities identified in this or a subsequently approved or amended Operating Plan.

1. Security Program. The District proposes to undertake a variety of strategies to enhance the safety and perception of safety throughout the District. Activities could include installation of security cameras and related signage, additional security staff, and other activities as the board may determine from time to time.
2. Day Porter. The District proposes to sponsor a Day Porter Program to provide additional day portering services, public space maintenance, stormwater management maintenance, Zilber Park and Preservation Parks operation and maintenance, alley maintenance (including snow and ice removal), and streetscape maintenance in the area of The Brewery District.

The District may hire directly or engage through a contract with a reputable third-party vendor, personnel to perform the services described above. These maintenance efforts will complement the efforts of the City Department of Public Works. Day Porters will manually sweep sidewalks, parks and other green spaces, pick up litter and remove graffiti. They will also maintain parks, alleys

(including snow and ice removal from November through March), and maintain other green spaces as well as maintain stormwater facilities within the District boundaries.

3. Marketing Initiatives. Marketing will aim to encourage increased use of The Brewery District neighborhood and to convince both constituents of the District and potential users that The Brewery District neighborhood is a positive destination with unique qualities and amenities.
4. Community Events. The District may develop community events for neighborhood constituents and promotion of The Brewery District neighborhood as deemed appropriate and approved by the District Board.

C. Proposed Expenditures and Financing Method. The 2026 proposed annual operating budget for the District is \$278,000. See Appendix D. The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

The Board shall approve an annual operating budget for the District each year. After the District Board has approved the annual operating plan and budget, they will be sent to the City for approval, adoption and inclusion in the City's annual budget for that year.

The 2025 assessed valuation of all property subject to assessment within the proposed District boundaries was \$240,641,300. This includes a PILOT assessment for UWM's Joseph J. Zilber School of Public Health of \$7,809,000. The method of assessing annual operating expenses against properties located within the District is set forth in Article IV of this Operating Plan. **[Any change in the method of assessing annual operating expenses against properties located within the District must be approved by a 4/5 majority of the entire District Board and a majority of the Common Council of the City.]** Subsequent revisions to this Operating Plan will specify any additional assessment methodologies and amounts for operating expenses.

D. Organization of the District Board. Upon creation of the District, the District shall hold annual meetings to elect members to the District Board (the "Board") consistent with the terms of this subsection. The Board shall be responsible for the implementation of this Operating Plan. This requires the Board to negotiate with providers of services and materials to carry out the Operating Plan; to enter into various contracts; to monitor the effectiveness of the District's *activities*, to ensure compliance with the

provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of District assessments.

Wisconsin Statutes section 66.1110(4)(a)(1) requires that the Board be composed of at least five members, all of whom shall own or occupy real property within the District.

The Board shall be structured and operate as follows:

1. Board Size. Five (5) members.
2. Composition.
 - (a) Commercial Property Group
 - (i) One member shall represent the ‘largest property owner’ within the District as defined below.
 - (ii) One member shall be a representative of a multi-tenant office building in the District.
 - (iii) One member shall be the owner or operator of a non-parking, non-office commercial business located within the District (which business may include, without limitation, a restaurant, hotel, brewery or mixed-use property).
 - (iv) One member shall be a representative of a parking structure or surface parking lot within the District including at least 100 spaces.
 - (b) Residential Property Group
 - (i) One member shall be a representative of a residential building within the District.

‘Largest Property Owner’ shall be defined as the managing member or general partner of the single largest property tax key as measured by assessed valuation.

Each year, the Board shall reconfirm the assessed valuations, ownerships, and occupancies of all properties located within the District. If the assessed valuation, ownership or occupancy of any particular building or site in any year ceases to satisfy the criteria set

forth above, the Board shall rearrange such building or site in the appropriate category and consistent with Wisconsin Statutes section 66.1110(4). Notwithstanding anything herein to the contrary, the number of Board members who represent commercial and residential property, respectively, shall be set, as closely as possible, in the same proportion as is the aggregate valuation of commercial property in the District to the total assessed value of all property in the District, and the aggregate valuation of residential property in the District to the total assessed value of all property in the District.

3. Term. All members elected to the Board shall serve for a period of one year, except that members may be re-elected.
4. Compensation. None.
5. Meetings. All meetings of the Board shall be governed by the Wisconsin Open Meetings Law if and as legally required.
6. Record Keeping. Files and records of the Board's affairs shall be kept pursuant to public records requirements.
7. Staffing and Office. The Board may employ staff and/or contract for staffing services pursuant to this Operating Plan and subsequent modifications thereof. The Board may also maintain an office for the District, which shall be located within the District.
8. Meetings. The Board shall meet regularly, at least once every six months. The Board shall adopt rules of order (bylaws) to govern the conduct of its meetings.
9. Method of Electing Members to District Board. An annual meeting at which members of the Board will be elected shall be held in August of each year of the District's existence. Prior to the meeting, the City shall publish a Class 2 notice that contains the time and place of the annual meeting. The notice shall specify that all individuals who either own or occupy real property within the District are eligible to serve on the Board and vote at the election.

At the meeting, the individuals who own or occupy real property within the District shall be divided in 2 groups. One group shall consist of those individuals who own or occupy commercial property, and one group shall consist of those individuals who own or occupy residential property. Each group shall elect from among its members the number of Board members set to represent its group

pursuant to this or a subsequent operating plan. Please see Appendix C for a detail listing of these properties by classification.

10. Executive Committee. The Board shall elect from its members a chair, a secretary, and a treasurer who shall comprise an Executive Committee of the Board. The Executive Committee shall be authorized to oversee the day-to-day operations of the District, subject to the bylaws adopted by the Board.
11. Changes. Any change in the Board size, composition or election methodology must be approved by a 4/5 majority of the entire District Board.]

IV. METHOD OF ASSESSMENT

- A. Annual Assessment Rate and Method. The annual assessment for District operating expenses will be levied against each property within the District in direct proportion to the current assessed value of each property for real property tax purposes. Thus, the amount of a special assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the District.

Appendix C identifies each property included in the District and shows the proposed District assessment for each property for the 18th year of operation. Such proposed assessments are based on the assessed value and classification estimated in 2025 pursuant to the foregoing formula.

- B. Excluded and Exempt Property. The NID statute requires explicit consideration of certain classes of property. In compliance with the law, the following statements are provided.

1. In accordance with the interpretation of the City Attorney regarding Wisconsin Statutes section 66.1110(7)(a), property exempt from general real estate taxes has been excluded from the District unless they are subject to a PILOT Agreement which addresses this issue. Owners of tax-exempt property adjoining the District and expected to benefit from District activities will be asked to make a financial contribution to the District on a voluntary basis. Funds collected in this manner in any given year shall be used to reduce the assessment against taxable property in the District for the following year. In addition, those tax-exempt properties adjoining the District which are later determined no longer to be exempt from general property taxes shall automatically become included within the District and

subject to assessment under any current operating plan without necessity to undertake any other act.

2. In accordance with Wisconsin Statutes section 66.1110(7)(c), real property used exclusively for less than eight (8) residential dwelling units has been excluded from the District.
3. Pursuant to State Statute (66.1110(2) (e) NID No. 1 authorized taking title to the parcel known as Zilber Park and has the legal description of Lot 2 of CSM No. 8078, Tax Key No. 362-0502-000 and the address of 1217 N. 10th Street. The purpose of the NID No. 1's ownership is to operate and maintain an improved park for the benefit of the neighborhood. If NID No. 1 is terminated this real property will be transferred to Brewery Project LLC which has agreed to assume this responsibility.
4. Pursuant to State Statute (66.1110(2) (e) NID No. 1 authorized taking title to the parcel known as Preservation Park and has the legal description of Lot 1 of CSM No. 8688, Tax Key No. 391-0871-000 and the address of 925 W. Juneau Avenue. The purpose of the NID No. 1's ownership is to operate and maintain an improved park for the benefit of the neighborhood. If NID No. 1 is terminated this real property will be transferred to Blue Ribbon Suites LLC which has agreed to assume this responsibility.

V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY

- A. Enhanced Safety and Cleanliness. Under Wisconsin Statutes section 66.1110(2)(d), this Operating Plan is required to specify how the creation of the District promotes the orderly development of the City. The District will enhance the safety and cleanliness of The Brewery District area and, consequently, encourage positive commercial and residential activity in the City. Increased activity in the City will increase property tax base and sales tax revenues.
- B. City Role in District Operation. The City has committed to assisting owners and occupants in the District to promote its objectives. To this end, the City has played a significant role in the creation of the District and in the implementation of the initial Operating Plan. In furtherance of its commitment, the City shall:
 1. Provide technical assistance to the District in the adoption of this and subsequent operating plans and provide such other assistance as may be appropriate.

2. Collect assessments, maintain the same in a segregated account and disburse monies to the Board.
3. Receive annual audits as required per Wisconsin Statutes section 66.1110(4)(c).
4. Provide the Board, through the Office of Assessment, on or before July 1 of each year, with the official City records on the assessed value of each tax key number within the District as of January 1 of each year for purposes of calculating the District assessments.

VI. PLAN APPROVAL PROCESS

- A. Public Review Process. The NID statute establishes a specific process for electing NID Board members and annually making changes to the Operating Plan. Pursuant to the statutory requirements, the following process will be followed:
1. A time and place for an annual meeting at which members of the Board will be elected shall be set and a Class 2 notice of such meeting shall be published.
 2. At the meeting, Board members shall be elected consistent with Wisconsin Statutes section 66.1110(4) and section III(D) above, and the Board shall consider the District's annual Operating Plan.
 3. The Operating Plan shall be submitted to the City's Common Council for approval.
- B. Petition to Terminate the District. The City shall consider terminating the District if a petition to terminate is filed with the City Plan Commission in conformity with Wisconsin Statutes section 66.1110(6)(a).

VII. FUTURE YEAR OPERATING PLANS

- A. Changes. It is anticipated that the District will continue to 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 this Operating Plan.

Wisconsin Statutes section 66.1110(4)(b) requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed

activities, information on specific assessed values, budget amounts and assessment amounts are based solely upon current conditions. Greater detail about subsequent years' activities 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 NID statute.

In later years, the District Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. **[However, the method of assessing and the board composition shall not be materially altered, except with the approval of a 4/5 majority of the entire District Board and consent of the City of Milwaukee.]**

- B. Amendment, Severability and Expansion. This District has been created under authority of Wisconsin Statutes section 66.1110. Except as set forth in the next sentence, should any court find any portion of this statute invalid or unconstitutional its decision will not invalidate or terminate the District and this Operating Plan shall be amended to conform to the law without need of re-establishment. Should any court find invalid or unconstitutional the organization of the entire District Board, any requirement for a 4/5 majority vote of the District Board, the budgeting process or the automatic termination provision of this or any subsequent Operating Plan, the District shall automatically terminate and this Operating Plan shall be of no further force and effect.

APPENDIX A

Wisconsin Statutes section 66.1110

(4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

(a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.

(b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. (c) and unless the business improvement district is not terminated under par. (e).

(c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.

(d) Within 30 days after the date of hearing under par. (c), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.

(e) If after the expiration of 30 days after the date of hearing under par. (c), by petition under this subsection or subsequent notification under par. (d), and after subtracting any retractions under par. (d), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

(5) (a) Real property used exclusively for residential purposes and real property that is exempted from general property taxes under s. 70.11 may not be specially assessed for purposes of this section.

(b) A municipality may terminate a business improvement district at any time.

(c) This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.

(d) If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. 70.11 or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.

History: 1983 a. 184; 1989 a. 56 s. 258; 1999 a. 150 s. 539; Stats. 1999 s. 66.1109; 2001 a. 85; 2017 a. 59, 70, 189.

66.1110 Neighborhood improvement districts. (1) In this section:

(a) "Board" means a neighborhood improvement district board elected under sub. (4) (a).

(b) "Chief executive officer" means a mayor, city manager, village president, or town chairperson.

(c) "Local legislative body" means a common council, village board of trustees, or town board of supervisors.

(d) "Municipality" means a city, village, or town.

(e) "Neighborhood improvement district" means an area within a municipality consisting of nearby but not necessarily contiguous parcels, at least some of which are used for residential purposes and are subject to general real estate taxes, and property that is acquired and owned by the board if the local legislative body approved acquisition of the property under sub. (4) (d) as part of its approval of the initial operating plan under sub. (3) (e).

(f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation, and promotion of a neighborhood improvement district.

(g) "Owner" means the owner of real property that is located within the boundaries, or the proposed boundaries, of a neighborhood improvement district.

(h) "Planning commission" means a plan commission under s. 62.23 or, if none exists, a board of public land commissioners or, if none exists, a planning committee of the local legislative body.

(2) An operating plan shall include at least all of the following elements:

(a) The special assessment method applicable to the neighborhood improvement district.

(b) The kind, number, and location of all proposed expenditures within the neighborhood improvement district.

(c) A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

(d) A description of how the creation of the neighborhood improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

(e) A statement as to whether the local legislative body authorizes the board to own real property and, if so, a description of the real property to be owned, the purpose of the ownership, and a statement of to whom the real property will be transferred if the neighborhood improvement district is terminated.

(f) A legal opinion that pars. (a) to (e) have been complied with.

(3) A municipality may create a neighborhood improvement district and adopt its operating plan if all of the following conditions are met:

(a) An owner of real property subject to general real estate taxes and located in the proposed neighborhood improvement district designated under par. (b) has petitioned the municipality for creation of a neighborhood improvement district.

(b) The planning commission has designated a proposed neighborhood improvement district and adopted its proposed initial operating plan.

(c) At least 30 days before creation of the neighborhood improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed neighborhood improvement district and initial operating plan. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice, together with a copy of the proposed initial operating plan and a copy of a detail map showing the boundaries of the proposed neighborhood improvement district, shall be sent by certified mail to all owners of real property within the proposed neighborhood improvement district. The notice shall state the boundaries of the

proposed neighborhood improvement district and shall indicate that copies of the proposed initial operating plan are available from the planning commission on request.

(d) Within 30 days after the hearing under par. (c), one of the following has not filed a petition with the planning commission protesting the proposed neighborhood improvement district or its proposed initial operating plan:

1. The owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan.

2. The owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the neighborhood improvement district. The local legislative body shall publish a class 2 notice under ch. 985 regarding the meeting at which the local legislative body will vote on whether to adopt the proposed initial operating plan for the neighborhood improvement district. Before publication, a copy of the notice shall be sent by certified mail to all owners of real property within the proposed neighborhood improvement district.

(4) (a) 1. If the local legislative body adopts the proposed initial operating plan under sub. (3) (e), it shall determine the size of board, which shall consist of at least 5 members, all of whom shall own or occupy real property in the neighborhood improvement district.

2. The number of board members who represent commercial and residential property, respectively, shall be set by the local legislative body, as closely as possible, in the same proportion as is the aggregate valuation of commercial property in the neighborhood improvement district to the total assessed value of all property in the district, and the aggregate valuation of residential property in the district to the total assessed value of all property in the district.

3. The local legislative body shall set the time and place for a meeting at which members of the board will be elected, and shall publish a class 2 notice under ch. 985 that contains this information. The notice shall specify that all individuals who either own or occupy real property within the neighborhood improvement district are eligible to serve on the board and vote at the election.

4. At the meeting, the individuals who own or occupy real property shall be divided into 2 groups. One group shall consist of those individuals who own or occupy commercial property, and one group shall consist of those individuals who own or occupy residential property. Each group shall elect from among its members the number of board members set to represent its group by the local legislative body under subd. 2.

5. Board members elected under subd. 4. shall serve a one year term, and may be reelected. Annually, the number of board members who represent commercial and residential properties, based on the calculation described in subd. 2., may be reallocated by the local legislative body to the greatest extent possible to be consistent with the proportion described under subd. 2.

6. Annually, board members shall be elected under the procedures contained in this paragraph. If a vacancy occurs during the term of a board member, an individual shall be elected to fill the unexpired term of the member under the procedures contained in this paragraph.

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for the neighborhood improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the

special assessment method applicable to the neighborhood improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the neighborhood improvement district, including expenditures and revenues. The report shall include an independent certified audit of the implementation of the operating plan obtained by the municipality. The municipality shall obtain an additional independent certified audit upon termination of the neighborhood improvement district.

(d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all of the powers necessary or convenient to implement the operating plan, including the power to contract.

(4m) A municipality may annex territory to an existing neighborhood improvement district if all of the following conditions are met:

(a) An owner of real property subject to general real estate taxes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice, together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the neighborhood improvement district, shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. (c), one of the following has not filed a petition with the planning commission protesting the proposed annexation:

1. The owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan.

2. The owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan.

(5) All special assessments received from a neighborhood improvement district and all other appropriations by the municipality or other moneys received for the benefit of the neighborhood improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than special assessments, to pay the costs of audits required under sub. (4) (c) or on order of the board for the purpose of implementing the operating plan. On termination of the neighborhood improvement district by the municipality, all moneys collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the neighborhood improvement district, in the same proportion as the last collected special assessment.

(6) (a) Subject to pars. (b) and (c), a municipality shall terminate a neighborhood improvement district if one of the following occurs:

1. The owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, file a petition with the planning commission requesting termination of the neighborhood improvement district.

2. The owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the

assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the neighborhood improvement district.

3. The owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan fail to file a petition with the planning commission to continue the neighborhood improvement district within one year of the date on which the membership of the board changes from a majority which represents commercial properties to a majority that represents residential properties, or vice versa, as described under sub. (4) (a) 3.

(b) 1. A petition may not be filed under this subsection earlier than one year after the date on which the municipality first adopts the operating plan for the neighborhood improvement district.

2. On and after the date on which a petition is filed under par. (a) 1. or 2., or on and after the date on which a petition must be filed under par. (a) 3., neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of the hearing under subd. 3. and unless the neighborhood improvement district is not terminated under par. (c).

3. Within 30 days after the filing of a petition under par. (a) 1. or 2., the planning commission shall hold a public hearing on the proposed termination. Within 30 days after the deadline for filing a petition under par. (a) 3. passes, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice, together with a copy of a detail map showing the boundaries of the neighborhood improvement district, shall be sent by certified mail to all owners of real property within the neighborhood improvement district. The notice shall state the boundaries of the neighborhood improvement district and shall indicate that copies of the operating plan are available from the planning commission on request and are posted in the building in which the municipality's governing body regularly holds its meetings.

4. Within 30 days after the date of the hearing under subd. 3., every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under par. (a) 1. or 2., that the owner retracts the owner's request to terminate the neighborhood improvement district, or, if the owner did not file or sign a petition under par. (a) 1. or 2., that the owner requests termination of the neighborhood improvement district under par. (a) 1. or 2.

5. Within 30 days after the date of the hearing under subd. 3., every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under par. (a) 3., that the owner retracts the owner's request to continue the neighborhood improvement district, or, if the owner did not file or sign a petition under par. (a) 3., that the owner requests continuation of the neighborhood improvement district under subd. 3.

(c) After the expiration of 30 days after the date of the hearing under par. (b) 3., and after adding any additions and subtracting any retractions under par. (b) 4. and 5., the municipality shall terminate the neighborhood improvement district on the date on which the obligation with the latest completion date entered into to implement the operating plan expires if the owners who have signed the petition requesting the termination of the neighborhood improvement district under par. (a) 1. or 2. constitute the required groups specified in par. (a) 1. or 2., or if an insufficient representation of owners, as described under par. (a) 3., petition to continue the neighborhood improvement district under par. (a) 3.

(7) (a) 1. Except as provided in subd. 2., any parcel of real property used exclusively for less than 8 residential dwelling units and real property that is exempted from general property taxes under s. 70.11 may not be specially assessed for purposes of this section.

2. In a 1st class city, real property that is exempted from general property taxes under s. 70.11 may not be specially assessed for purposes of this section.

(b) A municipality may terminate a neighborhood improvement district at any time.

(c) This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.

History: 2005 a. 186; 2009 a. 147; 2017 a. 70.

66.1111 Historic properties. (1) DEFINITIONS. In this section:

(a) "Historic property" has the meaning given under s. 44.31 (3).

(b) "Political subdivision" means a city, village, town or county.

(2) ACQUISITION OF PROPERTY. A political subdivision may acquire by gift, purchase or condemnation any property right in historic property, whether the property is real or personal.

(3) OWNERSHIP, USE AND DISPOSITION OF PROPERTY. (a) A political subdivision may preserve or rehabilitate any historic property which it owns, construct buildings on that property, own and maintain that property for public purposes or lease or convey that property.

(b) If a political subdivision leases to another person historic property, the political subdivision shall include provisions in the lease which protect the historic character and qualities of that property. If the political subdivision conveys historic property, the political subdivision shall obtain a conservation easement under s. 700.40 to protect the historic character and qualities of the property.

(4) CONSIDERATION OF EFFECTS ON HISTORIC PROPERTIES. (a) In the earliest stage of planning any action related to the following, a political subdivision shall determine if its proposed action will affect any historic property which is a listed property, as defined under s. 44.31 (4), or which is on the list of locally designated historic places under s. 44.45:

1. Long-range planning for facilities development.
2. Any action under sub. (3).
3. Razing any historic property which it owns.

(b) A political subdivision shall notify the state historic preservation officer of any proposed action which it determines under par. (a) would affect any historic property.

(5) GRANTS. A political subdivision may make grants of funds to any public or private entity for the purpose of preserving or rehabilitating historic property.

History: 1987 a. 395; 1989 a. 31; 1999 a. 150 s. 88; Stats. 1999 s. 66.1111.

66.1113 Premier resort areas. (1) DEFINITIONS. In this section:

(a) "Infrastructure expenses" means the costs of purchasing, constructing, or improving parking lots; access ways; transportation facilities, including roads and bridges; sewer and water facilities; exposition center facilities used primarily for conventions, expositions, trade shows, musical or dramatic events, or other events involving educational, cultural, recreational, sporting, or commercial activities; parks, boat ramps, beaches, and other recreational facilities; fire fighting equipment; police vehicles; ambulances; and other equipment or materials dedicated to public safety or public works.

(b) "Political subdivision" means a city, village, town or county.

(c) "Premier resort area" means a political subdivision whose governing body enacts an ordinance or adopts a resolution under sub. (2) (a).

(d) "Tourism-related retailers" means retailers classified in the standard industrial classification manual, 1987 edition, published

APPENDIX B

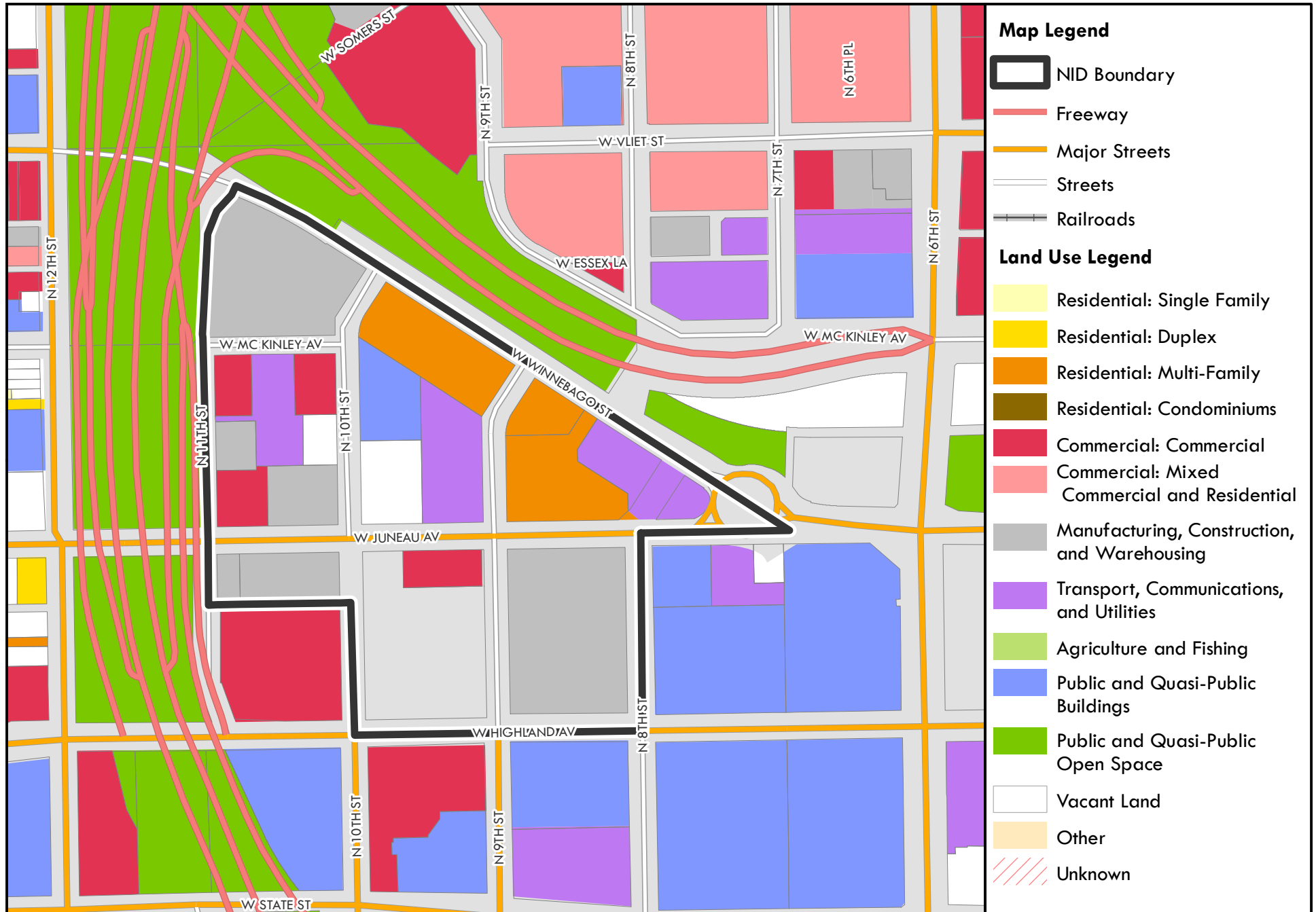
District Boundaries

NID NO. 1: BREWERY

NEIGHBORHOOD IMPROVEMENT DISTRICT

Prepared by the Department of City Development Planning Division, 12/13/2016
Source: City of Milwaukee Information Technology Management Division; NIDC

0 500 1,000 Feet



APPENDIX C

Listing of Properties Included in the District and District Assessments

Taxkey	Address	Owner1	Total Assessed Value	NID 1 Assessment
COMMERCIAL TAX KEYS				
3620452000	1243 N 10TH ST	J. VOLLRATH LLC	\$ 5,820,500.00	\$ 6,724.11
3620453000	1220 N 11TH ST	BREWERY SILO LLC	\$ 505,300.00	\$ 583.75
3620501000	1017 W MC KINLEY AV	BREWER SILO LLC	\$ 925,000.00	\$ 1,068.60
3620502000	1217 N 10TH ST	NEIGHBORHOOD IMPROVEMENT DISTRICT NO 1 THE BREWERY	\$ 2,700.00	\$ 3.12
3620508000	1036-1042 W JUNEAU AV	BLUE RIBBON REDEV FUND III BLUE RIBBON MGMT LLC	\$ 7,421,300.00	\$ 8,573.43
3620509000	1203-1215 N 10TH ST	BREWERY HOUSE LLC	\$ 14,944,000.00	\$ 17,264.00
3620541000	1037 W MC KINLEY AV	JONJA HOLDINGS LLC	\$ 4,740,000.00	\$ 5,475.87
3620551000	1240 N 10TH ST	BOARD OF REGENTS OF THE UNIVERSITY OF WISCONSIN SYST	\$ 7,809,000.00	\$ 9,021.32
3620601100	800 W JUNEAU AV	MKE HOTEL LLC	\$ 18,761,100.00	\$ 21,673.69
3620611000	910 W JUNEAU AV	MITHLI HOLDINGS LLC C/O MARLA POYTINGER	\$ 1,068,400.00	\$ 1,234.27
3620612000	902-908 W JUNEAU AV	BREWERY PARKING STRUCTURE LLC	\$ 8,817,500.00	\$ 10,186.39
3910751000	901-923 W JUNEAU AV, Unit .	BREW CITY REDEVELOPMENT GROUP LLC	\$ 1,918,300.00	\$ 2,216.11
3910861000	1037 W JUNEAU AV	BLUE RIBBON REDEVELOPMENT FUND V LLC	\$ 780,500.00	\$ 901.67
3910871000	925 W JUNEAU AV	NEIGHBORHOOD IMPROVEMENT DISTRICT NO 1 - THE BREWE	\$ 2,300.00	\$ 2.66
3910891000	1131 N 8TH ST, Unit 1	SH 7203-7207 LLC	\$ 6,495,600.00	\$ 7,504.02
3910892000	1128 N 9TH ST	SSL MILWAUKEE LLC	\$ 12,997,800.00	\$ 15,015.66
TOTAL COMMERCIAL			\$ 93,009,300.00	\$ 107,448.66
RESIDENTIAL TAX KEYS				
3620441100	925-945 W WINNEBAGO ST	FLT BLUE RIBBON LOFTS, LLC	\$ 8,363,100.00	\$ 9,661.44
3620521000	1244 N 9TH ST	BREWERY POINT APTS LLC C/O COMMONBOND COMMUNITIES	\$ 2,371,400.00	\$ 2,739.55
3620531000	1003 W WINNEBAGO ST	WI FREDERICK LOFTS LLC	\$ 36,709,000.00	\$ 42,407.94
3620552000	922-934 W JUNEAU AV	WI FREDERICK LOFTS LLC	\$ 25,110,600.00	\$ 29,008.93
3620561110	840 W JUNEAU AV	WI FREDERICK LOFTS LLC	\$ 22,665,800.00	\$ 26,184.58
3910862000	1009 W JUNEAU AV	MILWAUKEE PABST HOLDINGS LLC	\$ 13,574,200.00	\$ 15,681.55
3910872000	1125 N 9TH ST	BLUE RIBBON SUITES LLC	\$ 38,837,900.00	\$ 44,867.34
TOTAL RESIDENTIAL			\$ 147,632,000.00	\$ 170,551.34
BUDGET	\$ 278,000.00			
RATE	\$ 0.001155246418632210			
DISTRICT ASSESSED VALUE			\$ 240,641,300.00	\$ 278,000.00

APPENDIX D

Proposed 2026 Budget

NID No.1 - 2026 Budget
2021-2024 Year Columns Hidden

Cost Category	2025	2026	Notes
Snow Plowing	\$ 12,500.00	\$ 12,000.00	Contract Expires 04/30/2027 & Annual 3% Increase (2025 = \$10,805.27)
Pabst Sign Electric	\$ 1,000.00	\$ 1,000.00	Miscellaneous Allowance for Possible T&M Requirement
			Allowance Based on T12 Actuals
			Miscellaneous Repair Allowance - \$2,000
			Masonry Repairs Quoted (\$13,000 - Holton Brothers) in Accordance W/ Structural Report
			Wood & Painting Repairs (\$16,000 - RD Woods) in 2027 in Accordance W/ Structural Report
			No Metal Work Recommended, But T&M (\$16,000) Proposal Received For Miscellaneous Repairs
Pabst Sign Repairs	\$ 40,000.00	\$ 15,000.00	Structural Review Required in 2030
Legal Fees	\$ 1,000.00	\$ 1,000.00	Allowance for Miscellaneous Legal Services
Admin Fees/Accounting	\$ 24,000.00	\$ 23,788.00	LCMS + Sam Rampulla + Bank Service Charges + Google Suite + Postage
Audit Fee	\$ 8,350.00	\$ 8,275.00	RPB CPAs 2025 Audit Fee
			Recertification of Bioswales Required in 2026
Storm Water Retention Main	\$ -	\$ 11,000.00	Visu-Sewer & Kapur
			Annual Zilber Park Statue Cleaning & Waxing
			LED Retrofit of Remaining 8 Artifact Wells
			Allowance for Miscellaneous Art Maintenance
			MA Building Services
Public Art Maintenance	\$ -	\$ 10,000.00	APE Security + Camera System Repair Allowance
Day Porters	\$ 14,000.00	\$ 13,000.00	Miscellaneous Allowance
Security	\$ 79,500.00	\$ 83,000.00	GAI Group - Policy Expires 12/16/26
Property Identification/Wayfinding	\$ -	\$ 500.00	CNA Group - Allowance Includes 7% Increase Notice
Directors/Officers and Liab Ins	\$ 1,500.00	\$ 1,500.00	Irrigation Allowance Based on T12 Actuals
Commercial Property Insurance	\$ 6,000.00	\$ 6,500.00	Zilber Park Plant Watering Allowance Based on T12 Actuals
Preservation Park Water	\$ 800.00	\$ 500.00	Based on 2024 Actual + 5%
Zilber Park Water	\$ 250.00	\$ 250.00	Based on 2024 Actual + 5%
Preservation Park Property Tax	\$ 200.00	\$ 60.00	MA Building Services (+Mulch)
Zilber Park Property Tax	\$ 200.00	\$ 26.00	Prairie Seed Future Company
			MKE Lawn Sprinkler
Landscaping	\$ 35,000.00	\$ 50,055.00	Allowance Based on T12 Actuals
Preservation Park Electricity	\$ 2,000.00	\$ 1,000.00	Allowance Based on T12 Actuals
Zilber Park Electricity	\$ 2,500.00	\$ 1,000.00	Allowance Based on T12 Actuals
Lamp Post Electricity/Meters (Holiday)	\$ 1,000.00	\$ 1,000.00	Allowance Based on T12 Actuals
			Miscellaneous Allowance
Park Maintenance	\$ 2,500.00	\$ 2,546.00	Zilber Park Bench Powerwashing
Marketing & PR	\$ 15,000.00	\$ 15,000.00	Sam Rampulla + Allowance
Holiday Lighting	\$ 15,500.00	\$ 15,000.00	Based on 2025 Proposal + Allowance
Community Outreach (BID 21 Housing Coordinator Donation)	\$ -	\$ -	
Community Development	\$ 5,000.00	\$ 5,000.00	
Bubler Bikes Renewal Fee	\$ 5,000.00	\$ -	Miscellaneous Allowance
Contingency	\$ -	\$ -	
Total	\$ 272,800.00	\$ 278,000.00	

Annual Review

THE BREWERY DISTRICT No MILW 01



Formerly the site of Pabst Brewery, the 21-acre campus and its historic structures sat vacant following Pabst's abrupt closing in 1996. Yet under the partnership and vision of private investors, the real estate developer Joseph J. Zilber, and a public-private partnership with the city of Milwaukee, the once-abandoned manufacturing district was transformed into what is now one of downtown Milwaukee's great neighborhoods.

2024/2025

NID No. 1

Board of Directors



Michael Kelly

Chairman of the board
Blue Ribbon Management

Erica Vaillancourt

Board Secretary
Interstate Parking

Mark Yencheske

Board Member
Best Place at the
Historic Pabst Brewery

Seth Wood

Board Member
Hyatt Place Milwaukee
Downtown

Sarah Michalek

Board Member
Colliers

Staff

Sam Rampulla

Executive Director

The District's commitment to transparency and accountability is reflected in its regular public meetings of the Neighborhood Improvement District No. 1 Board. Over the course of twelve meetings from September 2023 through September 2024, the board ensures the Operating Plan and District objectives are fully realized.



Neighborhood Improvement District No. 1 Boundaries

The Brewery NID No. 1 represents approximately eight blocks and is bounded by Winnebago Street at the north, Highland Avenue at the south, I-43 to the west and 7th Street to the east.

INTRODUCTION



The Brewery District consists of 16 adaptively reused and 14 historically preserved buildings, totaling over 1.6 million square feet, with more than \$300 million in public and private investment.

The Brewery Neighborhood Improvement District No. 1

The story of The Brewery District is one of resilience, vision, and leadership. Once a thriving manufacturing company of the iconic and historic Pabst Brewing Company, the 21-acre campus and its historic structures were left vacant for over a decade after Pabst's abrupt closing in 1996.

Bold and innovative leadership of private investors, real estate developer Zilber Ltd., as well as a strong public-private partnership with the city of Milwaukee, the once-forgotten area has undergone a remarkable transformation.

Today, The Brewery District stands as one of downtown Milwaukee's most beloved and thriving neighborhoods.

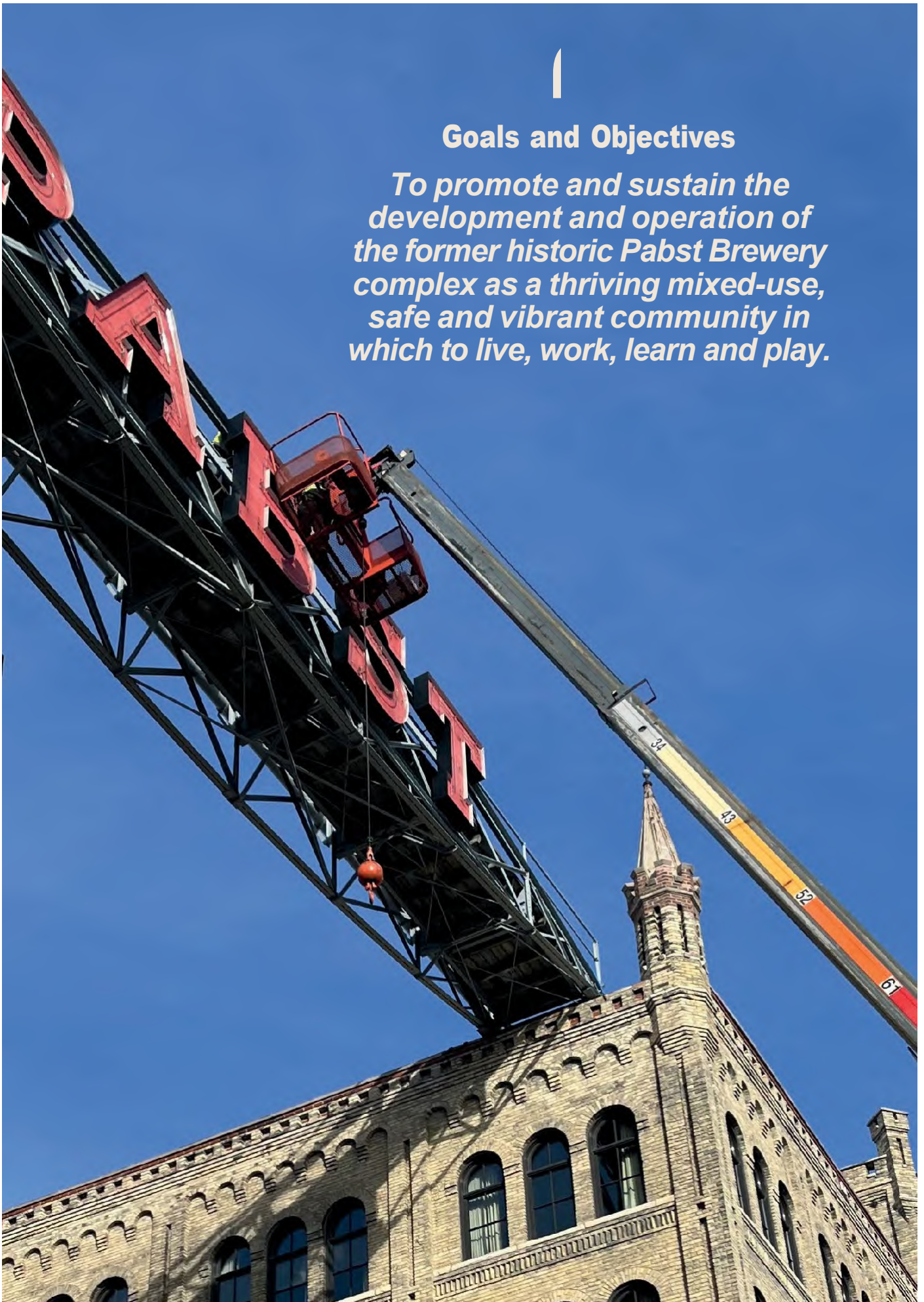
The sustainable and walkable district consists of 16 adaptively reused buildings, and 14 historically preserved, totalling more than 1.6 million square feet; over 844,000 square feet of new construction; a phased streetscape reconstruction; and more than \$300 million in public and private investment. Infrastructure designed for stormwater management, aggressive landscaping, tree lawns,

bioswales, Zilber Park and Preservation Park, and other commitments to sustainability make The Brewery District a LEED Platinum Neighborhood Development.

Residential and commercial property owners within the district remain committed to the forward momentum of the neighborhood and, therefore, support an annual assessment to enhance city services and enrich the quality of life within the district.

Goals and Objectives

To promote and sustain the development and operation of the former historic Pabst Brewery complex as a thriving mixed-use, safe and vibrant community in which to live, work, learn and play.





Lease information provided by Founders|3 and Vim + Vigor property
Manager Weidner Apartment Homes

Economic Development

The Brewery District in Milwaukee has become a hub for economic development, with impressive figures to back it up. The area boasts over 1.6 million square feet of space, with 844,000 of those dedicated to new construction.



The Brewery District

Living in The Brewery District

Over one million sq. ft. of residential space across seven properties offers a spectrum of options ranging from luxury apartments to affordable housing for seniors.

Work Spaces

The area offers more than 312,000 sq. ft. of commercial space across four office buildings, providing workspaces for over 70 tenant businesses.

Education

The University of Wisconsin-Milwaukee Joseph J. Zilber Public School of Health is located in the Brewery District, housed in a LEED Gold-certified building. The 50,299 sq. ft. building houses nearly 60 School of Public Health faculty and students.

Destination

The neighborhood is also home to a variety of dining, and hospitality options with over 379,000 sq. ft. of entertainment space across ten properties.

Green Spaces

Green spaces are also abundant in the Brewery District, with the Preservation Park and Zilber Park providing over 20,000 square feet of public space.

Ample Parking

Over 1,400 parking spaces are available. A LEED Gold-certified public parking structure with 908 stalls is central located and in addition to 500 private parking spaces, above ground and under ground.

The Brewery District truly has something for everyone, making it a prime destination for economic development.

NŌ Studios





Pabst **Professional Center**



Zilber **Park**

UW-Milwaukee **Joseph J. Zilber Public School of Health**



2024 - 2025 Assessments

In 2025, the total assessed property valuation at initial assessment was \$240,641,300.

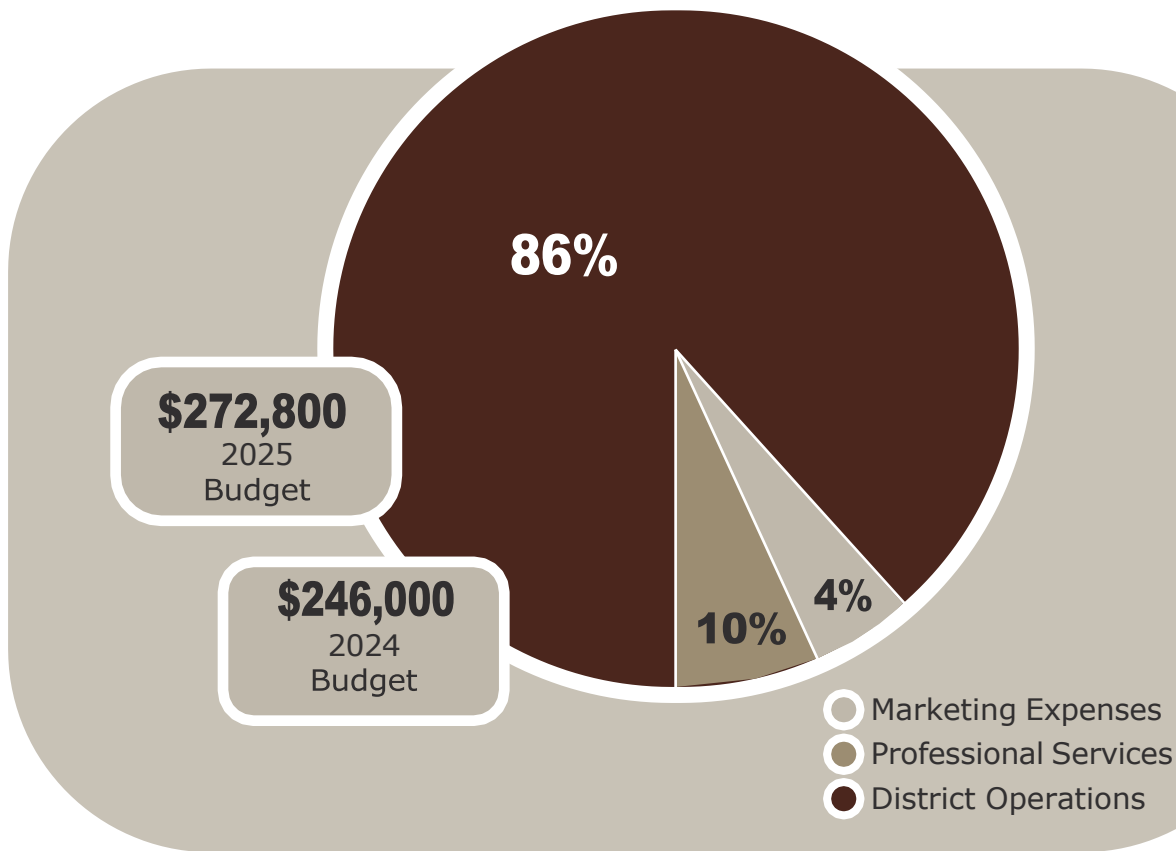
The 2024 final assessment was \$193,699,900 and \$179,873,700 in 2023.



In 2025 the District's total property value increased 24% over 2024.



2023 - 2024 Budget



In 2025 the budget was \$272,800 and \$246,000 in 2024. In 2024 through 2025, the NID No. 1 operations included Day Porter Services, Public Safety, Park Maintenance, Stormwater Management, Landscaping, Winter Maintenance, Public Art Maintenance, Historic neon Pabst Sign Maintenance, and a Holiday Lighting Program.

The NID No. 1 marketing and promotional expenses included social media, and other promotional activities for the NID No. 1.

District professional services include expenses for accounting, bank service charges, email and website costs, management services, and postage fees.

In 2025, the NID No. 1 increased its district maintenance expenditures for the neon Pabst sign and bridge, and increased its security, and day portering budget.



Operating budget

2024 - 2025
The Brewery



Prairie Seed Future Company specializes in plant species native to southeast Wisconsin and are continuing work to restore and maintain the District's bioswales.

NID No. 1

Operations

The Brewery District is a vibrant mixed-use community with a variety of residential developments, hotels, breweries, taverns, restaurants, work spaces, and more. We are also a Neighborhood Improvement District.

Established in 2009, The Brewery NID No. 1 is the first Neighborhood Improvement District in the state of Wisconsin and a shining example of historic preservation and adaptive reuse nationwide.

The NID No. 1 provides services to increase the

safety and cleanliness and the perceived safety and cleanliness of our community and as a supplement to the maintenance and security services provided by the city of Milwaukee. The NID No. 1's core programs are outlined on the following pages.

District Operations



01 Public Safety

At the Brewery District, we take safety seriously. Our commitment to the safety of our residents is reflected in our investment in a Security Officer, cutting-edge technology, and close collaboration with the community and MPD, with our MPD District One Community Officer Liaison and our Downtown District Attorney. Through these strategic and proactive measures, we are able to keep our community safe and thriving.



02 Annual Landscaping Plan

The District's green spaces are environmentally focused on the planting, management, and conservation of native species. Our beautiful bioswales, park trees, and public right-of-way native plantings are just a few of the highlights of our extensive landscaping maintenance program which contributes to the District's LEED Platinum ND designation. We take pride in maintaining a beautiful and welcoming neighborhood year-round through debris and trash removal, tree pruning, weeding, mulching, and leaf removal.



03 Historic Neon PABST Sign

One of the most iconic symbols of Milwaukee's rich brewing history is the historic neon PABST sign over Juneau Avenue. The District provides special care and attention to ensure its structural integrity and its preservation for future generations. That's why we conduct regular engineering inspections and maintenance to keep it shining brightly for years to come.



04 Promotion & Events

The District engages in promotional activities to share the narrative of our community, its unique qualities, and amenities to attract users to the District as a destination.

District Operations



05

Holiday Lighting Program

There's no better way to celebrate the holiday season than with a little extra sparkle! The Brewery District's annual holiday lighting program includes decorating 86 harp light poles throughout the neighborhood with garland, lights, and wreaths.



06

Day Porter Services

The Brewery District's Day Porter Services provided by Mid America Building Services do more than just keep our neighborhood clean, they remove an average of 240 gallons of trash every week! These unsung heroes are the backbone of our community, ensuring that our streets and public areas are free from litter and debris. They help our parks and green spaces remain enjoyable throughout the seasons and maintain our dog bag program that promotes responsible pet ownership.



07

Park Operations

Our neighborhood boasts 20,650 square feet of lush green space, not to mention two beautiful parks, Zilber Park and Preservation Park. These parks are not only a source of natural beauty and serenity but also serve as popular wedding and event venues.



08

Winter Maintenance

Even in the depths of winter, we strive to keep our community safe and accessible. Our winter maintenance program includes snow removal and ice management in public areas such as Zilber Park, Preservation Park, and a pedestrian walkway between the parking garage and 10th Street.

District Operations



10 Placemaking

To strengthen the connection between our public spaces and the people who utilize them, the District has invested in developing public space improvements and their ongoing maintenance. These projects include the W. Juneau Avenue roundabout landscaping and neighborhood gateway signage, District identification signage, and wayfinding signage.



09 Stormwater Management

The Brewery District is designed to be a model for sustainable stormwater management. By capturing the majority of its stormwater from rooftops and open areas before it enters the combined sewer system, we are able to purify it through underground detention reservoirs, porous pavement areas, and 17 beautiful bioswales. We're proud to say that we now infiltrate over 75% of the average annual rainfall and extract 85% of its pollutants!



11 Public Art Maintenance

The Brewery District is home to some truly stunning public art installations, and we're committed to keeping them in top condition for all to enjoy. Our maintenance plan includes regular care and upkeep of Zilber Park's bronze statue, the Gabion Ice Wall, and the Preservation Park Artifact Gallery.



thebrewery.org

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1
Milwaukee, Wisconsin

Audited Financial Statements

For the Years Ended December 31, 2024 and 2023

Table of Contents

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Statements of Cash Flows	10
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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Brewery Neighborhood Improvement District No. 1
Milwaukee, Wisconsin

Opinions

We have audited the accompanying financial statements of Brewery Neighborhood Improvement District No. 1 ("District") which comprise the statements net position as of December 31, 2024 and 2023, the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the District as of December 31, 2024 and 2023 and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise District's basic financial statements. The budgetary comparison schedule on page 15 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. The budgetary comparison schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Reilly Penner Benton LLP

May 30, 2025
Milwaukee, Wisconsin

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Management's Discussion and Analysis (Unaudited)

This section of Brewery Neighborhood Improvement District No. 1 ("the District") financial report presents a discussion and analysis of the District's financial performance for the years ended December 31, 2024 and 2023. The discussion has been prepared by management, along with the financial statements and related footnote disclosures, and should be read in conjunction with, and is qualified in its entirety by, the financial statements and notes. This discussion and analysis is designed to focus on current activities, resulting changes, and currently known facts.

Using the Financial Report

The financial report consists of three financial statements that focus on the financial condition of the District and the results of its operations as a whole.

One of the most important questions asked about governmental finances is whether the unit of government as a whole is better off or worse off as a result of the year's activities. A key to the understanding of this questions is the statement of net position, statement of revenues, expenses, and changes in net position, and the statement of cash flows which present financial information in a format similar to that used by business.

The statements of net position include all of the District's assets and liabilities. It is prepared using the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. The District's net position is one indicator of its financial health. Generally, over time, increases or decreases in net position will indicate the improvement or erosion the District's financial health.

The statements of revenues, expenses, and changes in net position present the revenues earned and the expenses incurred during the period. The District's activities are reported as operation. The District currently has only minimal operating activities, which are shown in detail in the statements of revenues, expenses, and changes in net position. Note that the amount for net assets at end of period on these statements agrees with total net assets on the statements of net position.

Other important factors to consider when evaluating financial viability are the District's ability to meet financial obligations as they are due and its ability to generate future net cash flows. The statements of cash flows present the information related to cash inflows and outflows summarized by operating, capital financing, and investing activities. In addition to information about cash transactions, the statements of cash flows reconciles the increase in net position on the statements of revenues, expenses, and changes in net position, with net cash provided by operating activities on the statements of cash flows.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1
Milwaukee, Wisconsin

Management's Discussion and Analysis (Unaudited)
(Continued)

Statements of Net Position

December 31	2024		2023	
Assets				
Current assets	\$	119,970	\$	124,866
Non-current capital assets		305,952		312,705
Other assets		0		0
Total Assets	\$	425,922	\$	437,571
Liabilities				
Current liabilities	\$	5,525	\$	6,223
Net Position		420,397		431,348
Total Liabilities and Net Position	\$	425,922	\$	437,571

Current Assets

Current assets consist of cash in the District's bank account and prepaid insurance premiums for the District's business insurance policies.

Non-current Capital Assets

Capital expenditures in 2024 included \$5,960 for solar batteries and \$6,750 for map graphics and panels. Capital expenditures in 2023 include \$3,594 for a security camera system.

Other Assets

During 2018, the District entered into an agreement with the City of Milwaukee and Midwest Bikeshare, Inc. d/b/a Bublr Bikes ("Bublr") to sponsor a Bublr Bike Station for a period of five years. The agreement totaled \$63,800, including the costs for the electrical installation for the bike station to operate. The total cost will be amortized over the 5 year period. As of December 31, 2023, the deferred sponsorship is fully amortized.

During 2018, the District entered into a project contract with Rev Pop Inc. to redesign the District's website. The total project cost was \$12,500. Due to the nature of this type of project, the cost was amortized over a 3 year period. As of December 31, 2021, web design and development is fully amortized.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1
Milwaukee, Wisconsin

Management's Discussion and Analysis (Unaudited)
(Continued)

Current Liabilities

Current liabilities consist of accounts payable and accrued expenses, which consist of expenses for goods and services received from vendors in the current year but paid for in the following year. The balance of accounts payable at December 31, 2024 and 2023 is predominantly made up of expenses incurred near the year end, electricity, repairs and maintenance, and other miscellaneous items.

Statements of Revenues, Expenses, and Changes in Net Assets

Year Ended December 31	2024	2023
Revenues		
Assessment income	\$ 246,000	\$ 220,037
Interest income	6,591	6,923
Miscellaneous revenue	2,000	250
Expenses		
Operating expenses	246,080	247,156
Depreciation and amortization expense	19,462	22,594
Increase (Decrease) in Net Position	(10,951)	(42,540)
Net Position, beginning of period	431,348	473,888
Net Position, end of period	\$ 420,397	\$ 431,348

Revenues

The District's revenue primarily consists of the assessment income earned annually from the City of Milwaukee. The District earned \$246,000 and \$220,037 in assessment income during 2024 and 2023, respectively. The annual assessment for the District's operating expenses is levied by the City of Milwaukee and remitted to the District annually.

Expenses

The District incurred \$265,542 and \$269,750 in operating expenses in 2024 and 2023, respectively, primarily for professional fees, marketing and promotion, right of way landscaping, landscaping, snow removal, management fees, repairs and maintenance, security, insurance, utilities, depreciation, and amortization.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Management's Discussion and Analysis (Unaudited) (Continued)

Budget to Actual Amounts Significant Variance Comparison

The district began a contract with new landscaping vendors to better suit the needs of the district. The scope of work that is provided caused an increase in annual expense.

The district saw a significant increase in costs spent on holiday lighting in 2024 due to additional repairs that were required during installation.

Overall Financial Position

Management believes the District is in good condition financially. Revenues derived from the City of Milwaukee's 2024 annual assessment, along with other revenues earned and reserves from prior year surpluses, are expected to be adequate to cover operating working capital requirements in 2024.

Requests for Information

This financial report is designed to provide a general overview of the District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Michael Kelly, Board President.

THE BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Statements of Net Position

December 31, 2024 and 2023

Assets		<u>2024</u>	<u>2023</u>
Current Assets:			
Cash and cash equivalents	\$	113,945	\$ 119,978
Prepaid expense		<u>6,025</u>	<u>4,888</u>
Total current assets		<u>119,970</u>	<u>124,866</u>
Capital Assets:			
Land		270,000	270,000
Other capital assets net of accumulated depreciation		<u>35,952</u>	<u>42,705</u>
Net capital assets		<u>305,952</u>	<u>312,705</u>
Other Assets:			
Deferred sponsorship		63,800	63,800
Web design and development		<u>12,500</u>	<u>12,500</u>
Total other assets		<u>76,300</u>	<u>76,300</u>
Less accumulated amortization		<u>(76,300)</u>	<u>(76,300)</u>
Net other assets		<u>---</u>	<u>---</u>
Total assets	\$	<u><u>425,922</u></u>	\$ <u><u>437,571</u></u>
Liabilities and Net Position			
Current Liabilities:			
Accounts payable	\$	5,525	\$ 6,223
Net Position:			
Net investment in capital assets		305,952	312,705
Unrestricted		<u>114,445</u>	<u>118,643</u>
Total net position		<u>420,397</u>	<u>431,348</u>
Total liabilities and net position	\$	<u><u>425,922</u></u>	\$ <u><u>437,571</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

THE BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Statements of Revenues, Expenses, and Changes in Net Position

For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating Revenues:		
Assessment	\$ 246,000	\$ 220,037
Total operating revenue	<u>246,000</u>	<u>220,037</u>
Operating Expenses:		
Electric	3,642	3,883
Insurance expense	6,448	6,088
Landscaping	39,692	35,141
Website	336	331
Professional fees	29,850	36,350
Marketing and promotion	10,973	10,501
Real estate taxes	81	200
Repair and maintenance	46,618	58,451
Security	76,800	63,555
Sewer and water	150	799
Holiday lighting	17,324	13,443
Snow removal	10,666	13,626
Licenses and fees	1,852	1,996
Depreciation	19,462	18,277
Amortization	-	4,317
Bad debt expense	-	1,080
Miscellaneous	1,648	1,712
Total operating expenses	<u>265,542</u>	<u>269,750</u>
Net operating loss	<u>(19,542)</u>	<u>(49,713)</u>
Nonoperating Revenues:		
Miscellaneous revenue	2,000	250
Interest income	6,591	6,923
Total nonoperating revenue	<u>8,591</u>	<u>7,173</u>
Change in net position	(10,951)	(42,540)
Net position, beginning of year	<u>431,348</u>	<u>473,888</u>
Net position, end of year	<u>\$ 420,397</u>	<u>\$ 431,348</u>

The accompanying notes to financial statements
are an integral part of these statements.

THE BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1
Milwaukee, Wisconsin

Statements of Cash Flows
For the Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities:		
Assessment receipt	\$ 246,000	\$ 220,037
Payments to vendors	<u>(247,915)</u>	<u>(244,114)</u>
Net cash and cash equivalents used by operating activities	<u>(1,915)</u>	<u>(24,077)</u>
Cash Flows from Financing Activities:		
Purchase of capital assets	<u>(12,709)</u>	<u>(3,594)</u>
Net cash and cash equivalents used by financing activities	<u>(12,709)</u>	<u>(3,594)</u>
Cash Flows from Investing Activities:		
Interest income	6,591	6,923
Miscellaneous revenue	<u>2,000</u>	<u>250</u>
Net cash and cash equivalents provided by investing activities	<u>8,591</u>	<u>7,173</u>
Net change in cash and equivalents	(6,033)	(20,498)
Cash and cash equivalents, beginning of year	<u>119,978</u>	<u>140,476</u>
Cash and cash equivalents, end of year	<u><u>\$ 113,945</u></u>	<u><u>\$ 119,978</u></u>
Reconciliation of Operating Loss to Cash		
Provided (Used) by Operating Activities:		
Operating loss	\$ (19,542)	\$ (49,713)
Adjustments to reconcile change in net assets to net		
cash and cash equivalents provided (used) by operating activities		
Depreciation	19,462	18,277
Amortization	-	4,317
Changes in assets and liabilities:		
Accounts receivable, net	-	1,080
Prepaid expenses	(1,137)	479
Accounts payable	<u>(698)</u>	<u>1,483</u>
Total adjustments	<u>17,627</u>	<u>25,636</u>
Net cash and cash equivalents used by operating activities	<u><u>\$ (1,915)</u></u>	<u><u>\$ (24,077)</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Notes to Financial Statements

December 31, 2024 and 2023

1. Nature of Operations

Brewery Neighborhood Improvement District No. 1 ("District") was created by the Common Council of the City of Milwaukee on May 13, 2009 under the provisions of Wisconsin Statute Section 66.1110. The purpose of the District is to sustain the development and operation of the former historic Pabst Brewery as a thriving, mixed-use development to be known as The Brewery, a Joseph J. Zilber Historic Redevelopment.

The District is governed by a five-member board appointed by the mayor and approved by the city council. All of the board members represent commercial and residential property owners as defined in the District's bylaws.

2. Summary of Significant Accounting Policies

The District complies with U.S. generally accepted accounting principles ("GAAP"). GAAP includes all relevant Governmental Accounting Standards Board ("GASB") pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

Measurement Focus and Basis of Accounting

The statements of net position and the statements of revenues, expenses, and changes in net position are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash receipts or cash disbursements.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the District considers all demands deposits and highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. Currently the District holds only demand deposits which are subject to custodial risk, the risk that in the event of a financial institution failure, the District's deposits may not be returned to the District. As of the years ended December 31, 2024 and 2023, the District's deposits were fully insured by FDIC coverage. The District does not have a policy on custodial risk.

Net Position

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on their use either through legislation or other external restrictions. Net position related to property and equipment is classified as invested in capital assets, and the remainder of the District's net position is classified as unrestricted.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Notes to Financial Statements

December 31, 2024 and 2023

(Continued)

2. Summary of Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable are reported at contract values, less an allowance for uncollectible accounts. Management determines the need for an allowance for doubtful accounts based on experience relative to the possibility of collection. Management has established an allowance for uncollectible accounts amounting to \$0 for the years ended December 31, 2024 and 2023. Accounts receivable amounted to \$1,080 for the year ended December 31, 2022.

Capital Assets

Capital assets are recorded at cost if purchased and fair value at the time of receipt if donated. Depreciable capital assets consist of equipment and land improvements, which are stated at cost and depreciated using the straight-line method over the estimated useful life, which ranges between 3 and 7 years. Land is not depreciated.

Budget

The budget for the District for 2024 and 2023 was \$292,531 and \$246,000, respectively, in operating expenses. For 2025, an annual operating budget of \$272,800 was adopted.

Operating Revenues

The District considers its assessment income to be operating income. The District also manages neighborhood promotional events. The revenues generated are recorded as operating income.

Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed May 30, 2025. There were no subsequent events that required recognition or disclosure.

3. Assessment Income

The annual assessment for the District's operating expenses is levied against each property within the District in direct proportion to the current assessed value of each property for real estate purposes. The City of Milwaukee levies the assessment and remits payment to the District annually. During 2024 and 2023, the District received \$246,000 and \$220,037, respectively, in assessment income.

4. Commitments

In 2020, the District entered into an agreement with the City of Milwaukee to maintain improvements in the public right-of-way and carry insurance for the \$300,000 in improvements commissioned by the Brewery Project LLC and owned by the City of Milwaukee. Management estimates that the District will continue to see annual increases in their insurance premiums, irrigation maintenance costs, and other maintenance costs each year due to the agreement. However, management is unable to estimate the exact costs at this time. This agreement is indefinite, and these additional expenses are expected to be incurred each year that the agreement is in place.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024 and 2023
(Continued)

5. Capital Asset Activity

The following tables summarize capital asset activity for the years ended December 31, 2024 and 2023:

	<u>Balance January 1</u>	<u>Additions</u>	<u>Transfers or Disposals</u>	<u>Balance December 31</u>
2024 Activity:				
Nondepreciable capital assets:				
Land	\$ 270,000	\$ -	\$ -	\$ 270,000
Depreciable capital assets:				
Equipment	34,541	5,960	-	40,501
Land improvements	65,625	6,750	-	72,375
Less accumulated depreciation	<u>(57,461)</u>	<u>(19,462)</u>	-	<u>(76,923)</u>
Net depreciable capital assets	<u>42,705</u>	<u>(6,752)</u>	-	<u>35,953</u>
Net capital assets	<u>\$ 312,705</u>	<u>\$ (6,752)</u>	<u>\$ -</u>	<u>\$ 305,953</u>
2023 Activity:				
Nondepreciable capital assets:				
Land	\$ 270,000	\$ -	\$ -	\$ 270,000
Depreciable capital assets:				
Equipment	30,947	3,594	-	34,541
Land improvements	65,625	-	-	65,625
Less accumulated depreciation	<u>(39,184)</u>	<u>(18,277)</u>	-	<u>(57,461)</u>
Net depreciable capital assets	<u>57,388</u>	<u>(14,683)</u>	-	<u>42,705</u>
Net capital assets	<u>\$ 327,388</u>	<u>\$ (14,683)</u>	<u>\$ -</u>	<u>\$ 312,705</u>

Depreciation expense for the years ended December 31, 2024 and 2023 was \$19,462 and \$18,277, respectively.

6. Deferred Sponsorship Costs

During 2018, the District entered into an agreement with the City of Milwaukee and Midwest BikeShare, Inc. d/b/a Bublr Bikes ("Bublr") to sponsor a Bublr Bike Station for a period of five years. If the Bublr Bike Station is removed from the District location within five years from the date the station became operational (May 2018), the District is entitled to a refund of its sponsorship costs, on a pro rata basis, over the five-year term. The District was also required to install an electrical connection for the bike station. Therefore, the sponsorship costs and electrical installation costs are being amortized over this five-year period. Amortization of these costs were \$0 and \$4,317 during the years ended December 31, 2024 and 2023, respectively. No new agreement was signed, and these have been fully amortized as of December 31, 2023. The Bublr Bike Station is still being used by the District and therefore hasn't been disposed of.

BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2024 and 2023
(Continued)

7. Website Development Costs

During 2018, the District entered into an agreement with Rev Pop, Inc. to redesign the District's website. The total project cost amounted to \$12,500. Due to the nature of this asset as developing computer software, the total cost is being amortized over a three-year period. These have been fully amortized as of December 31, 2022. The website is still being used by the District and therefore hasn't been disposed of.

THE BREWERY NEIGHBORHOOD IMPROVEMENT DISTRICT NO. 1

Milwaukee, Wisconsin

Budgetary Comparison Schedule and Notes

For the Year Ended December 31, 2024

	Original and Final Budget	Actual	Difference
Revenues:			
Assessment	\$ 220,037	\$ 246,000	\$ 25,963
Interest income	-	6,591	6,591
Miscellaneous revenue	-	2,000	2,000
Total revenue	<u>220,037</u>	<u>254,591</u>	<u>34,554</u>
Expenses:			
Electric	5,500	3,642	(1,858)
Insurance expense	6,381	6,448	67
Landscaping	40,000	39,692	(308)
Website	-	336	336
Professional fees	31,000	29,850	(1,150)
Marketing and promotion	23,000	10,973	(12,027)
Real estate taxes	250	81	(169)
Repair and maintenance	45,650	46,618	968
Security	70,000	76,800	6,800
Sewer and water	750	150	(600)
Holiday lighting	14,500	17,324	2,824
Snow removal	10,000	10,666	666
Licenses and fees	5,000	1,852	(3,148)
Depreciation	-	19,462	19,462
Donation to others	5,000	-	(5,000)
Property identification	500	-	(500)
Contingency	35,000	-	(35,000)
Miscellaneous	-	1,648	1,648
Total expenses	<u>292,531</u>	<u>265,542</u>	<u>(26,989)</u>
Change in net position	<u>(72,494)</u>	<u>(10,951)</u>	<u>61,543</u>
Net position, beginning of year	<u>431,348</u>	<u>431,348</u>	
Net position, end of year	\$ <u>358,854</u>	\$ <u>420,397</u>	

Notes to Budgetary Comparison Schedule

A. Budgetary Information

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting as the financial statements.

B. Excess Expenditures Over Appropriations

The BID incurred expenditures in excess of appropriations for certain expenses year ended December 31, 2024. The excess expenditures were funded by revenues in excess of budget or fund balance.

See independent auditors' report.