

BUSINESS IMPROVEMENT DISTRICT NO. 39

Center Street Marketplace

PROPOSED OPERATING PLAN

2016



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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.)

A Business Improvement District was approved by the City of Milwaukee in 2005 for the purpose of revitalizing and improving the Center Street Marketplace District, located on Center Street on Milwaukee's Northside. The BID law requires that every district have an annual Operating Plan. This document is the annual Operating Plan for 2016 of the Center Street Marketplace district (BID #39). The plan was prepared with minimal technical assistance from the City of Milwaukee Department of City Development.

B. Physical Setting

The District covers a commercial area on West Center Street from North 34th to North 58th street.

II. DISTRICT BOUNDARIES

Boundaries of the BID #39 district are shown on the map in Appendix B of this plan. A listing of the properties included in the district is provided in Appendix C.

III. PROPOSED OPERATING PLAN

The objective of the BID is to: Improve the quality of life within the district. Work with the property owners and merchants to normalize the perception of Center Street.

A. Plan Objectives

- Improve the Image of the target area
- Improve negative perception of crime/safety in target area
- Increase the number and variety of businesses in the target area
- Protect and preserve the historical significance and integrity of structures in the target area

B. Proposed Activities – Year 2016

Principle activities to be engaged in by the district during the 2016 year of operation will include:

- a. Hire a part time BID Director and lease a space for the BID headquarters
- b. Continue to implement and support commercial corridor cleanups and community initiatives for keeping the streets clean.
- c. Focus on eliminating the blight on Center Street by identifying vacant and un kept properties and work with the property owners for mitigation
- d. Continue to Increase safety and security by working with the MPD and community organizations to identify and continue to implement crime prevention initiatives.
- e. Continue to improve property façades via BID 39 Façade Grants
- f. Assist property and business owners with marketing via the tools such as brochures, web presence, outreach campaigns, and personal strategies.

C. **Proposed Expenditures – Year 2016**

Item	Expenditure
Implement “Year 2” BID 39 Grant Program - Façade - Sign - Banner - Surveillance Cameras for properties (grant)	\$15,000
Commercial Corridor Clean-up - Clean – up Crew - Community Clean up - Supplies/equipment (maintenance of trash cans)	\$10,000
Safety/Security Initiative - Security Officer initiative (special events) - Ambassador initiative -	\$5,000
Administration - Office & Management (Administrative Services) - Marketing , Outreach (brochures, B2B marketing, business development & outreach) - Website maintenance - hosting - Annual Audit, insurance binder - Legal – general representation and consultation fees	\$20,000
BID Staff - BID Director (Part time) recruitment and retention	\$20,000
Facilities - Lease office space - Office furniture, copier, supplies	\$12,000 \$ 3,000
TOTAL	\$85,000

Projected Revenues

Item	Revenue
Assessments - 2016	\$46,000
Carryover funds from 2015	\$50,000
TOTAL	\$96,000

D. Financing Method

It is proposed to raise \$46,022 through BID assessments (see Appendix C). The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

E. Organization of BID Board

The Mayor appoints members to the district board ("board"). The board's primary responsibility is the implementation of this Operating Plan. This requires 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 – Seven

2. Composition - At least five members shall be owners or occupants of property within the district. Upon any vacancies, existing board members shall first solicit business or property owners to fill vacant board positions. In the event the existing board is unable to secure new board representation, any non-owner or non-occupant may be appointed to the board. All board members 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 local business association

The BID shall be a separate entity from the local business association, 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 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 \$1,000.00 per parcel will be applied.

As of January 1, 2015, the property in the proposed district had a total assessed value of over \$9.5 million dollars. This plan proposed to assess the property in the district at a rate of \$5.00 per \$1,000.00 of assessed value, subject to the maximum assessment of \$1,000.00 and minimum of \$300.00, for the purposes of the BID.

Appendix C shows the projected BID assessment for each property included in the district.

B. Excluded and Exempt Property

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

1. State Statute 66.1109(1) (f) 1m: The district 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 plan because it is assumed that they will benefit from development in the district.
2. State Statute 66.1109(5) (a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix C, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1) (b), property exempt from general real estate taxes has

been excluded from the district. Privately owned tax-exempt property adjoining the district and which is expected to benefit from district activities may be asked to make a financial contribution to the district on a voluntary basis.

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 Center Street Marketplace (BID #39) 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 is 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 30th of each Plan year, with the official City records and the assessed value of each tax key number with the district, as of January 1st 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. 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.

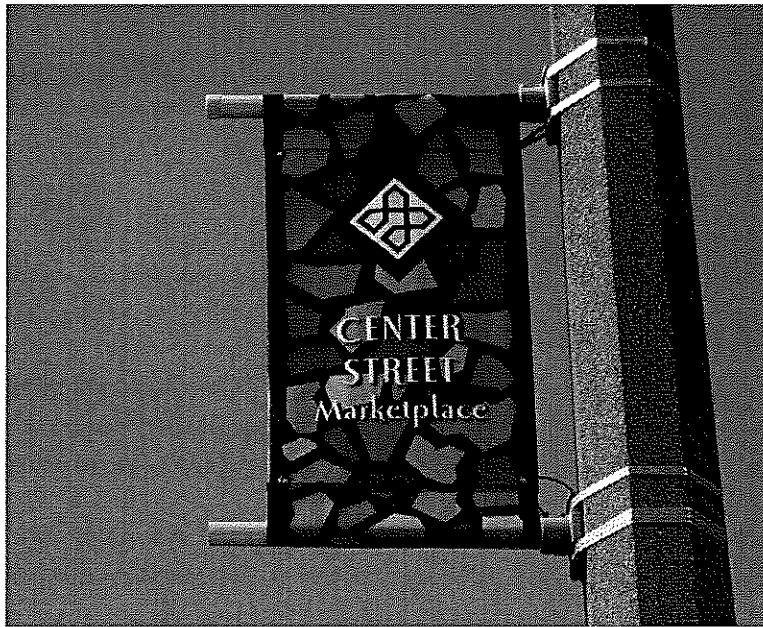
Section 66.1109 (3) (a) of the BID law requires the board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, it focuses upon 2015 activities, and information on specific assessed values, budget amounts and assessment amounts are based on current 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).



BID 39 – Annual Report 2014 - 2015

The Center of What's Happening !!

BID 39 – The Center Street Marketplace

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"2015 has been a year of rebuilding, as we turn the corner into 2016 – our focus will be to fill vacant and boarded up storefronts, attract new businesses, stabilize current businesses, strengthen relationships with the Milwaukee Police Department and bring the community in alignment with the businesses in our district."

BID 39 - At-A-Glance

Strategic Highlights

Once BID39 achieved a full board (in July 2014), our first order of business was to understand the demographics of our district. This meant that the Board met over 10 times within the past year in order to strategically determine how we would start our mission.

First of all, we reached out to the current business owners in order to grasp subtle information regarding their business acumen, vision for their businesses, successes, failures, as well as future goals. This meant taking stock on the types of businesses that are in the district, as well as going to meet business owners face to face and a strong marketing campaign.

We also reached out to the current property owners (of whom are usually not the proprietors of the businesses in the District). This communication has been mainly via US Mail and phone calls to introduce the BID, receive input, and follow up on concerns regarding the BIDs direction. We created the BID 39 Newsletter of which we have successfully published 2 issues (January and July 2015).

From our initial outreach push, we quickly realized that there was a strong need to build a relationship with business owners, as there was a noticeable lack of trust between the business owners, property owners, and idea of a BID board. We believe that since the former BID board had dissolved, there was a lack of belief that this new BID board would be in the district for the long haul, despite the fact that there were consistent measures in place to reach both business and property owners, more needed to be done.

The board needed to have a scope of the area to include the localized community composition. Not only did we continue to outreach to the business and property owners, we met with the elected officials, the police authorities, school staff, community leaders, religious entities, as well as the citizens and block club members from the formal and informal networks that make up the Center Street district.

One overarching element of the Center Street district is the high crime rate as well as the level of governing authorities (3 Aldermanic Districts as well as 2 police Districts to include the High Intensive Drug Unit). Thus, one of our very first structured meetings was at District 3 of the Milwaukee Police Department. From that meeting, we left with an understanding of the types

of businesses that were often visited by the MPD, as well as the types of crimes and historical framework that was prevalent in the district. We also knew that from this meeting, we needed to be very cautious moving forward.

With the high crime rate, the BID has been an active participant in normalizing the business climate by interacting and being on board with the Police Department Districts. This is due to the fact that the businesses have a plethora of licenses that are needed in order to actively operate. The businesses receive licensed business checks (several this year), of which consists of a community police liaison officer, regulatory officials depending on the type of business, and oftentimes, the Department of Neighborhood Services for code compliance. Part of the role of the BID has been to communicate with the business owners regarding the date and time of any upcoming licensed business check, as oftentimes concerned citizen groups (Such as Sherman Park Action Network – a group from Common Ground) will make contact with business owners to discuss issues such as trash, curb appeal, as well as safety and security – these concerned citizen groups offer help and support to businesses as well.

Business/Community mixture

With the dynamics of BID 39 there has to be a vehicle for the local community to patronize the businesses, have input on the types of businesses needed and support their efforts. This link was missing and we identified strategies as we moved forward with our work. Since BID 39 was a new board with a vision for engaging stakeholders and the need to make strides, we hired the Commercial Corridor Consulting Consortium (C4). This is a group dedicated to helping organizations (including BIDs) understand the dynamics of community engagement and economic development. The contract with C4 consisted of a targeted strategy, to include:

- BID Board member development training – this was at the request of the chairperson.
 - Resource binder creation to include literature of the genesis of BIDs, community engagement and working with volunteers.
- Working with BID 39 to develop a “needs survey” of which encompassed businesses and resident feedback. The survey was successful and has proved useful in the development of our marketing material and future movement.
- The development of volunteer kick off and training.
- Creating Press Releases for the work of BID 39.

- Coordinated and helped develop marketing materials, including brochures and sell sheets for BID 39s current vacant property stock that add value to our 2016 focus of business stability and building tenancy.
- Coordinating community cleanups along with recruiting community residents, local elected officials, community partners and other volunteers.
- Creating a "roadmap" for BID 39s future work to include strategies for long term growth and economic development.

BID 39 Board members business/community engagement efforts:

- Arms Around Us event – Boys & Girls Club – Summer 2014
- Hosted a BID 39 Open House – Fall 2014
- Met w/Legacy Redevelopment Corp. regarding Economic Development - 2014
- Safe & Sound coordination and meeting - January 2015
- MKE Business Now Summit – January 2015
- Unite Milwaukee Summit – March 2015
- Milwaukee Professionals Association – March 2015
- Hosted BID 39 Neighborhood Cleanup – March 2015
- Attended the King Drive Annual Meeting w/Growing Prosperity focus - 2015
- Co-Sponsored The Great American Cleanup w/ St. Catherine's– March 2015
- Hosted BID 39 Community & Volunteer Training w/C4 – April 2015
- Sponsored and participated in the Washington High Community Cleanup – May 2015
- Contracted w/ River works for Ambassador commercial corridor cleanings – June 2015
- Held BID 39 Board Member Orientation and Training w/C4 – June 2015
- Purchased and set up Little Free Libraries (3 total) in the District – July 2015
- Co-sponsored the Center Street Block Party w/MPD – July 2015
- Co-sponsored the Sherman Park neighborhood cleanup and picnic – August 2015
- Co-sponsored the back to school resource fair – 38th Street – August 2015
- Participated in the Small Business Sustainability Conference – 2015
- Attended the African American Chamber of Commerce Annual Meeting - 2015
- Participated in the City of MKE Local Business Action Team event - 2015
- Actively participate in the City's parks & play spaces for BID 39s district – 2015
- An active participant in the Sherman Park Action Network – 2015
- An active participant in the MPD Crime and Safety meetings – 2015

- An active participant in Community based neighborhood meetings (Metcalf Park, the bridge, 38th Street block, Sherman Park, Center Street Pulse, Hadley Terrace (upcoming) and the Next door Sherman Park web based communication portal).

BID 39 Grants

BID 39 hosted 2 separate grant opportunities in 2015, with (2) two informational sessions prior to the grant phases. The grant methodology was initially for façade upgrades only and the maximum amount of award was \$600.00. Although there was a high level marketing strategy relating to the benefit of façade grants, the participation rate was low. From there, the board extended the grant timeframe for 3 additional months and raised the maximum amount of award to \$1,500 for both façade and interior projects that would add value to the business. Currently, the board has approved 17 façade grants.

Grant funds were utilized for security cameras, window and door upgrades, façade improvements, interior floor work and brick repair. These funds have added value in the stock of the property in BID 39 by infusing over \$25,000 into the business properties.

With the success of the grants in 2015, the board realizes that the 2016 grants will add even more value. Not only will we add value, with the grant application, review, and award process, we have had the opportunity to interact with business and property owners regarding the work of the BID and the need for engagement. This strategy has proven beneficial, as now we have made connections with the owners, therefore a platform for outreach for the future work of the BID.

Financial Highlights

The BID board has been moving cautiously when expending BID dollars. Currently, we are in a stable financial posture, with our current assets (monetary only) being at \$68,000. The BID board also voted to lower the BID assessment for 2016 to **.005 per \$1,000** of assessed value with a **capitation level of \$1,000**. This is a change from 2015, whereas the former assessment rate was **.006 per \$1,000** of assessed value with a **capitation rate of \$1,500**. We believe that with the excess funds that the BID is carrying over, as well as the economic determinants faced by property owners today, this will be a welcome change for the owners. Our goal is economic development and as we move forward in 2016 we hope to bring more businesses to the district, therefore realizing economic stability in future year assessments.

Looking Ahead

The BID 39 voted to add 2 additional seats to the board, this will expand the membership from 5 to 7. This upgrade will allow the board to seek nominations from strong community partners such as the Sherman Park Community Association, as well as a resident seat of which will be filled by a long term stable resident that understands the value of building community partnerships to help bridge the gap between the business and resident populations.

BID 39 voted to hire a BID Director (Coordinator) in 2016 in order to move our Operating Plan forward with a consistent structure and pace. This individual will spearhead upcoming events such as the BID 39 Business & Resource Fair, Speaker Series, Event Planning, Business outreach to include face to face planning for business stability, as well as participating in community outreach and economic development efforts on behalf of BID 39.

With the BID board being housed in a "virtual office", the board decided to find a space for the BID office. This space will add 'validity' to the work of the BID by having a place for prospective and current business owners to visit for resources, information regarding licenses, grants, community events, and any other work of the BID board. We believe that with a brick and mortar presence, the demographic of which we serve will have tools available to not only normalize but strengthen their business.

The BID 39 Board

September 1, 2015

Company Information

Officers:

Jennifer Potts, Chairperson
Frankie Johnson, Secretary
D. Odean Taylor, Treasurer

Location:

BID 39 – The Center Street Marketplace

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BID #39 (Center Street) Board Member Sheet

Board Organization: 7 members; @ least 4 members shall be owners/occupants of properties within the BID district; ALL board members shall be residents of the City of Milwaukee; Term= 3 years.

<u>Board Member</u>	<u>Title</u>	<u>Start Date</u>	<u>End Date</u>
Tremerell Robinson	Member	**In Process	
Frankie Johnson	Member	1/3/2014	1/3/2017
Jennifer Potts	Member	12/19/2013	12/19/2016
Odean Taylor	Member	7/2/2014	7/2/2017
Phillip Blake	Member	**Appointed 10/13/2015; No Oath taken	
Vacancies (2)			

