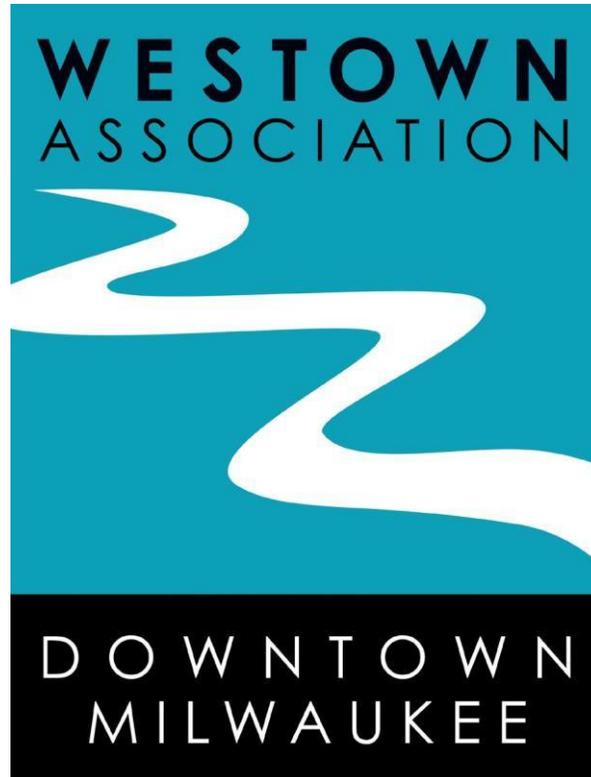


**BUSINESS IMPROVEMENT DISTRICT NO. 5 - Westown**

**OPERATING PLAN - 2022**



September 28, 2020

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# I. INTRODUCTION

## A. Background

In 1984, the Wisconsin legislature created 66.1109 (formerly S. 66.608) of the Statutes (see Appendix A) enabling cities to establish Business Improvement Districts (BIDs). The purpose of the law is “to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities.” (1983 Wisconsin Act 184, Section 1, legislative declaration.)

The City of Milwaukee received a petition from property owners which requested the creation of a Business Improvement District for the purpose of revitalizing and improving the Westown area in Milwaukee's downtown central business district. The BID law requires that every district have an annual Operating Plan. This document is the Operating Plan for the Westown BID #5 district. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development. BID #5 was officially approved by the City of Milwaukee Common Council on November 14, 1989 (File # 890817).

## B. Physical Setting

The BID #5 boundaries are roughly comprised of Fourth Street on the east, Tenth Street on the west, W. Wells St. on the North and Clybourn St. on the south (with exclusion of certain exempt properties within those boundaries).

# II. DISTRICT BOUNDARIES

Boundaries of the district are shown on the map in Appendix A of this plan. A listing of the properties included in the district is provided in Appendix C.

# III. PROPOSED OPERATING PLAN –

## A. Plan Objectives

The Westown Association BID #5 will continue to move forward with the following objectives:

- Create new ways to attract people to visit the Westown area and increase positive perception
- Foster an environment conducive to economic development for businesses
- Engage rapidly growing neighborhood residential base
- Continue current mix of Westown program and event offerings that drive traffic to the district
- Continue advocacy and outreach to support businesses and property owners in the area
- Develop a plan to ensure Westown is recognized as a preferred destination for diversity
- Develop a process for formally supporting pedestrian/built environment projects in Westown
- Develop a comprehensive fund development plan that will increase revenue providing the organization with an increased capacity to serve stakeholders

## B. Proposed Activities

**Principle activities to be engaged in by the district will include:**

- Continue advocacy on issues that impact the quality of life, business environment and perception of the area – such as licensing, nuisance issues and public safety.
- Continue to establish and highlight the neighborhood's identity and programs through the implementation of a street banner program, organizational website, social media channels and development of print collateral.
- Promotion and maintenance of the comprehensive downtown parking website Parkmilwaukee.com
- Promote/advocate for new developments in Westown and leverage impact of these developments

- Participate in existing and future efforts to address transit issues that affect Westown and Downtown Milwaukee mobility & connectivity such as the streetcar, bus rapid transit, Bublr Bikes and bus system
- Westown will work with stakeholders on West Wisconsin Avenue to develop an association/task force comprised of street level operators that will collaborate on issues which may include quality of life, safety, parking and programming for the collective good of this specific geographic area.
- Play an active role as a member of the Downtown Neighbors Association - downtown residents' group as a means to engage the expanding neighborhood residential base.
- Create a concise document that articulates the vision of Westown businesses and residents for pedestrian amenities that will enhance the experience of those currently frequenting Westown and serve as an enhancement to attract new visitors and businesses.
- Westown will continue producing their successful event programs that attract thousands of people to the downtown area, activate public spaces and raise funds for the association. Those programs may include: River Rhythms, Farmer's Market, Westown Golf Open, St. Patrick's Parade and Milwaukee Night Market.
- As the first steps in creating a plan to be recognized as a preferred destination for diversity, the organization will increase representation of minority directors by 10% and add two female directors on the nonprofit board of directors of the Westown Association of Milwaukee, Inc.
- As part of the organization's new fund development plan, new sales and marketing materials will be created to support efforts to develop a new fundraising strategy

### C. Proposed 2022 Budget Draft

<b>Revenue</b>	
BID Assessments	74,906
City Match	0
Membership Dues	26,500
Program Revenue (Event Revenue, Sponsorship and other Grants)	180,294
<b>Total Revenue</b>	<b>\$281,700</b>
<b>Expenses</b>	
Wages and Benefits	147,500
Office Rent	3,800
Business Meeting Costs	2,300
Insurance	5,750
Misc. Exp.	850
Equipment Lease/Maintenance	2,900
Office Supplies	675
Postage	200
Printing/Design	750
Professional Services (Audit, Legal, IT)	11,000
Telephone/Fax	2,600
Program Expenses (All Events)	178,325
<b>Total Expenses</b>	<b>\$281,700</b>

## **D. Financing Method**

It is proposed to raise **\$74,906** in BID assessments (see Appendix C). We also expect to raise money through membership dues and program revenue. The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds available.

## **E. Organization of BID Board**

Upon creation of the BID, the Mayor will appoint members to the district board ("board"). The board's primary responsibility will be implementation of this Operating Plan. This will require the board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise the Operating Plan; to ensure district compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of BID assessments.

State law requires that the board be composed of at least five members and that a majority of the board members be owners or occupants of property within the district.

It is recommended that the BID board be structured and operate as follows:

1. Board Size – 7
2. Composition - At least three members shall be owners or occupants of property within the district. Any non-owner or non-occupant appointed to the board shall be a resident of the City of Milwaukee. The board shall elect its Chairperson from among its members.
3. Term - Appointments to the board shall be for a period of three years except that initially two members shall be appointed for a period of three years, two members shall be appointed for a period of two years, and one member shall be appointed for a period of one year.
4. Compensation – None
5. Meetings - All meetings of the board shall be governed by the Wisconsin Open Meetings Law.
6. Record Keeping - Files and records of the board's affairs shall be kept pursuant to public record requirements.
7. Staffing - The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings - The board shall meet regularly, at least twice each year. The board shall adopt rules of order ("by laws") to govern the conduct of its meetings.

## **F. Relationship to the Westown Association**

The BID shall be a separate entity from the Westown Association of Milwaukee, Inc, notwithstanding the fact that members, officers and directors of each may be shared. The Association shall remain a private organization, not subject to the open meeting law, and not subject to the public record law except for its records generated in connection with the BID board. The Association may, and it is intended, shall, contract with the BID to provide services to the BID, in accordance with this Plan.

## **IV. METHOD OF ASSESSMENT**

### **A. Assessment Rate and Method**

The annual assessment for the BID #5 operating expenses will be levied against each property within the BID in direct proportion to the current assessed value of each property for real property tax purposes as of the date the BID holds its public hearing regarding its **Year Thirty-Three Operating Plan (September 28, 2021)**. No owner of property within the BID shall be eligible to receive or be subject to any reductions or increases in its assessment as a result of a decrease

or increase in the assessed value for their property occurring after such date. In addition, 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 BID.

As of **January 1, 2021** the property in the Westown district had a total assessed value of **\$116,513,439**. This plan proposes to assess the property in the district at a rate of \$.90 per \$1,000 of assessment for the purposes of the BID with a \$210 per parcel minimum assessment and a \$12,600 per parcel maximum assessment. Appendix C shows the projected BID assessment for each property included in the BID.

The principle behind the assessment methodology (Appendix B) is that each property should contribute to the BID in proportion to benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID. Therefore, a fixed assessment on the assessed value of the property was selected as the assessment methodology for this BID. It is assumed that development of the District will produce at least some minimum benefit for all parcels. Thus, a \$210 minimum assessment has been applied.

## **B. Excluded and Exempt Property**

The BID law requires explicit consideration of certain classes of property. In compliance, the following statements are provided.

The BID law requires specific consideration of certain classes of property. In compliance with the law the following statements are provided:

1. State Statute 66.1109(1)(f)lm: The BID will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this Operating Plan because it is assumed that they will benefit from development in the BID.
2. State Statute 66.1109(5)(a) and 66.1109(5)(d): Property used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Exhibit B, as revised each year. Further, with respect to mixed use property, only the portion of any such property that is not tax-exempt or residential may be assessed.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1)(b), property exempt from general real estate taxes at the time of creation of the BID has been excluded from the BID. (Such property may subsequently become part of the BID at such time as it becomes taxable.) Privately owned, tax exempt property adjoining the BID and which is expected to benefit from BID activities may be asked to make a financial contribution to the BID on a voluntary basis.

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID. Therefore, a fixed assessment on the assessed value of the property was selected as the basic assessment methodology for this BID.

However, maintaining an equitable relationship between the BID assessment and the expected benefits requires an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$12,600 per parcel will be applied.

## **V. RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY**

### **A. City Plans**

In February 1978, the Common Council of the City of Milwaukee adopted a Preservation Policy as the policy basis for its Comprehensive Plan and as a guide for its planning, programming and budgeting decisions. The Common Council reaffirmed and expanded the Preservation Policy in Resolution File Number 881978, adopted January 24, 1989.

The Preservation Policy emphasizes maintaining Milwaukee's present housing, jobs, neighborhoods, services, and tax base rather than passively accepting loss of jobs and population, or emphasizing massive new development. In its January 1989 reaffirmation of the policy, the Common Council gave new emphasis to forging new public and private partnerships as a means to accomplish preservation.

The district is a means of formalizing and funding the public-private partnership between the City and property owners in the Westown business area and for furthering preservation and redevelopment in this portion of the City of Milwaukee. Therefore, it is fully consistent with the City's Comprehensive Plan and Preservation Policy.

### **B. City Role in District Operation**

The City of Milwaukee has committed to helping private property owners in the district promote its development. To this end, the City expected to play a significant role in the creation of the Business Improvement district and in the implementation of the Operating Plan. In particular, the City will:

1. Provide technical assistance to the proponents of the district through adoption of the plan and provide assistance as appropriate thereafter.
2. Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
3. Collect assessments, maintain in a segregated account, and disburse the monies of the district.
4. Receive annual audits as required per sec. 66.1109 (3) (c) of the BID law.
5. Provide the board, through the Tax Commissioner's Office on or before June 30<sup>th</sup> of each Plan year, with the official City records and the assessed value of each tax key number with the district, as of January 1<sup>st</sup> of each Plan year, for purposes of calculating the BID assessments.
6. Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.

## **VI. PLAN APPROVAL PROCESS**

### **A. Public Review Process**

The Wisconsin Business Improvement district law establishes a specific process for reviewing and approving proposed districts. Pursuant to the statutory requirements, the following process was followed:

1. The Milwaukee City Plan Commission reviewed the proposed district boundaries and proposed Operating Plan and held a formal public hearing.
2. The City Plan Commission sent by certified mail, a public hearing notice and a copy of the proposed Operating Plan to all owners of real property within the district. In addition, a Class 2 notice of the public hearing was published in a local newspaper of general circulation.
3. The City Plan Commission held a public hearing, approved the Plan, and reported its action to the Common Council.

4. The Economic Development Committee of the Common Council reviewed the proposed BID Plan at a public meeting and made a recommendation to the full Common Council.
5. The Common Council acted on the proposed BID Plan.
6. After being adopted by the Common Council, the BID Plan was sent to the Mayor for his approval.
7. After being approved by the Mayor, the BID was created and the Mayor appointed members to the district board, which was established to implement the Plan.

## **B. Early Termination of the BID**

The City shall consider terminating the BID if the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified herein, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all property assessed under the Operating Plan, file a petition with the City Plan Commission requesting termination of the BID. On or after the date such a petition is filed, neither the Board nor the City may enter into any new obligations by contract or otherwise until the expiration of thirty (30) days after the date a public hearing is held and unless the BID is not terminated.

Within thirty (30) days after filing of a petition, the City Plan Commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a Class 2 notice. Before publication, a copy of the notice with a copy of the Operating Plan and a copy of the detail map showing the boundaries of the BID shall be sent by certified mail to all owners of real property within the BID

Within thirty (30) days after the date of such hearing, every owner of property assessed under the Operating Plan may send a written notice to the City Plan Commission indicating, if the owner signed a petition, that the owner retracts the owner's request to terminate the BID or, if the owner did not sign the petition, that the owner requests termination of the BID.

If, after the expiration of thirty (30) days after the date of the public hearing, by petition or subsequent notification and after subtracting any retractions, the owners of property assessed under the Operating Plan having a valuation equal to more than 50% 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% of the assessed valuation of all properties assessed under the Operating Plan have requested the termination of the BID, the City shall terminate the BID on the date that the obligation with the latest completion date entered into to implement the Operating Plan expires.

## **VII. FUTURE YEAR OPERATING PLANS**

### **A. Phased Development**

It is anticipated that the BID will continue to revise and develop the Operating Plan annually, in response to changing development needs and opportunities in the district, in accordance with the purposes and objectives defined in this initial Operating Plan.

Section 66.1109 (3) (a) of the BID law 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 the complete development program, it focuses upon Year One activities, and information on specific assessed values, budget amounts and assessment amounts are based on Year One conditions. Greater detail about subsequent year's 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 Plan and the BID law.

In later years, the BID 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 shall not be materially altered, except with the consent of the City of Milwaukee.

**B. Amendment, Severability and Expansion**

This BID has been created under authority of Section 66.1109 of the Statutes of the State of Wisconsin. Should any court find any portion of this Statute invalid or unconstitutional its decision will not invalidate or terminate the BID and this BID Plan shall be amended to conform to the law without need of reestablishment.

Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this BID Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under Section 66.1109(3)(b).



## APPENDIX B – Assessment Methodology

### Assessment Methodology for BID #5 in Year Thirty-Three Assessments (2021)

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It is intended to assess all properties described in the plan equally, with the exception that there shall be a minimum assessment of \$210.00 and a maximum assessment of \$12,600.00 on all individual parcels. The rate for Year Thirty-Three will be \$0.90 per \$1,000.00 in assessed valuation.

#### EXAMPLES:

##### **WI Tower LLC, 606 W. Wisconsin Avenue**

Given that the total valuation of this property as of 1 January 2021 is \$40,100; then dividing this by \$1,000 and then multiplying this valuation by \$0.90 would result in an assessment of \$36.09. Because this is below the \$210.00 minimum, the actual assessment for the BID should be \$210.00.

##### **TI INVESTORS MILWAUKEE PARKING, 615 N. Vel R. Phillips Ave.**

Given that the total valuation of this property as of 1 January 2021 is \$4,313,900; then dividing this by \$1,000 and multiplying this valuation by \$0.90 would result in an assessment of \$3,880.71. Because this is not below the \$210.00 minimum and not above the \$12,600.00 maximum, the actual assessment for the BID would be \$3,880.71.

##### **MILW CITY CENTER LLC - 509 W. Wisconsin Avenue**

Given that the total valuation of this property as of 1 January 2021 is \$42,147,800; then dividing this by \$1,000 and multiplying this valuation by \$0.90 would result in an assessment of \$37,933.02. Because this is above the \$12,600.00 maximum, the actual assessment for the BID would be \$12,600.00.

Complete tabulation of the assessment per parcel in the Westown BID #5 is in the next page on Appendix C.

## APPENDIX C – Projected BID #5 Assessments

BID	Taxkey	Address	Owner	Com. Units	Com. Sq. Ft.	Build. Sq. Ft.	MIX	obj	% Commercial	BID Assessble Value	2022 BID 5 Assessment
B5	3610700000	833 W WISCONSIN AV	833 WEST WISCONSIN AVENUE	1	0	0	NO		100	\$ 1,679,000.00	\$ 1,511.10
B5	3610701000	825-831 W WISCONSIN AV	ST JAMES COURT HISTORIC	2	3402	37800	YES		9	\$ 244,782.00	\$ 220.30
B5	3611722000	612-624 W WISCONSIN AV	WISCONSIN AVENUE PROPERTY	4	10402	54748	YES		19	\$ 436,506.00	\$ 392.86
B5	3981281000	735 W WISCONSIN AV	WISCONSIN AVENUE LOFTS LLC	3	3333	111109	YES		3	\$ 403,482.00	\$ 363.13
B5	3610702000	815-819 W WISCONSIN AV	TOWNE PETERSON LLC	17	275	4576	NO		100	\$ 200,600.00	\$ 210.00
B5	3610703000	801-813 W WISCONSIN AV	TOWNE PETERSON LLC	76	221	22057	NO		100	\$ 882,400.00	\$ 794.16
B5	3610709100	625 N JAMES LOVELL ST	TOWNE PETERSON LLC	25	291	7275	NO		100	\$ 248,600.00	\$ 223.74
B5	3610713111	633 W WISCONSIN AV	633 HOLDINGS LLC	79	230825	424625	NO		100	\$ 16,167,900.00	\$ 12,600.00
B5	3610714111	611 W WISCONSIN AV	BRIAN KVALHEIM	244	0	172609	NO	OBJ	100	\$ 17,670,000.00	\$ 12,600.00
B5	3610719112	509 W WISCONSIN AV	MILW CITY CENTER LLC	991	0	491759	NO		100	\$ 42,147,800.00	\$ 12,600.00
B5	3610739120	615 N VEL R PHILLIPS AV	TI INVESTORS MILW PARKING LL	716	25278	280872	NO		100	\$ 4,311,900.00	\$ 3,880.71
B5	3610814122	501 W MICHIGAN ST	F STREET 501 LLC	7	370160	0	NO		100	\$ 4,000,000.00	\$ 3,600.00
B5	3610822110	633 W MICHIGAN ST	FLORA REAL PROPERTIES LLC	160	960	96022	NO		100	\$ 3,467,900.00	\$ 3,121.11
B5	3610825120	525 N 6TH ST	MARQUETTE UNIVERSITY	57	19383	19779	NO		100	\$ 1,525,400.00	\$ 1,372.86
B5	3610834112	547-ADJ N 9TH ST	MARQUETTE UNIVERSITY	0	0	0	NO		100	\$ 3,955,200.00	\$ 3,559.68
B5	3610834210	545 N JAMES LOVELL ST	MARQUETTE UNIVERSITY	16	225	5625	NO		100	\$ 172,600.00	\$ 210.00
B5	3610835000	555 N JAMES LOVELL ST	MARQUETTE UNIVERSITY	0	0	0	NO		100	\$ 150,000.00	\$ 210.00
B5	3610840111	803 W MICHIGAN ST	MARQUETTE UNIVERSITY	153	124394	132334	NO		100	\$ 4,710,500.00	\$ 4,239.45
B5	3610849100	531-533 N 8TH ST	MARQUETTE UNIVERSITY	21	480	0	NO		100	\$ 297,900.00	\$ 268.11
B5	3610850110	521 N 8TH ST	MARQUETTE UNIVERSITY	0	0	0	NO		100	\$ 274,400.00	\$ 246.96
B5	3611713100	601 W WELLS ST	601723 LP	122	0	0	NO		100	\$ 1,470,100.00	\$ 1,323.09
B5	3611715000	738-740 N JAMES LOVELL ST	HANSON & PAYNE LLC	3	3113	2661	NO		100	\$ 311,300.00	\$ 280.17
B5	3611716000	746 N JAMES LOVELL ST	STEVEN M LECHTER &	1	1072	1986	YES		54	\$ 125,550.00	\$ 210.00
B5	3611717000	728 N JAMES LOVELL ST	COMMUNITY ADVOCATES INC	37	45000	45000	NO		100	\$ 1,747,500.00	\$ 1,572.75
B5	3611718100	723 N 6TH ST	601723 LP	52	1200	11040	NO		100	\$ 492,200.00	\$ 442.98
B5	3611721000	626-638 W WISCONSIN AV	THE CENTRAL MARKET PLACE CO	45	979	15660	NO		100	\$ 652,600.00	\$ 587.34
B5	3612182000	700-738 W WISCONSIN AV	LIBRARY HILL LLC	3	7065	7284	NO	OBJ	100	\$ 728,000.00	\$ 655.20
B5	3910101000	900 W WISCONSIN AV	WISCONSIN CITY CLUB	137	40361	0	NO		100	\$ 5,130,000.00	\$ 4,617.00
B5	3910761000	606 W WISCONSIN AV, Unit 101	WI TOWER LLC	1	8716	8716	NO		100	\$ 305,600.00	\$ 275.04
B5	3910762000	606 W WISCONSIN AV, Unit 202	WI TOWER LLC	1	437	437	NO		100	\$ 40,100.00	\$ 210.00
B5	3910763100	606 W WISCONSIN AV, Unit 203	KATHY LIGON	1	626	626	NO		100	\$ 9,000.00	\$ 210.00
B5	3981202100	635-639 N JAMES LOVELL ST	RAUCH AND ROMANSHEK	4	8663	8750	NO		100	\$ 635,500.00	\$ 571.95
B5	3981204100	701-721 W WISCONSIN AV	CIK LLP	8	11299	29903	YES		37	\$ 709,919.00	\$ 638.93
B5	3981282000	610 N 8TH ST	735 W WISCONSIN AVE LLC	110	274	0	NO		100	\$ 1,209,200.00	\$ 1,088.28
										\$ 116,513,439.00	\$ 74,906.90

## APPENDIX D – BID #5 Board of Directors

1	John	Hennessy	President	St. James Court Apartments
2	Erica-Nicole	Harris		Wispark/WEC Energy Group
3	Lisa	Kurszewski		Zilber Property Group
4	Jeff	Sherman		Wisconsin Club
5	Andy	Cordes		Hotel Metro
6	Bill	Scholl		Marquette University
7	Jeff	Welk		DoubleTree



# WESTOWN

## ASSOCIATION, BID #5

### 2021 ANNUAL REPORT



Westown Association, BID #5 is a non-profit business association focused on championing the economic and social development in the downtown neighborhood west of the Milwaukee River. The association does this through implementing successful special events including the Milwaukee Night Market and the St. Patrick's Day Parade, as well as being actively engaged in business outreach, advocacy and growth initiatives that help build a thriving community.

In 2021, Westown Association continued to support businesses, residents and stakeholders as downtown rebounded from the COVID-19 pandemic by being part of recovery discussions with business groups and City leaders, as well as promoting the neighborhood and a safe and clean area to visit. The organization also held the Milwaukee Night Market on West Wisconsin Avenue to welcome employees back to their offices and support over 100 local, diverse entrepreneurs.

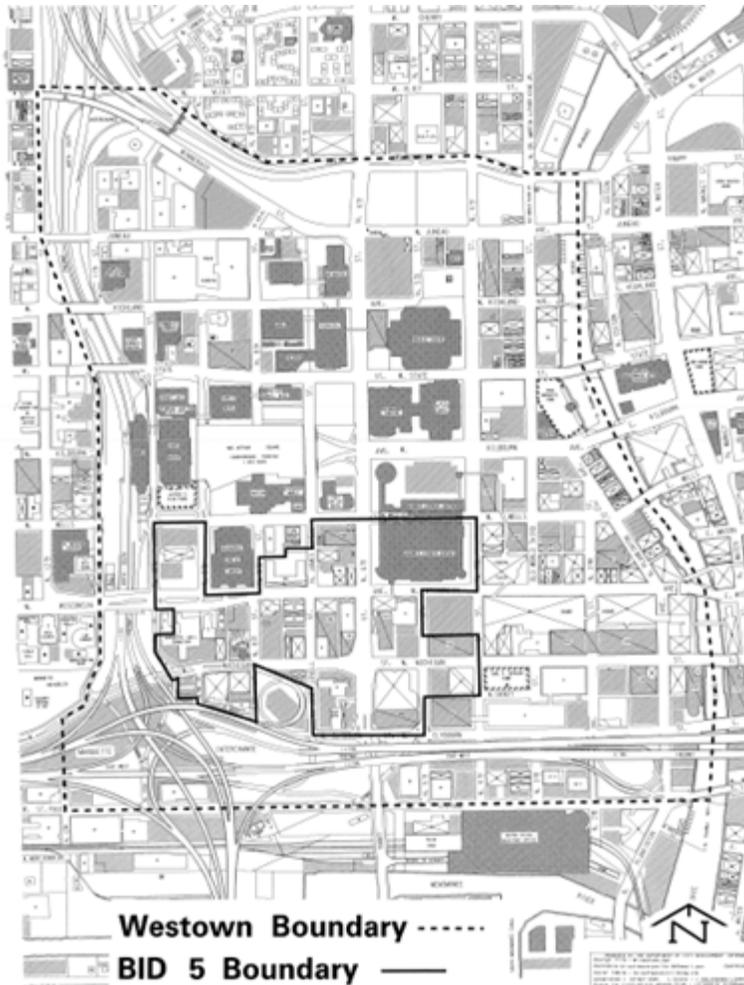


## WESTOWN MISSION

Champion social and economic development of the Westown neighborhood through special events, business resources, advocacy and growth initiatives to improve the quality of life and vitality of the community.

## WESTOWN VISION

Lead increased tax base, residential population, commercial businesses, entertainment options, visitors and revenue for the organization, making Westown the dynamic cultural heart of downtown Milwaukee.



# 2021 SPECIAL EVENTS RECAP

Westown Association, BID #5 presents a lineup of successful special events each year that attract thousands of people to the neighborhood.

## MILWAUKEE NIGHT MARKET

### MILWAUKEE NIGHT MARKET

WEDNESDAY, AUGUST 18 | 5 - 10 PM

WEST WISCONSIN AVENUE BETWEEN 2ND ST. & VEL R. PHILLIPS AVE.

- In 2021, Westown Association assumed production of the Milwaukee Night Market, formerly the NEWaukee Night Market, under a strategic partnership with NEWaukee. NEWaukee produced the event from 2014 through 2019 until the 2020 season was ultimately cancelled due to the COVID-19 pandemic. Westown saw that the event aligned perfectly with its mission to grow a more creative and diverse neighborhood and decided to move forward with production of the event.
- The Milwaukee Night Market is a free, outdoor event showcasing a diverse array of local vendors, performers and artists, transforming the heart of Westown into an exciting fusion of all the city has to offer.
- The decision to bring back the Night Market came as the City of Milwaukee lifted its COVID-19 restrictions, downtown business leaders called for their employees to return to the office and many small businesses rebounded from the pandemic.
- The 2021 Market featured over 100 local, diverse vendors including restaurateurs, artists, growers and other entrepreneurs. Vendor fees for 20 BIPOC-owned businesses were supported through sponsorship from American Family Insurance. Westown intends to increase the amount of sponsored vendors in 2022 to feature more gender parity and ethnic diversity.
- An estimated 30,000 people attended the 2021 Market held on West Wisconsin Avenue between 2nd St. and Vel R. Phillips Ave. Attendees were of all ages, genders and ethnic backgrounds, making the event a place for everyone. Throughout the night, there were performances from TRUE Skool DJs, a fire dancer and the Milwaukee Flyers.
- The Milwaukee Night Market will return for a full season in 2022 on June 15, July 20, August 17 and September 21.



# 2021 SPECIAL EVENTS RECAP



## TEAM UP TO CLEAN UP

SATURDAY, APRIL 17 | 9AM - 1PM  
DOWNTOWN MILWAUKEE

- Team Up to Clean Up was a new event introduced in April 2021. The goal of the event was to bring community members together in a safe, socially distanced way to clean up trash and debris left behind from the long Wisconsin winter.
- 122 neighborhood employees, residents and stakeholders volunteered for four hours, collecting 140 bags of garbage across 50 city blocks, helping Westown look its best.
- Additionally, the event served as a fundraiser for the organization. Since most of Westown's 2020 programming was cancelled due to the COVID-19 pandemic, the Team Up to Clean Up was a new way to generate important revenue for the organization. With the support of our sponsors, partners, donors and volunteers, over \$20,000 was raised for Westown Association.



## 8TH ANNUAL WESTOWN GOLF OPEN

MONDAY, SEPTEMBER 13 | 10AM  
WESTERN LAKES GOLF CLUB

- The 8th Annual Westown Golf Open took place on Monday, September 13 at Western Lakes Golf Club.
- The WGO brings Westown stakeholders together for a day of networking on the golf course, while also raising critical funds that support the organization's mission.
- This year, 88 golfers registered and 22 sponsors participated in the event. Although heavy rain kept the golfers off the course, many stayed for an afternoon of food, beverages, games, raffle prizes and a silent auction.
- Overall, the event raised over \$20,000 for the organization.



## 54TH ANNUAL SHAMROCK CLUB OF WISCONSIN ST. PATRICK'S DAY PARADE

POSTPONED TO 2022  
DOWNTOWN MILWAUKEE

- Westown Association and the Shamrock Club of Wisconsin made the unified decision to cancel the 2021 St. Patrick's Day Parade scheduled for Saturday, March 13 due to the uncertainties surrounding the COVID-19 pandemic at the start of 2021.
- Both parties intended to host Milwaukee's first-ever Halfway to St. Patrick's Day celebration in September 2021 as long as public-health conditions allowed. However, due to a low response to unit registration and performer availability, the decision was made to cancel the September parade and focus resources on the 2022 St. Patrick's Day Parade scheduled for March 12, 2022.
- Traditionally, the parade spans a 1.5 mile-route stepping off at Third and Wisconsin, encompassing both the Old World Third Street and Water Street entertainment districts.
- Over 100 units participate in the parade each year including bagpipers, Irish dancers, floats from the business community and local dignitaries.
- The parade usually attracts 40,000 people to the streets of downtown - helping drive a significant amount of revenue to the area's bars, restaurants, hotels and parking facilities.



# ADDITIONAL 2021 WESTOWN ACTIVITIES

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- Westown Association remained committed to advocating for Westown members and businesses as downtown rebounded from the COVID-19 pandemic. Initiatives included collaborating with area BIDs on the MKE It Local campaign encouraging people to support neighborhood businesses and restaurants, providing information on economic resources and programs on westown.org, supporting the return of the Active Streets for Businesses program to expand outdoor dining, communicating to stakeholders the evolving information from the City of Milwaukee Health Department and participated in a public health steering group with the MMAC.
- Westown Association is actively engaged with a working group to create a plan for the renaming of Old World Third Street to Dr. Martin Luther King Jr. Drive. The transition plan will include new wayfinding signage denoting the Old World Third Street Entertainment District, a cohesive streetscaping plan connecting the downtown segment to the MLK BID and a joint marketing plan, as well as a public event to unveil the new street signs in January of 2022.
- As the neighborhood home to the NBA Finals, hundreds of thousands of fans visited Westown games, watch parties and support the many local businesses in the Old World Third Street Entertainment District. Westown Association supported the efforts of MPD to communicate street closures, parking restrictions and other safety information to neighborhood businesses, residents and visitors. Additionally, Westown served as a liaison to the MPD, helping coordinate event security meetings with the operators in the Old World Third Street Entertainment District.
- Worked with and supported the priorities of the Old World Third Street Association, which represents the neighborhood's largest entertainment district, home to more than 15 licensed premises and driver of the nighttime economy.
- Served on a steering group with the Responsible Hospitality Institute who are studying the impacts of the nighttime economy in downtown Milwaukee and identifying solutions to better create a safe, vibrant and economically prosperous place to socialize.
- Continued advocacy on issues that impacted quality of life, business environment and perception of downtown Milwaukee - such as licensing, nuisance issues and public safety.
- Continued to establish and highlight the neighborhood's brand identity and programs through the continued implementation of the street banner program, Westown.org, social media and monthly e-newsletters.
- Advocated for and leveraged the impact of new developments including the Milwaukee Symphony Orchestra, HUB640 and the 3rd Street Market Hall.
- Participated in existing and future efforts to address transit issues that affect Westown and downtown Milwaukee such as The Hop, bus rapid transit, BublR Bikes, electric scooters and the MCTS.
- Participated in the continued growth of the Downtown Neighbors Association - a downtown residents group - as a means to engage expanding neighborhood residential base which has now reached 2,536 total residential units with more than 1,266 being developed since 2014.
- Served on the Downtown Placemaking Taskforce which helps bring exciting public art projects to downtown Milwaukee.
- As part of Westown Association's strategic planning set in 2020, Westown hired fund development consultants, Sabljak & Budisch, to help diversify revenue streams for the organization to reach its three-year goal of increasing revenue by 20-25% each year, reaching \$500,000 by 2023.

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**  
Milwaukee, Wisconsin

**Audited Financial Statements**  
Years Ended December 31, 2020 and 2019

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## Independent Auditors' Report

Board of Directors  
Westown Business Improvement District No. 5  
Milwaukee, Wisconsin

We have audited the accompanying financial statements of the Westown Business Improvement District No. 5 (a nonprofit organization) which comprise the statements of financial position as of December 31, 2020 and 2019, and the related statements of activities and cash flows for years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Westown Business Improvement District No. 5 as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

July 14, 2021  
Milwaukee, Wisconsin

Reilly, Penner & Benton LLP  
1233 N. Mayfair Road Suite #302 • Milwaukee, WI 53226-3255 • 414-271-7800

[www.rpb.biz](http://www.rpb.biz)

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Statements of Financial Position**

December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash	\$ 514	\$ 514
Accounts receivable	<u>5,000</u>	<u>---</u>
<b>Total current assets</b>	<u><u>5,514</u></u>	<u><u>514</u></u>
<b>Liabilities and Net Assets:</b>		
<b>Current Liabilities:</b>		
Due to Westown Association of Milwaukee, Inc.	\$ 5,514	\$ 514
<b>Net Assets Without Donor Restrictions</b>	<u>---</u>	<u>---</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 5,514</u></u>	<u><u>\$ 514</u></u>

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

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Statements of Activities**

For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Revenues and Other Support:</b>		
City of Milwaukee funds	\$ 83,472	\$ 85,681
Sponsorships	10,500	37,500
Interest income	---	10
<b>Total revenues and other support</b>	<u>93,972</u>	<u>123,191</u>
<b>Expenses:</b>		
<b>Management fee paid to Westown Association of Milwaukee, Inc.</b>		
Program	52,624	92,393
Management and general	30,071	27,102
Fundraising	11,277	3,696
<b>Total expenses</b>	<u>93,972</u>	<u>123,191</u>
<b>Change in net assets</b>	---	---
<b>Net assets - beginning of year</b>	<u>---</u>	<u>---</u>
<b>Net assets - end of year</b>	<u>\$ ---</u>	<u>\$ ---</u>

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

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Statements of Cash Flows**

Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
<b>Cash Flows from Operating Activities:</b>		
Changes in net assets	\$ ---	\$ ---
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities</b>		
Assessments receivable	(5,000)	---
Due to Westown Association of Milwaukee, Inc.	<u>5,000</u>	<u>11</u>
<b>Net cash provided by operating activities</b>	---	11
<b>Cash at beginning of year</b>	<u>514</u>	<u>503</u>
<b>Cash at end of year</b>	<u>\$ 514</u>	<u>\$ 514</u>

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

## WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5

Milwaukee, Wisconsin

### Notes to Financial Statements

December 31, 2020 and 2019

#### 1. Summary of Significant Accounting Policies

##### A. Nature of Organization

In 1984, the State of Wisconsin created S. 66.608 of the statutes enabling cities to establish Business Improvement Districts upon the petition of at least one property owner within the district. This law allows businesses within those districts to develop, manage, and promote the districts, and to establish an assessment method to fund these activities.

On November 14, 1989, the Westown Business Improvement District No.5 (Westown BID) was created through the adoption of Resolution File Number 890817 of the Common Council of the City of Milwaukee. The Westown area is bounded by the Milwaukee River on the east, I-43 on the west, McKinley Avenue on the north, and the Menomonee River on the south. The goal of the Westown BID is to develop, improve, and promote the western section of downtown Milwaukee.

Operating plans for 2020 and 2019 were submitted by the Westown BID and approved by the City of Milwaukee. To fund the plans, assessments were added to the property tax bills of the Westown area businesses, as outlined in the 2020 and 2019 operating plans.

##### B. Method of Accounting

The financial statements have been prepared on the accrual basis of accounting.

##### C. Financial Statement Presentation

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Westown BID and changes therein are classified and reported as follows:

**Net assets without donor restrictions** - Net assets available for use in general operations and not subject to donor restrictions.

**Net assets with donor restrictions** - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

There were no net assets with donor restriction as of December 31, 2020 and 2019.

##### D. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### E. Income Taxes

Westown BID is considered part of the City of Milwaukee and as such is covered under the City of Milwaukee's tax reporting requirements. Therefore, no provision for income taxes has been included in these financial statements.

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2020 and 2019  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

**F. Revenue Recognition**

**Sponsorships** – Sponsorship revenue is recognized on the first day in which the sponsored event is held by Westown Association on behalf of the BID.

**City of Milwaukee funds** - revenues are derived from a City of Milwaukee assessment charged to property owners within the BID's boundaries. Revenue from these assessments is recognized in the year they are received, which corresponds to the year in which the assessments are expected to be used to support the BID's operations.

**Contributions of cash and promises to give** - gifts received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

**G. Allocation of Functional Expenses**

Westown BID contracts with The Westown Association of Milwaukee, Inc. to provide all of the services outlined in the operating plan. As a result, the functional expenses of the BID are allocated based on the functional expense allocation of The Westown Association of Milwaukee, Inc.

**H. Subsequent Events**

Management of the Westown BID has evaluated all subsequent events through July 14, 2021, the date the financial statements were available to be issued, for possible inclusion as a disclosure in the notes to the financial statements. The Westown BID has identified no subsequent events that require disclosure in the notes to the financial statements.

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2020 and 2019  
(Continued)

**2. Liquidity and Availability**

The following table reflects the Council's financial assets available to meet cash needs for general operating expenditures within one year of the statement of financial position date of December 31:

	<u>2020</u>	<u>2019</u>
Cash	\$ 514	\$ 514
Accounts receivable	5,000	---
<b>Total financial assets</b>	<u>5,514</u>	<u>514</u>
Less amounts not available to be used within one year for general expenditures	<u>---</u>	<u>---</u>
<b>Financial assets available to meet general expenditures within one year</b>	<u>\$ 5,514</u>	<u>\$ 514</u>

In addition to financial assets available to meet general expenditures over the next 12 months, the Westown BID operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

**3. Related Party Transaction**

Under an agreement dated April 21, 1992 between the City of Milwaukee, the Westown BID, and Westown Association of Milwaukee, Inc., the Westown BID contracted with The Westown Association of Milwaukee, Inc. to provide all of the services outlined in Section III of the operating plans, as amended from time to time. All board members of the Westown BID are also board members of The Westown Association of Milwaukee, Inc.

Westown BID assessments received from the City of Milwaukee are transferred to Westown Association of Milwaukee, Inc. as compensation for their services and/or reimbursement for expenditures incurred.

During 2020, assessments totaling \$83,472 and interest income of \$-0- were transferred to Westown Association of Milwaukee, Inc. Also, Westown BID received \$10,500 of program sponsorships of which \$5,500 was transferred to The Westown Association of Milwaukee, Inc. and \$5,000 was payable to The Westown Association of Milwaukee, Inc.

During 2019, assessments totaling \$85,681 and interest income of \$10 were transferred to Westown Association of Milwaukee, Inc. In addition, Westown BID received \$37,500 of program sponsorships that were transferred to The Westown Association of Milwaukee, Inc.

At December 31, 2020 and 2019, \$514 was still held by the Westown BID and was payable to The Westown Association of Milwaukee, Inc. These amounts represent a surplus from prior years that is kept in the account to minimize bank service charges.

In accordance with this agreement, all services outlined in Section III of the operating plans were fulfilled by Westown Association of Milwaukee, Inc. for 2020 and 2019.

**4. Concentrations of Credit Risk**

Cash is maintained at local financial institutions and, at times, balances may exceed federally insured limits. Westown BID has never experienced any losses related to these balances.