

**Oakland Ave.
Business Improvement District #13**

OPERATING PLAN FOR YEAR TWENTY: 2013

SUBMITTED BY:

**THE OAKLAND AVENUE BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS**

PREPARED BY: Michael D'Amato, BID Director

**OPERATING PLAN
BID #13**

2013: Year Twenty

TABLE OF CONTENTS

- I. INTRODUCTION**
- II. DISTRICT BOUNDARIES**
- III. PROPOSED OPERATING PLAN**
 - A. Plan Objectives**
 - B. Proposed Activities - Year Twenty**
 - C. Proposed Expenditures - Year Twenty**
 - D. Financing Method**
 - E. Organization of BID Board**
- IV. METHOD OF ASSESSMENT**
 - A. Assessment Rate and Method**
 - B. Excluded and Exempt Property**
- V. RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN
AND ORDERLY DEVELOPMENT OF THE CITY**
 - A. City Plans**
 - B. City Role in District Operations**
- VI. FUTURE YEAR OPERATING PLANS**
 - A. Phased Development**
 - B. Amendment, Severability and Expansion**
- VII. APPENDICES**
 - A. Year Twenty Assessments and
Properties within the BID**
 - B. List of 2010-2011 Board Members**

I. INTRODUCTION

In 1984, the Wisconsin legislature created s. 66.1109 of the Statutes enabling cities to establish Business Improvement Districts (BIDs) upon the petition of at least one property owner within the proposed district. 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 Wis. Act 184, Section 1, legislative declaration.) On November 9, 1993, the Common Council of the City of Milwaukee, by Resolution File Number 931058, created BID #13 (Oakland Avenue: University Square) and adopted its initial operating plan. Section 66.1109(3) (b), Wis. Stats., requires that a BID Board "shall annually consider and make changes to the operating plan... The board shall then submit the operating plan to the local legislative body for its approval." The Board of BID #13 submits this 2010 Operating Plan in fulfillment of the statutory requirement.

This plan proposes a continuation of activities described in the initial (November, 1993) BID Operating Plan and subsequent years' University Square Operating Plans. Therefore, it incorporates by reference the all earlier plans as adopted by the Common Council. This plan emphasizes the elements that are required by Sec. 66.1109 Wis. Stats and the changes for 2013. It does not repeat the background information which is contained in the previous plans nor include the Business Improvement District Statute, original petitions from property owners or BID #13 By-Laws.

II. DISTRICT BOUNDARIES

Boundaries of the proposed district are North Oakland Avenue, between East Linwood on the north and East Newberry Blvd. on the south, and along East Locust Street a half-block to each alleyway both east and west of North Oakland Ave. A listing of the properties included in the district is provided in the attached Excel Spreadsheet entitled **BID #13 – 2012 Assessments**.

III. PROPOSED OPERATING PLAN

A. Plan Objective

The Plan Objectives of University Square Business Improvement District involves utilizing available funds to continue to improve the business climate for existing and new district merchants. The available funds will be utilized for continued existence of critical projects such as the graffiti removal, street maintenance and facade improvement projects offering assistance to businesses wishing to make aesthetic improvements along the street.

Additional funds are utilized for general operating expenses of the BID. Other improvements may be made as decided by the BID members.

The priorities of the BID Board for 2013 are as stated:

1. Act as a catalyst for private investment by owners and tenants in their properties through continuation of the street re-building process, façade improvements, and parking lot screening.
2. Continue our landscaping program initiated in 2003 using hanging planter baskets.

3. Continue existing programs including, the Graffiti Removal Program, the Street Maintenance program, the University Square Facade Matching Grant Program, along with ongoing assessment of critical general safety and cleanliness matters for improvement of the overall appearance of the district.
4. Revive exploration of possible streetscape improvements, utilizing existing funds, that will help create an identity for the district, keep customers on the street 18 hours/day and bolster pedestrian safety.

Meeting these objectives will enhance the business area's competitiveness relative to other shopping areas that are also currently undergoing rehabilitation, while enhancing the surrounding neighborhood. The BID will continue to work with DCD, DPW, the City Council and area merchants to achieve stated objectives.

B. Proposed Activities – Year Twenty

The principal activities to be undertaken by the district during its twentieth year of operation to achieve stated objectives will include:

1. Continue work on business recruitment and retention initiatives. Provide technical assistance to new and existing businesses regarding location, improvements or expansion. Cooperative efforts of the BID Members, merchants, City officials and staff will be necessary to achieve desired outcomes.
2. Approval of applications/award funding and monitoring of facade designs/installation of improvements for Upper East Side Facade Program. Coordinate efforts with the City of Milwaukee and other available programs.
3. Coordination and monitoring of the Graffiti Removal and Street Maintenance Program for area merchants.
4. Continued communication of BID Board Activities to members of the BID.
5. Display and maintenance of new street banners and holiday display on city street lights

C. Proposed Expenditures - Year Twenty

Program Expenses

Streetscape (tbd)	\$ 50,000
Streetscape Maintenance Program:	\$ 6,800
Planter landscaping:	\$ 4,800
Graffiti Removal Expenses:	\$ 2,000
Marketing:	\$ 1,000
Professional Services:	\$ 3,600
Holiday Lighting:	\$ 4,500
Utilities	\$ 600
<hr/>	
Total expenditures:	\$ 73,300

Operating Revenues:

Current Year Special Assessments (City Milw.):	\$ 7,500
Carry Over, 2012 funds:	\$ 90,000 (approx.)
City of Milw. Graffiti/Matching Funds:	\$ 1,000
<hr/>	
Total available revenues:	\$ 98,500

D. Financing Method

It is estimated that the district will carry forward approximately \$90,000 from 2012. On August 11, 2010 the Board of Directors of BID#13 voted unanimously to temporarily reduce their assessment to 15% of the traditional amount collected by virtue of their adopted formula. Members indicated that the depressed real estate market had led to higher than normal vacancies and lower than normal rents that harmed their ability to continue paying the special assessment at the normal rate. The board decided to draw down on their reserves for the year 2011 and 2012 in order to sustain their functions. That policy will continue into 2013. The BID will collect \$7,500 from property owners through the special assessment and use approximately \$14,000 in reserves to pay for the services that they have determined to be essential to the health of the district. They will also consider the use of the remainder of the reserves to initiate any "signature" project that they believe will improve the health and vitality of the district.

It is expected that this deviation from the traditional formula will be temporary. At some time the BID will once again begin to collect \$50,000 from property owners for BID operations in 2014 and beyond.

E. Organization of BID 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 overpayment of BID assessments.

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. The method of assessment is a 50% split between assessed value and linear front footage. Property owners believe this to be a method that takes into account all characteristics of a property in relation to benefits derived. Appendix A shows the projected BID assessment for each property included in the district. The formula for 2013 is identical to that of 2012 and represents collections of only 15% of the traditional collection rate for the BID on a temporary basis.

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)Im: 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 A, 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.
4. Property determined to be a residential hotel will be assessed at half the rate of normal assessment.

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

A. CITY PLANS

BID #13 was actively involved in the development of the recently adopted Northeast Side plan and will pursue improvements to the area that are consistent with that plan.

B. City Role in District Operations

The City of Milwaukee has committed to helping private property owners in the district. 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 Operation Plan. In particular, the City will:

- Provide technical assistance to the proponents of the district through adoption of the Plan, and provide assistance as appropriate thereafter.
- Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
- Collect assessments, maintain in a segregated account, and disburse the monies of the district.
- Receive annual audits as required per sec. 66.08(3)(c) of the BID law.
- Provide the Board, through the Tax Commissioner's Office on or before June 1st of each Plan year, with the official city records on the assessed value of each tax key number with the district, as of January 1st each Plan year, for purposes of calculating the BID assessments.

- Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.
- Prepare, with the participation of the BID Board, the development agreement described in section III.B. and section III.D. of this plan and submit the draft agreement to the BID Board and the appropriate city officials for their consideration.

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 the 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 Twenty activities, and information on specific assessed values, budget amounts and assessment amounts are based on Year Twenty condition. 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 re-establishment.

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 A

Board of Directors

BID #13

2011-2012

1. Chairperson- Clark Kaufmann, Clark Graphics
2. Secretary/Treasurer- David Wilson, property and business owner
3. Board Member- Gil Snyder, University of Wisconsin-Milwaukee
4. Board Member- Robert Zellmer, Action Property Management
5. Board Member- Connie Haas, Riverside University High School
6. Board Member- Vacant
7. Board Member- William Stace, Miramar Theatre
8. Board Member – Sharon Grinker, neighborhood representative