

BUSINESS IMPROVEMENT DISTRICT NO. 37  
30<sup>th</sup> STREET INDUSTRIAL CORRIDOR

OPERATING PLAN  
FOR 2021

TABLE OF CONTENTS

I. Introduction

II. District Boundaries

III. Proposed Operating Plan

IV. Method of Assessment

V. Relationship to Milwaukee Comprehensive Plan and Orderly Development of  
the City

VI. Future Year Operating Plans

VII. BID #37 Board Roster

Appendix A BID State Statutes

Appendix B Map of BID #37

Appendix C Listing of Exempt Properties & Assessment

## I. INTRODUCTION

### A. Background

In 1984, the Wisconsin legislature created S. 66.1109 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 purposes of revitalizing and improving the 30<sup>th</sup> Street Industrial Corridor on

Milwaukee’s north side. The BID law requires that every district have an annual Operating Plan. This document is the Operating Plan for 2021 of the 30<sup>th</sup> Street

Industrial Corridor district (BID #37).

### B. Physical Setting

BID #37 includes the industrial and commercial businesses located along the Canadian Pacific rail line on the North side of the City of Milwaukee.

## II. DISTRICT BOUNDARIES

Boundaries of BID #37 are shown on the map in Appendix A of this plan. The boundaries were drawn to include industrial and commercial properties while excluding residential properties whenever possible. The northern boundary is Ruby Avenue and the southern boundary goes just south of Brown Street. The East and West boundaries vary throughout the district, but generally the western boundary is

North 35<sup>th</sup> Street and the eastern boundary is North 27<sup>th</sup> Street. A listing of the

properties included in the district is provided in the attachment.

## III. PROPOSED OPERATING PLAN

### A. Plan Objectives

The objective of BID #37 is to support and advocate for the businesses within our district. Residing within the 30<sup>th</sup> Street Industrial Corridor, once one of the most impactful manufacturing corridors in the world, our goal is to create an area that will attract and retain profitable and innovative manufacturing and commercial businesses, thus creating quality jobs with family supporting wages for central city residents.

Additional plan objectives include:

- Improving the safety and security of the area
- Improving the image and environment of the area
- Providing technical assistance and economic development support to businesses
  
- Attracting new businesses to the area
- Encouraging entrepreneurship

- Improving connections between businesses and residents

B. Proposed Activities—2021

Principal activities to be engaged in by the district during its 14th year of operation will include:

- Marketing to assist with business recruitment and retention; also to promote the area via gatherings, promotional materials, our website and social media ▪ Promotional efforts and events to increase BID #37 business visibility and connect local people with local jobs;
- Continue partnerships with the City of Milwaukee, MPD, neighborhood organizations, etc. to foster greater collaborative efforts for area businesses & neighborhoods; which includes other BIDs in the area;
- Continue building Corridor Coalition consisting of over 150 different agencies working in area – leverage the strength in numbers;
- Continued enhancements such as graffiti removal, litter clean ups and addressing illegal dumping;
- Connect businesses to one another in order to provide support
  - Grant program to improve area façades, foster community building, landscaping projects, etc to ultimately improve the appearance and condition of property in the district.
- Utilize data and survey responses to support existing

businesses

- C. Proposed Expenditures

Infrastructure Improvements \$16,000

Streetscape Debt Service

Streetscape Maintenance

Grant Programs \$35,000

Façade & Landscape

Safety & Security

Economic / Community Development

Aesthetic Enhancements \$18,000

Graffiti Removal

Litter Clean Ups

Abatement of Illegal Dumping

Art Project(s)

Accounting/ Audit \$7,500

Business Assistance \$15,295

Technical assistance to businesses

Marketing

Office & Management 75,000

Administrative services and office/ program  
expenses provided by the 30th Street Industrial  
Corridor Corporation

**TOTAL \$166,795**

Projected Revenues

Assessments \$166,795

Projected Carry Over Funds from 2019 \$0

**TOTAL \$166,795**

Reserve Funds

Reserve Fund for Capital Improvements \$200,000

**D. Financing Method**

It is proposed to raise approximately \$166,795 through BID assessments (see Attachment). If any expenses exceed the assessments, it may be covered by 2020 carry over revenues. In addition, the BID may apply for grants for additional funding for projects. 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 the BID Board**

The Mayor appoints members to the district board (“board”). The board’s primary responsibility is 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 comprised 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 – The BID board shall include a minimum of five members.
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 (“bylaws”) to govern the conduct of its meetings.

F. Relationship to the 30<sup>th</sup> Street Industrial Corridor Corporation

The BID shall be a separate entity from the 30<sup>th</sup> Street Industrial Corridor

Corporation (The Corridor), notwithstanding the fact that members, officers and directors of each may be shared. The Corridor 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 Corridor may, and it is intended, shall, contract with the BID to provided services to the BID, in accordance with this Plan.

#### **IV. METHOD OF ASSESSMENT**

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

The annual assessment for the BID’s operating expenses will be levied against each property within the district within direct proportion to the current assessed value of each property as of the date the district held its public hearing for this 2021 Operating Plan. No property owner within the district shall be eligible to receive or be subject to

any reductions or increases in its assessment for the 2021 Operating Plan as a result of a decrease or increase in the assessed value for their property occurring after such



date. In addition, the amount of the assessment levied against a particular property may change from year to year if the assessed value of that property changes relative to other properties within the district.

However, maintaining an equitable relationship between the BID assessment and the expected benefits requires an adjustment to the basic assessment method described previously. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$5,000 and a minimum assessment of \$300 per parcel will be applied.

As of January 1, 2015, the property in the proposed district had a total assessed value of over \$57 million. The attachment shows the projected BID assessment for each property included in the district.

#### THE GENERAL ASSESSMENT

The variables used to determine the regular annual General Assessments are:

1. Value of the property as of January 1, of the year the Assessment is calculated, as determined by the City Assessors' Office.
2. The Gross amount of the assessment.

The assessment methodology will work as follows:

Step 1. Add up the value of all property subject to BID-37 Assessment

Step 2. Divide the amount of the assessment by the total value of the property (see 1 above) to create a valuation factor or mil rate.

Step 3. Multiply the valuation factor times the assessed value of the property to determine each BID-37 Assessment on a property by property basis.

Step 4. After compliance with the provision of Article IV, herein, the amount of regular assessment and contingent assessment for each parcel shall be submitted to the City of Milwaukee which shall include it as a separate line item on the real estate tax bill for that parcel next issued. The City shall collect such assessment with the taxes as a special charge, and in the same manner as such taxes, and shall turn over all monies so collected to BID-37 Board for distribution in accordance with BID-37 Plan by the 15th day of the month following

such collection. All BID-37 Assessments shall be held by the City in a segregated account until it is released to BID-37 Board as provided herein.

**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.
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 BID #37 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 to 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 of 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 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 Operating Plan.

Section 66.1103 (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 2021 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).

**Board Organization:** at least 5, at least 3 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 year terms:

Board Member Title Term Ends BID Affiliation Address

- **Ted Matkom;** Chair 10/2021 - Owner 3412 W Fond du Lac Ave
- **Art Arnstein;** Vice Chair 5/17/2021 - Owner 3100 W Concordia Ave
- **James Wehrli;** Member Pending - Employee 2600 N 32nd Street
- **Cordella Jones;** Member Pending - Employee 3637 W Fond du Lac Ave
- **Thomas Ryan;** Member 2/26/2023 - Owner 4201 N 27<sup>th</sup>
- **Kyle Stephens;** Member 2/25/2023 - Employee 3945 N 31st
- **Lynn Menefee;** Member 8/3/2023 - Owner 4277 N Teutonia

Appendix A State Statutes

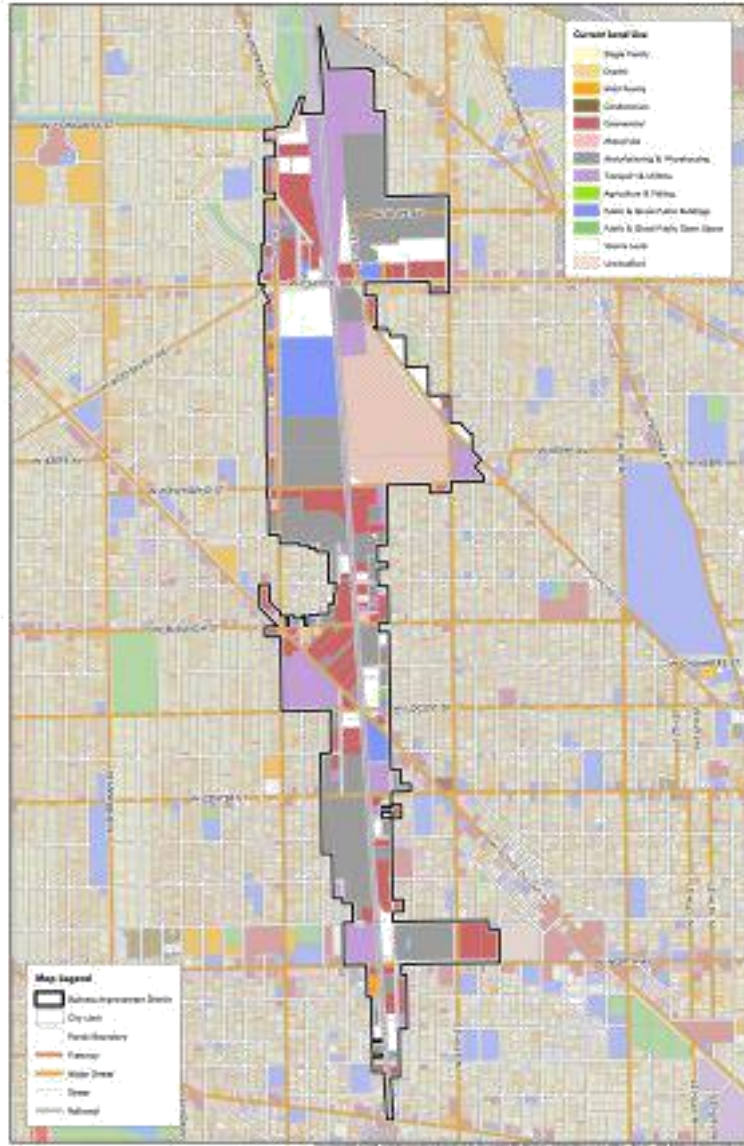
98.1109 Business improvement districts.

- (1) In this section:
- (a) "Board" means a business improvement district board appointed under sub. (3) (a).
  - (b) "Business improvement district" means an area within a municipality consisting of contiguous parcels and may include railroad rights-of-way, rivers, or highways continuously bounded by the parcels on at least one side, and shall include parcels that are contiguous to the district but that were not included in the original or amended boundaries of the district because the parcels were tax-exempt when the boundaries were determined and such parcels became taxable after the original or amended boundaries of the district were determined.
  - (c) "Chief executive officer" means a mayor, city manager, village president or town chairperson.
  - (d) "Local legislative body" means a common council, village board of trustees or town board of supervisors.
  - (e) "Municipality" means a city, village or town.
  - (f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation and promotion of a business improvement district, including all of the following:
    - 1. The special assessment method applicable to the business improvement district.
    - 2. Whether real property used exclusively for manufacturing purposes will be specially assessed.
    - 3. The kind, number and location of all proposed expenditures within the business improvement district.
    - 4. A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.
    - 5. A description of how the creation of the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.
    - 6. A legal opinion that subs. 1. to 4. have been complied with.
  - (g) "Planning commission" means a plan commission under s. 62.23, or if none a board of public land commissioners, or if none a planning committee of the local legislative body.
  - (2) A municipality may create a business improvement district and adopt its operating plan if all of the following are met:
    - (a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. (b) has petitioned the municipality for creation of a business improvement district.
    - (b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.
    - (c) At least 30 days before creation of the business improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed business 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 business improvement district shall be sent by certified mail to all owners of real property within the proposed business improvement district. The notice shall state the boundaries of the proposed business 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), 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, or 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, have not filed a petition with the planning commission protesting the proposed business improvement district or its proposed initial operating plan.
    - (e) The local legislative body has voted to adopt the proposed initial operating plan for the municipality.
  - (3)
    - (a) The chief executive officer shall appoint members to a business improvement district board to implement the operating plan. Board members shall be confirmed by the local legislative body and shall serve staggered terms designated by the local legislative body. The board shall have at least 5 members. A majority of board members shall own or occupy real property in the business improvement district.
    - (b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business 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 business 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 business 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 business 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 powers necessary or convenient to implement the operating plan, including the power to contract.
    - (e) All special assessments received from a business improvement district and all other appropriations by the municipality or other moneys received for the benefit of the business 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. (3) (c) or on order of the board for the purpose of implementing the operating plan. On termination of the business 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 business improvement district, in the same proportion as the last collected special assessment.
    - (f) 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 90 percent of the valuation of all property assessed under the operating plan, using the method of valuation



**BID NO. 37: 30TH STREET INDUSTRIAL CORRIDOR**  
**CITY OF MILWAUKEE**

Department of Public Works  
Engineering Division  
Map and GIS Services Unit





# 30th Street Corridor & BID #37 2020 Annual Report





**Background:**

Milwaukee was once known as the “machine shop of the world.” One of the areas with the most prodigious manufacturing output is the 30th Street Industrial Corridor where manufacturing giants, such as A.O. Smith, Master Lock, Harley Davidson, Briggs and Stratton, Badger Meter, among many others, were founded. The Corridor consists of over 880 acres of industrial infrastructure, which is housed on the railroad, with access to the Milwaukee Port, and the eastern seaboard for national and international trade.

During the great migration, tens of thousands of African Americans moved to Milwaukee to work in these factories, and prosperous, blue-collar middle class African American neighborhoods were formed. However, due to deindustrialization, among other factors, the area currently faces many challenges. In 1991, the the 30th Street Industrial Corridor Corporation (Nicknamed “The Corridor”) was founded for the purpose of supporting the remaining businesses and revitalizing this once prosperous area of Milwaukee. The Corridor’s mission is to serve as the mobilizing entity to collectively promote and spark economic resurgence for businesses and residents. Our motto is “Industry and Community Together.”

The 30th Street Corridor consists of 80 acres of industrial zoned infrastructure, and is home to a mix of businesses, large and small, and draws employees from all over Milwaukee and the southeastern Wisconsin region.

In 2005 The Corridor established BID #37, which works to support and advocate for business owners in the area through programs such as: crime and safety grants, facade grants, and litter, dumping and graffiti abatement.

The Corridor crosses many neighborhoods, including Lincoln Creek, Garden Homes, Sherman Park, Amani, Metcalfe Park, Walnut Hill, Miller Valley and Washington Park. The Corridor is generally bounded by Hampton Avenue on the north, 27th Street on the east, Highland Avenue on the south and 35th Street on the west. The industrial zone includes several major employers, including MillerCoors; Harley-Davidson Motor Company; DRS Power and Control Technologies, Master Lock and others. We also house MWERC, Northwest Side CDC, Maximus, Employ Milwaukee, and others.

The boundaries of BID #37 are Ruby Avenue on the North, Brown Street on the South, and the East and West boundaries are generally North 35<sup>th</sup> Street on the West and the eastern boundary is North 27<sup>th</sup> Street. The 30th Street Corridor is generally bounded by Hampton Avenue on the North, Highland Avenue on the South, and 27th to 35th Street East and West.

## **Objectives:**

The objective of BID #37/the Corridor to revitalize the 30<sup>th</sup> Street Industrial Corridor by creating an area that will attract and retain profitable industrial, manufacturing and commercial businesses, thus creating quality jobs with family supporting wages for central city residents. We have assembled a dynamic and diverse board and our entity serves as the CONVENER, VISIONARY, LEADER and CHAMPION of the area of Milwaukee known as "The Corridor."



**Vision:** *Building a Strong Economy with Innovation and Talent*

**Mission:** Serves as the mobilizing entity to collectively promote and spark economic resurgence for businesses and residents

### **Core Values:**

**Creativity:** *Building industry through innovation, intellectual engagement, strategic intentions and exploration of potentiality*

**Recognition:** *Orchestrating entity in driving revitalization*

**Power:** *Coalescing & harnessing the vast power of neighbors & stakeholders to drive change block by block*

**Dedication:** *Being persistent in application to a task or purpose*

**Accountability:** *Providing impactful actions and results.*

### **30TH STREET CORRIDOR AREAS OF FOCUS:**

- 1. Business Improvement District #37** - Supporting and retaining current businesses; attracting new ones. Promoting entrepreneurship.
- 2. HISTORIC GARDEN HOMES** - Neighborhood Plan & Housing Initiative
- 3. EQUITABLE DEVELOPMENT** - Bring all Corridor Neighborhoods together in a process for Equitable Development of the area.

Some of the current projects happening in the Corridor include:

1. Redevelopment of former A.O. Smith Campus - 79 Acres + 13 Acres 35th and Capitol Drive
2. Rails to Trails Project - Bike/Walking Trail on Railroad to connect Hank Aaron and Oak leaf trails
3. Community Within the Corridor Project - \$60M redevelopment of Briggs&Stratton site on 32nd and Center
4. City of Milwaukee Connecting the Corridor Plan - Parks & Public Space, Mobility and Street, Off-street Trails and Stormwater Management
5. WaterMarks Art Project - Greater Milwaukee Committee
6. Milwaukee Metropolitan Sewage District (MMSD) 30th Street Corridor Flood remediation Project

## **Highlights for 2020:**

In 2020 we continued to support BID #37 businesses with the abatement of graffiti, dumping, and litter. We paid numerous facade, safety and security grants. We strengthened our relationship with the City of Milwaukee Department of City Development, the Milwaukee Police Department, the Milwaukee County Sheriff's Department and other BIDs in our area.

### *WHEDA Tax Credits Awarded for Restoration of Garden Homes Historic District*

In 2015, the 30th Street Industrial Corridor Corporation committed to helping convene the residents and stakeholders in Garden Homes to undergo a process that would lead to a restorative and revitalization of the assets of Garden Homes. For over 3 years, over 200 residents, 50 entities and dozens of leaders from the neighborhood have come together to forge deeper relationships and to plan for a brighter future. We have 7 committees: neighborhood pride, housing, safety, economic development, jobs, health and wellness, and education and intergenerational opportunities. Thus far, 19 of 31 goals from the plan have been completed or are in progress. We are currently working on a transformative housing project for the neighborhood.

In 2019, the 30th Street Industrial Corridor Corp set an ambitious goal to apply for low income tax credits with the Wisconsin Housing and Economic Development Corp (WHEDA) to fix the homes. In April 2020, we were awarded WHEDA low income tax credits to revitalize 30 homes in the area, including 10 historic homes. This is a partnership with WHEDA, the City of Milwaukee, Impact Seven, and the Garden Homes Neighborhood Association. We anticipate breaking ground in the spring, which coincides with the 100th Anniversary of Garden Homes.

### *Purchase of former Tower Automotive Lot with City of Milwaukee*

We recently purchased the 13 acre lot on the corners of 35th and Capitol Drive with the City of Milwaukee. It is the last lot on two major intersections available in Milwaukee for redevelopment. We have formed a committee with the Department of City Development to explore redevelopment of this site as well as the 79 acres at the former A.O. Smith campus.

### *Data/Evaluation:*

BID #37 contracted with a business intelligence firm, Intelligemini, to do a data dive on our area. They also created a survey for our businesses. We now have comprehensive data which will share soon on our new interactive website.

**BUSINESS IMPROVEMENT DISTRICT #37**  
Milwaukee, Wisconsin

**Reviewed Financial Statements**

Years Ended December 31, 2019 and 2018

**Table of Contents**

	<u>Page</u>
Independent Accountants' Review Report	1
Statements of Financial Position	2
Statements of Activities	3
Statements of Cash Flows	4
Notes to Financial Statements	5 - 7



**RPB CPAs**  
*A century of new ideas*  
**Independent Accountants' Review Report**

Board of Directors  
Business Improvement District #37  
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of Business Improvement District #37 (a nonprofit organization), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

#### **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 ("U.S. GAAP"); 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.

#### **Accountants' Responsibility**

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with U.S. GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

#### **Accountants' Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with U.S. GAAP.

September 24, 2020  
Milwaukee, Wisconsin

**BUSINESS IMPROVEMENT DISTRICT #37**

Milwaukee, Wisconsin

**Statements of Financial Position**

December 31, 2019 and 2018

<b>Assets</b>	<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Current Assets:</b>		
Cash and equivalents	\$ 46,049	\$ 346,129
Certificate of deposit	<u>234,606</u>	<u>106,929</u>
<b>Total current assets</b>	<b>280,655</b>	<b>453,058</b>
<b>Property and Equipment:</b>		
Land	<u>125,000</u>	<u>-</u>
<b>Total property and equipment</b>	<b>125,000</b>	<b>-</b>
<b>Total assets</b>	<b>\$ <u><u>405,655</u></u></b>	<b>\$ <u><u>453,058</u></u></b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities:</b>		
Accounts payable	61,228	59,814
Accrued interest payable	3,435	3,676
Current portion of long-term debt	<u>\$ 7,887</u>	<u>\$ 7,565</u>
<b>Total current liabilities</b>	<b>72,550</b>	<b>71,055</b>
<b>Long-Term Liabilities:</b>		
Notes payable, net of current portion	<u>99,868</u>	<u>107,755</u>
<b>Total liabilities</b>	<b>172,418</b>	<b>178,810</b>
<b>Net Assets</b>		
Without donor restriction	<u>233,237</u>	<u>274,248</u>
<b>Total net assets</b>	<b><u>233,237</u></b>	<b><u>274,248</u></b>
<b>Total liabilities and net assets</b>	<b>\$ <u><u>405,655</u></u></b>	<b>\$ <u><u>453,058</u></u></b>

See Accompanying Notes and  
Independent Accountants' Review Report.



**BUSINESS IMPROVEMENT DISTRICT #37**

Milwaukee, Wisconsin

**Statements of Activities**

Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Revenues:</b>		
City of Milwaukee - assessment	\$ 166,883	\$ 166,663
Interest income	1,172	548
<b>Total revenue</b>	<u>168,055</u>	<u>167,211</u>
<b>Expenses:</b>		
<b>Program:</b>		
Graffiti removal	702	470
Interest	4,661	4,980
Special events	50	-
Street cleaning	-	8,500
Streetscaping	294	-
Façade and landscaping	-	1,500
<b>Management and general:</b>		
General operating	19,387	20,806
Salaries and benefits	129,959	123,955
Payroll taxes	8,645	8,632
Professional development	38,295	6,915
Accounting services	5,930	10,220
Marketing	1,043	396
Miscellaneous	100	55
<b>Total expenses</b>	<u>209,066</u>	<u>186,429</u>
<b>Change in net assets</b>	(41,011)	(19,218)
<b>Net assets without donor restrictions, beginning of year</b>	<u>274,248</u>	<u>293,466</u>
<b>Net assets without donor restrictions, end of year</b>	<u>\$ 233,237</u>	<u>\$ 274,248</u>

See Accompanying Notes and  
Independent Accountants' Review Report.

**BUSINESS IMPROVEMENT DISTRICT #37**

Milwaukee, Wisconsin

**Statements of Cash Flows**

Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Cash Used by Operating Activities:</b>		
Change in net assets	\$ (41,011)	\$ (19,218)
<b>Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:</b>		
<b>Changes in assets and liabilities:</b>		
Prepaid Insurance	-	844
Accrued interest payable	(241)	(231)
Accounts payable	1,414	(17,440)
<b><u>Net cash used by operating activities</u></b>	<u>(39,838)</u>	<u>(36,045)</u>
<b>Cash Used by Investing Activities:</b>		
Maturity of certificate of deposit	106,929	106,768
Purchase of certificate of deposit	(234,606)	(106,929)
Purchase of property and equipment	(125,000)	-
<b><u>Net cash used by investing activities</u></b>	<u>(252,677)</u>	<u>(161)</u>
<b>Cash Used by Financing Activities:</b>		
Payment on note payable	<u>(7,565)</u>	<u>(7,257)</u>
<b>Decrease in cash and equivalents</b>	(300,080)	(43,463)
<b>Cash and equivalents, Beginning of year</b>	<u>346,129</u>	<u>389,592</u>
<b>Cash and equivalents, End of year</b>	<u>\$ 46,049</u>	<u>\$ 346,129</u>
<b>Supplementary Information:</b>		
Interest paid	<u>\$ 4,902</u>	<u>\$ 5,211</u>

See Accompanying Notes and  
Independent Accountants' Review Report.

**BUSINESS IMPROVEMENT DISTRICT #37**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2019 and 2018

**1. Nature of Activities**

Business Improvement District #37 (“BID”) was created to allow businesses in the 30<sup>th</sup> Street area to develop, manage, and promote the local economy. BIDs are financed by special assessments on properties within the District and are organized in accordance with Wisconsin Statutes 66.109.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements for the BID are prepared on the accrual basis; whereby revenues are recognized when earned rather than received and expenses are recognized when incurred rather than when they are paid.

**Basis of Presentation**

Financial statement presentation follows accounting principles generally accepted in the United States of America (“U.S. GAAP”). Under these principles, the BID is required to report information regarding its financial position and activities according to classes of net assets as follows:

**Net assets without donor restrictions** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

**Net assets with donor restrictions** – Net assets subject to donor- (or certain grantor-) 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 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. The BID had no net assets with donor restrictions as of December 31, 2019 and 2018.

**Cash and Equivalents**

For purposes of the statements of cash flows, cash and equivalents include all checking accounts, money market accounts, and certificates of deposit with maturities of 3 months or less to be cash equivalents.

**Tax-Status**

The 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.

**Advertising**

The BID expenses nondirect-response advertising costs as they are incurred. Advertising expense was \$1,043 and \$396 for the years ended December 31, 2019 and 2018, respectively.

**Use of Estimates**

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

**BUSINESS IMPROVEMENT DISTRICT #37**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2019 and 2018  
(Continued)

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

**Revenue Recognition**

Substantially all of the BID's 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.

**Allocation of Functional Expenses**

Costs have been detailed by function on the statement of activities, and directly allocated among the functions based upon use of those costs.

**Change in Accounting Principle**

Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 606, Revenue from Contracts with Customers, as amended, supersedes or replaces nearly all U.S. GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or a point in time, and expand disclosures about revenue. We have implemented Topic 606 and have adjusted the presentation in these financial statements accordingly. The amendments have been applied retrospectively to all periods presented with no effect on net assets.

**3. Related-Party Disclosures**

The BID shares similar management with the 30th Street Industrial Corridor Corporation (ICC). The BID reimburses the ICC for administrative, program, and other expenses it pays on the BID's behalf; these expenses totaled \$209,066 and \$181,450 for the years ended 2019 and 2018, respectively. Accounts payable due to ICC were \$61,228 and \$59,814 for the years ended 2019 and 2018, respectively. As of December 31, 2019 and 2018, expense classifications on the statement of activities for the current year correspond exactly to actual expenses paid by the ICC on their behalf.

**4. Note Payable**

In conjunction with a Streetscaping Improvement Project, the BID entered into a loan agreement with the City of Milwaukee for a loan in the amount of \$136,216. The loan bears interest at a rate of 4.25%, and is unsecured. The loan requires annual principal and interest payments of \$12,467 occurring on March 30 of each year, with payments beginning in 2016.

Future note payments are as follows:

<u>Year</u>	<u>Payment</u>	<u>Principal</u>	<u>Interest</u>
2020	12,467	7,887	4,580
2021	12,467	8,222	4,245
2022	12,467	8,572	3,895
2023	12,467	8,936	3,531
2024	12,467	9,316	3,151
2025 - 2030	74,799	64,822	9,977
<b>Total</b>	<b>\$ 137,134</b>	<b>\$ 107,755</b>	<b>\$ 29,379</b>

**BUSINESS IMPROVEMENT DISTRICT #37**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2019 and 2018  
(Continued)

**5. Concentrations**

The BID receives the majority of its revenues from a City of Milwaukee assessment.

**6. Liquidity and Availability**

Financial assets available for general expenditure and current contractual obligations, that is, without donor or other restrictions limiting their use, within one year of balance sheet date, comprise of the following at December 31:

	<u>2018</u>	<u>2017</u>
Cash	\$ 46,049	\$ 346,129
Certificate of Deposit (due within one year)	<u>234,606</u>	<u>106,929</u>
<b>Financial assets available to meet general expenditures and current contractual obligations within one year</b>	<b>\$ <u>280,655</u></b>	<b>\$ <u>453,058</u></b>

The BID receives a City of Milwaukee assessment in the first quarter of the year which is adequate to cover the expenses and debt payment during the year.

**7. Subsequent Events**

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed, September 24, 2020. As of the result of the spread of the COVID-19 coronavirus, economic uncertainties have arisen. While the BID has not seen a direct financial impact, the BID has experienced business disruption. There were no other subsequent events that required recognition or disclosure.