

BUSINESS IMPROVEMENT DISTRICT NO. 4

GREATER MITCHELL STREET

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OPERATING PLAN FOR YEAR 2019 (YEAR 30)

9/20/2018

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I. INTRODUCTION

A. History of BID #4:

In 1984, the Wisconsin legislature created 66.1109 (formerly S. 66.608) of the Statutes (see Appendix E) 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 created Business Improvement District No. 4 (“BID 4”) and approved its initial operating plan with Common Council Resolution File No. 890176, adopted by reference July 28, 1989.

The City of Milwaukee had received a petition from property owners which requested creation of a Business Improvement District for the purpose of revitalizing and improving the Mitchell Street business area on Milwaukee's near south side. BID #4 was established in 1989. The BID law requires that every district have an annual Operating Plan.

Since 1989, BID #4 has submitted annual operating plans, adding and modifying its plan objectives as part of its ongoing management and promotion of the district, including in some instances its financing arrangements and assessment methodologies. This BID #4 Operating Plan shall govern the operation of BID #4 during calendar year 2019. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development’s Commercial Corridor Team.

B. Physical Setting:

The BID #4 area is a retail and commercial, and densely populated District on the near south side of the City of Milwaukee, and includes the Historic Mitchell Street commercial corridor.

II. DISTRICT BOUNDARIES

BID #4 was established in 1989 to support the commercial and business interests of the Mitchell Street commercial corridor. It oversees an area of fourteen plus blocks, representing over 100 business and property owners on the near south side of the City. A listing of the properties included in the District, and their projected assessments, are part of this 2019 Operating Plan. (Appendix D)

III. PROPOSED 2019 OPERATING PLAN

A. Plan Objectives and Mission:

The 2019 Mission and objectives of the BID #4 include: To continue the revitalization and improvement of the retail shopping and business district as a shopping destination; to further economic development initiatives by providing coordinated resources for businesses on the Mitchell Street commercial corridor; to advocate and create positive solutions for business and commercial issues; to create and operate several new events to attract more destination and return shoppers and visitors to the commercial corridor; and to increase the number and variety of businesses in this district on Milwaukee’s near south side. The BID also strives to remain culturally relevant to the ethnically diverse enterprises in the District. The BID’s specific initiatives are maintaining a clean, graffiti-free, safe and friendly business neighborhood, and the promotion of a positive shopping destination for its merchants and businesses on the commercial corridor.

B. Proposed Goals and Activities :

Principle goals, endeavors and activities to be engaged in by the District during its 30th year of operation include:

Maximizing both human and capital resources in the continuing promotion and implementation of activities that will result in enhanced safety for the business and surrounding residential area; continuing improvement of the area's image and esthetics; and increased property values. The BID will also continue its efforts in revitalizing the historic beauty of the commercial corridor which includes Historic Mitchell Street from 5th to 13th Streets, thereby maintaining retail vibrancy in this culturally diverse and historic district.

Refer to Appendix C for Additional 2019 Goals and Activities.

C. Proposed Expenditures and Income:

Proposed Expense Budget for 2019:

Business Development	\$2,762
Marketing and Promotion	4,559
Community Outreach	1,500
Graffiti Removal	3,287
Meeting Expenses	696
Street Maintenance	5,000
Office Expenses	2,115
Rent	9,000
Telephone/Internet	3,000
Postage	560
Utilities	-0-
Repairs & Maintenance	634
Legal & Professional Services	5,800
Insurance	2,256
Personnel	70,306

Total Expense Budget for 2019: \$111,475

Proposed Income Budget for 2019: \$119,001

D. Financing Method:

It is proposed to raise \$111,420 from 123 commercial properties, through BID assessments (see Appendix D); and it is projected that one or two new planned Events in 2019 will net \$5,000. Additionally, it is projected that BID #4 will have \$2,500 of miscellaneous income as well as \$81 of interest income. While the 2019 budgeted expenses are about the same as the anticipated BID assessments, we also hope to rebuild the reserve dollars that were used in the last couple of years. 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 a BID Board:

Upon creation of a Business Improvement District, the Mayor appoints members to the District board ("board"), who are approved by the Common Council. The board's primary responsibility is the implementation of this Operating Plan. This requires the board and staff to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to amend, when necessary, 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. The Operating Plan serves as the guide for a year's activities and operations.

State law requires that the board be composed of a minimum of five members and that a majority of the Board members be owners or occupants of property within the District.

The BID #4 Board of Directors is structured and operates as follows:

Board Size – Fifteen (Per By-Laws)

Composition - The majority of the Board are owners or occupants of property and/or businesses within the district. Any non-owner or non-occupant appointed to the board must be a resident of the City of Milwaukee. The Board shall elect its President, Vice President, Treasurer and Secretary from among its members, at the Board's annual meeting every January.

Term – Mayoral appointments to the Board are for a term of three years.

Compensation – None.

Meetings - All meetings of the Board are governed by the Wisconsin Open Meetings Law. The Board must meet regularly, at least twice each year. However, the BID #4 Board of Directors meets monthly. The Board has adopted rules of order ("By-Laws") to govern the conduct of its meetings. Standing committees meet as needed, with reporting to the Board at regular Board meetings. A new Finance Committee was created in 2015, and meets quarterly. And, a new Fund Development/New Events Committee was created in 2018, which meets monthly, as does the Executive Committee.

Record Keeping - Files and records of the board's affairs shall be kept pursuant to public record requirements.

Staffing - The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof. However, BID #4 employs one full-time employee -- the executive director, plus the services of an outside contracted accountant.

IV. METHOD OF ASSESSMENT

Assessment Rate and Method:

The principle behind the assessment methodology is that each property contributes 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 required an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$2500.00 per property was determined.

As of January 1, 2018, the commercial property in the district had a total assessed value of \$59,887,500. The Plan's creation assessed the commercial property in the District at a rate of \$4.00 per \$1,000.00 of assessed value, subject to the maximum assessment, for the purposes of the BID. Taxable properties, other than those classified as parking lots or vacant lots, are subject to a \$400.00 minimum BID assessment. Taxable properties are subject to a maximum of \$2,500.00 BID assessment.

Appendix D provides the projected 2019 BID assessment for each property included in the District.

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:

State Statute 66.1109 (1)(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.

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 D, as revised each year.

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 could 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

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 Mitchell Street business area and for furthering historic 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.

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 continues to play a significant role in its creation of the Business Improvement District and in the implementation of the Operating Plan. Specifically, the City:

Provides technical assistance to the proponents of the district through adoption of the Plan, and provides assistance as appropriate thereafter.

Monitors, and when appropriate, applies for outside funds that could be used in support of the district.

Collects assessments, maintained in a segregated account, and disburses the monies for the maintenance of the business district.

Mandates the conduction by an outside auditor of an annual audit of the BID, as required per sec. 66.1109(3)(c) of the BID law. Effective with the 2019 operating year, only a review may be mandated for those BID's whose annual assessment income is less than \$300,000. This then would pertain to BID #4.

Provides the Board, through the City's Treasurer's Office by a designated date of each Plan year, with the official City records and the assessed value of each tax key number within the district, as of January 1st of each Plan year, for purposes of calculating the BID assessments.

Encourages and works with the State of Wisconsin, Milwaukee County and other units of government, to support the activities of the District.

VI. PLAN APPROVAL PROCESS

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 has been followed:

The Milwaukee City Plan Commission reviews the proposed district boundaries and proposed Operating Plan and then sets a date for a formal public hearing.

The City Plan Commission sends, by certified mail, a public hearing notice and a copy of the proposed Operating Plan to all owners of real property within the proposed district. In addition, a Class 2 notice of the public hearing is published in a local newspaper of general circulation.

The City Plan Commission holds a public hearing, approves or disapproves the Plan, and reports its action to the Common Council.

The Community Economic Development Committee of the Common Council reviews the proposed BID Plan at a public meeting and makes a recommendation to the full Common Council.

The Common Council then acts on the proposed BID Plan.

If adopted by the Common Council, the proposed BID Plan is sent to the Mayor of the City for approval.

If approved by the Mayor, the BID is created, and the Mayor then appoints members to the district board established to implement the Plan.

Each year a BID is in existence and operation, it meets with the Community Economic Development Committee of the Common Council, for a review of its Operating Plan, and for the Committee's recommendation to the full Common Council for approval to operate for the following year.

Early Termination of the District:

The City shall consider terminating the District 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 District. 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 District 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 District shall be sent by certified mail to all owners of real property within the District.

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 District or, if the owner did not sign the petition, that the owner requests termination of the District.

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 District, the City shall terminate the District on the date that the obligation with the latest completion date entered into, to implement the Operating Plan, expires.

VII. FUTURE YEAR'S OPERATING PLANS

A. Phased Development

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 66.1109 (3) (a) of the BID law requires the BID and the City to annually review, and make changes as appropriate, in the Operating Plan. Greater detail about subsequent year's activities will be provided in the required annual Operating Plan and the Annual Report; and approval by the Common Council of such Plan updates shall be conclusive evidence of compliance with this Plan and the BID law.

In continuing years, the BID's Operating Plan will continue to apply the assessment formula to raise funds to meet the following year's annual operating 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 assessable properties or 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

Listing of Current 2018 BID #4 Board of Directors:

Name	Title	Email Address	Property Owned or Occupies	Term
Rudy Gutierrez	President	raul.gutierrez@usbank.com	939 W. Historic Mitchell Street	10/21/15-10/21/18
John Dye	Vice-President	jdye@me.com	1579 S. 9 th Street	4/25/18-4/25/21
Demitra Copoulos	Secretary	vitamindandc@gmail.com	1007 W. Historic Mitchell Street	3/13/17-3/13/20
Gloria Marquez	Treasurer	gloria.marquez@associatedbank.com	829 W. Historic Mitchell Street	7/5/16-7/5/19
Amrit Patel		amritpatel@yahoo.com	1023 W. Historic Mitchell Street	9/12/18-9/12/21
Jennifer Gannon		Gannonj45@yahoo.com	8339 N. Lake Drive (Not in BID)	1/29/18-1/29/21
Alejandro Fuentes		alejandrofuen@gmail.com	2836 W. Rawson Ave. (Not in BID)	11/29/16-11/29/19
Joseph Arnezeder		joseph.david23@gmail.com	1306 W. Forest Home Avenue	3/30/17-3/30/20
Victor Huyke		victordeconquistador@gmail.com	2653 N. Holton Street (Not in BID)	5/19/17-5/19/20
Keith C. Nelson		keithchristo@yahoo.com	1013 W. Historic Mitchell Street	6/27/2018-6/2021
Shane McAdams		mcadamsshane@hotmail.com	1013 W. Historic Mitchell Street	6/27/2018-6/2021

APPENDIX C
2019 Proposed Goals and Activities:

- * Continuing efforts to complete an overall design plan, including capital improvements, safe vehicular traffic control, and parking lot utilization. Street traffic control continues to be a major problem.
- * Developing new branding for the commercial corridor to further identify and market its cultural diversity to potential businesses, brokers and developers, via a series of regular Strategic Planning meetings. New businesses in the BID #4 district in 2018 include two pharmacies, a pediatric dental practice, an art gallery, two additional restaurants, an alterations shop, a men's fashions shop, and a barber shop.
- * Providing assistance to property owners and developers who are engaged in property improvements and redevelopment activities, utilizing the City's grant programs (Signage, Façade, White Box, RIF).
- * Promoting the unique historic significance, vibrancy and commercial and cultural diversity of the District.
- * Ensuring historical design-sensitive exterior renovations of buildings in the District, working closely with the City's Historic Preservation Commission, and utilizing the City's façade and grant programs where feasible.
- * Ensuring all commercial buildings within the District are continually maintained graffiti-free with the supporting City graffiti removal program via an annual contract with the Department of Neighborhood Services.
- * Providing support and assistance to businesses that are engaging in activities that meet the BID's overall objectives. A potential third party loan program continues to be researched by the Finance Committee.
- * Continuing to initiate, coordinate, support and expand new and positive activities and events which enhance retail and business recruitment and retention, and therefore the property owners' interests.
- * Researching and planning one or two new major annual events to replace the 7-year old Sun Fair, beginning in the summer-fall of 2019. Meetings have begun with NEWaukee to develop a major new event.
- * Maintaining the neighborhood business district portfolio, including an inventory of commercial space availability for distribution to brokers and prospective retail tenants, and to respond to inquiries from developers. This inventory is also available and regularly updated on the BID's Website (mitchellstreet.com) and on BID #4's Facebook.
- * Continuing to work with the Milwaukee Police Department's District 2 for increased police protection and support, along with security measures and safety programs for a safe business and residential neighborhood. BID #4 has an active and involved Safety Committee comprised of Board members and volunteers, that works to reduce the vagrancy, panhandling and prostitution issues. The commercial corridor has 13 security surveillance cameras installed on Historic Mitchell Street, from 6th to 13th Streets. Vehicular speeding on the commercial corridor continues to be a major safety issue which the BID continues to address.
- * Participating with Marquette University's Crime Mapping Class project for the past two semesters, focusing on crime issues in the Mitchell Street business and surrounding neighborhoods. This will continue in 2019.
- * Promoting media coverage of District activities, as part of its marketing efforts.
- * Initiating, coordinating, and promoting continually outreach events and activities for property and business owners and retailers (i.e., the seven-year annual 3-day Sun Fair on Historic Mitchell Street, resource fairs, business classes, holiday kick-off events and window decorating contest, the BID's annual Open House for property and business owners, public art events, etc.), and initiating new positive events. These events and activities both promote the vibrant and unique diverse retail area, and draw returning and new destination shoppers and visitors to the commercial corridor. The September 2018 Doors Open Milwaukee, operated by Historic Milwaukee Inc., is focusing on Historic Mitchell Street as its historic neighborhood. Ten sites will open their doors for the two-day event, drawing hundreds of visitors to the commercial corridor.
- * Assisting property and business owners with liaison to the City, regarding permits, historic issues, grants, etc.
- * Supporting and participating with several community organizations' outreach programs that link the business community to the community at large and to City of Milwaukee services and programs. These groups include SOC, LISC, MPD and WWBIC.
- * Distributing timely information to property and business owners, merchants, and other interested parties via quarterly Newsletters, flyers, letters, resource seminars, business classes, and other appropriate venues.
- * Re-establishing a business Neighborhood Block Watch on the Mitchell Street commercial corridor with the assistance of MPD District 2, to improve safety and security on and near the commercial corridor.

- *Organizing a new neighborhood residents' group, with monthly meetings held at the BID office.
- *Holding the BID's annual Open House for property and business owners and merchants every Fall, to provide networking opportunities for everyone, and also to seek input from owners for the BID's following year's Operating Plan.
- *Maintaining weekly clean-up of the commercial corridor, and maintenance of the medians and the street-scaping on Historic Mitchell Street. Continuing the projects of adding new litter containers (22 installed since 2015), and adding new flowering planters (8 installed in a project we began in 2017). It is planned to replace all of the 33 Mitchell Street worn identifying street banners in 2019.
- *Continuing to monitor and enforce the historical guidelines for Historic Mitchell Street, working closely with the City's Historic Preservation Commission and staff.

Please refer to BID #4's 2017-2018 Annual Report for a comprehensive detailed listing of plans and accomplishments.

APPENDIX D

Projected Assessments for the 2019 Operating Plan:

Taxkey	Address	Property Class	Total Assessment	BID #4 Assessment 2019
4600101110	1300 W HISTORIC MITCHELL	Local Commercial	\$ 1,061,000.00	\$ 2,500.00
4600113100	1301 W FOREST HOME	Local Commercial	\$ 36,000.00	\$ 144.00
4600115110	1337 W FOREST HOME	Local Commercial	\$ 1,744,000.00	\$ 2,500.00
4600118100	1905 S 13TH	Local Commercial	\$ 49,069.66	\$ 400.00
4600120000	1915 S 13TH	Residential		-
4600121000	1919 S 13TH	Local Commercial	\$ 92,939.45	\$ 400.00
4600122000	1925 S 13TH	Residential		-
4600123110	1937 S 13TH	Local Commercial	\$ 47,300.00	\$ 189.00
4600123120	1331 W BURNHAM	Local Commercial	\$ 918,000.00	\$ 2,500.00
4600123130	1940 S 14TH	Special Mercantile	\$ 1,191,000.00	\$ 2,500.00
4600301100	1841 S 14TH	Special Mercantile	\$ 560,000.00	\$ 2,240.00
4600303000	1416 W FOREST HOME	Local Commercial	\$ 42,550.00	\$ 400.00
4600304000	1412 W FOREST HOME	Local Commercial	\$ 54,971.48	\$ 400.00
4600305000	1406 W FOREST HOME	Local Commercial	\$ 1,700.00	\$ 7.00
4600306000	1400 W FOREST HOME	Local Commercial	\$ 44,400.65	\$ 400.00
4600307000	1741 S 14TH	Residential		-
4600308100	1737 S 14TH	Residential		-
4600308200	1737 S 14TH	Residential		-
4600309000	1733 S 14TH	Residential		-
4600310000	1729 S 14TH	Residential		-
4600311000	1725 S 14TH	Residential		-
4600312000	1721 S 14TH	Residential		-
4600313000	1719 S 14TH	Residential		-
4600315100	1401 W MITCHELL	Special Mercantile	\$ 829,000.00	\$ 2,500.00
4601032000	1500 W MITCHELL	Local Commercial	\$ 82,000.00	\$ 400.00
4601033000	1504 W MITCHELL	Residential		-
4601034000	1510 W MITCHELL	Local Commercial	\$ 7,400.00	\$ 30.00
4601035000	1512 W MITCHELL	Residential		-
4601036000	1516 W MITCHELL	Local Commercial	\$ 9,800.00	\$ 39.00
4601037000	1522 W MITCHELL	Mercantile Apartment		-
4601038000	1524 W MITCHELL	Residential		-
4601040100	1532 W MITCHELL	Local Commercial	\$ 75,589.82	\$ 400.00
4601041000	1670 S 15TH	Residential		-
4601042000	1666 S 15TH	Residential		-
4601060000	1400 W MITCHELL	Local Commercial	\$ 109,000.00	\$ 436.00
4601061000	1404 W MITCHELL	Local Commercial	\$ 52,056.89	\$ 400.00
4601062000	1408 W MITCHELL	Residential		-

4601063100	1418 W MITCHELL	Mercantile Apartment		-
4601065000	1424 W MITCHELL	Residential		-
4601066000	1430 W MITCHELL	Exempt		-
4601068100	1436 W MITCHELL	Local Commercial	\$ 227,000.00	\$ 908.00
4601212110	1321 W LAPHAM	Exempt		-
4601861100	1302 W FOREST HOME	Special Mercantile	\$ 1,991,000.00	\$ 2,500.00
4610502100	621 W HISTORIC MITCHELL	Local Commercial	\$ 1,591,000.00	\$ 2,500.00
4610503000	635 W HISTORIC MITCHELL	Local Commercial	\$ 148,000.00	\$ 592.00
4610528000	715 W HISTORIC MITCHELL	Local Commercial	\$ 18,600.00	\$ 74.00
4610530000	709 W HISTORIC MITCHELL	Local Commercial	\$ 172,000.00	\$ 688.00
4610531000	705 W HISTORIC MITCHELL	Local Commercial	\$ 172,141.69	\$ 689.00
4610534100	716 W WINDLAKE	Exempt		-
4610537100	734 W WINDLAKE	Residential		-
4610538000	728 W MAPLE	Residential		-
4610539000	732 W MAPLE	Local Commercial	\$ 62,200.00	\$ 400.00
4610540000	738 W MAPLE	Local Commercial	\$ 57,200.00	\$ 400.00
4610541000	733 W HISTORIC MITCHELL	Local Commercial	\$ 352,000.00	\$ 1,408.00
4610542000	729 W HISTORIC MITCHELL	Local Commercial	\$ 119,000.00	\$ 476.00
4610544100	723 W HISTORIC MITCHELL	Local Commercial	\$ 264,000.00	\$ 1,056.00
4610545000	801 W HISTORIC MITCHELL	Local Commercial	\$ 186,870.83	\$ 747.00
4610546000	807 W HISTORIC MITCHELL	Local Commercial	\$ 218,873.95	\$ 875.00
4610547000	815 W HISTORIC MITCHELL	Local Commercial	\$ 76,977.73	\$ 400.00
4610548000	829 W HISTORIC MITCHELL	Special Mercantile	\$ 837,000.00	\$ 2,500.00
4610549000	833 W HISTORIC MITCHELL	Local Commercial	\$ 318,835.40	\$ 1,275.00
4610550110	1718 S 9TH	Special Mercantile	\$ 44,000.00	\$ 176.00
4610554000	836 W MAPLE	Residential		-
4610555000	832 W MAPLE	Residential		-
4610556000	828 W MAPLE	Residential		-
4610557000	824 W MAPLE	Residential		-
4610562110	800 W MAPLE	Manufacturing	\$ 820,600.00	\$ 2,500.00
4610570000	929 W HISTORIC MITCHELL	Local Commercial	\$ 503,000.00	\$ 2,012.00
4610572100	939 W HISTORIC MITCHELL	Special Mercantile	\$ 679,000.00	\$ 2,500.00
4610576110	930 W MAPLE	Exempt		-

4610583000	1003 W HISTORIC MITCHELL	Local Commercial	\$ 84,250.00	\$ 400.00
4610584000	1009 W HISTORIC MITCHELL	Local Commercial	\$ 171,000.00	\$ 684.00
4610585000	1013 W HISTORIC MITCHELL	Local Commercial	\$ 88,381.45	\$ 400.00
4610586000	1017 W HISTORIC MITCHELL	Local Commercial	\$ 120,400.51	\$ 482.00
4610587100	1023 W HISTORIC MITCHELL	Local Commercial	\$ 191,300.00	\$ 765.00
4610590000	1029 W HISTORIC MITCHELL	Local Commercial	\$ 141,000.00	\$ 564.00
4610592100	1039 W HISTORIC MITCHELL	Special Mercantile	\$ 774,000.00	\$ 2,500.00
4610595100	1726 S 11TH	Special Mercantile	\$ 294,000.00	\$ 1,176.00
4610598000	1038 W MAPLE	Exempt		-
4610599000	1032 W MAPLE	Local Commercial	\$ 11,300.00	\$ 45.00
4610600000	1028 W MAPLE	Residential		-
4610601000	1026 W MAPLE	Residential		-
4610602000	1022 W MAPLE	Local Commercial	\$ 83,100.00	\$ 400.00
4610603100	1002 W MAPLE	Exempt		-
4610604000	1101 W HISTORIC MITCHELL	Local Commercial	\$ 839,000.00	\$ 2,500.00
4610605000	1117 W HISTORIC MITCHELL	Local Commercial	\$ 100,342.08	\$ 401.00
4610609100	1718 S 12TH	Local Commercial	\$ 69,600.00	\$ 278.00
4610610110	1740 S 12TH	Mercantile Apartment		-
4610616000	1733 S 11TH	Residential		-
4610617000	1729 S 11TH	Exempt		-
4610618000	1725 S 11TH	Exempt		-
4610619100	1201 W HISTORIC MITCHELL	Local Commercial	\$ 321,000.00	\$ 1,284.00
4610620110	1213 W HISTORIC MITCHELL	Local Commercial	\$ 518,000.00	\$ 2,072.00
4610621110	1715 S 12TH	Local Commercial	\$ 218,000.00	\$ 872.00
4610622100	1730 S 13TH	Local Commercial	\$ 296,000.00	\$ 1,184.00
4610623000	1742 S 13TH	Residential		-
4610624000	1744 S 13TH	Local Commercial	\$ 23,100.00	\$ 92.00
4610625000	1747 S 12TH	Exempt		-
4610635000	1220 W BURNHAM	Exempt		-
4610636000	1830 S 13TH	Local Commercial	\$ 61,500.00	\$ 400.00
4610637000	1828 S 13TH	Local Commercial	\$ 21,827.27	\$ 400.00
4610638000	1824 S 13TH	Local Commercial	\$ 36,350.00	\$ 400.00
4610639000	1820 S 13TH	Local Commercial	\$ 69,022.97	\$ 400.00
4610640000	1816 S 13TH	Local Commercial	\$ 46,038.71	\$ 400.00
4610641000	1812 S 13TH	Local Commercial	\$ 15,318.00	\$ 400.00
4610642000	1810 S 13TH	Residential		-

4610643000	1800 S 13TH	Local Commercial	\$ 87,000.00	\$ 400.00
4610644000	1227 W MAPLE	Residential		-
4610645000	1219 W MAPLE	Exempt		-
4611307110	1657 S 12TH	Exempt		-
4611311000	1202 W HISTORIC MITCHELL	Local Commercial	\$ 331,157.21	\$ 1,325.00
4611312000	1216 W HISTORIC MITCHELL	Local Commercial	\$ 84,808.23	\$ 400.00
4611313000	1222 W HISTORIC MITCHELL	Local Commercial	\$ 186,000.00	\$ 744.00
4611314000	1226 W HISTORIC MITCHELL	Local Commercial	\$ 267,000.00	\$ 1,068.00
4611315000	1662 S 13TH	Local Commercial	\$ 103,000.00	\$ 412.00
4611334000	1619 S 11TH	Residential		-
4611335000	1623 S 11TH	Residential		-
4611336000	1629 S 11TH	Residential		-
4611337000	1633 S 11TH	Residential		-
4611338000	1639 S 11TH	Residential		-
4611339000	1643 S 11TH	Residential		-
4611340000	1647 S 11TH	Residential		-
4611341000	1651 S 11TH	Local Commercial	\$ 57,089.55	\$ 400.00
4611342000	1657 S 11TH	Residential		-
4611343000	1659 S 11TH	Local Commercial	\$ 17,962.60	\$ 400.00
4611344000	1665 S 11TH	Local Commercial	\$ 42,385.96	\$ 400.00
4611345000	1100 W HISTORIC MITCHELL	Local Commercial	\$ 269,000.00	\$ 1,076.00
4611346000	1104 W HISTORIC MITCHELL	Exempt		-
4611347000	1108 W HISTORIC MITCHELL	Local Commercial	\$ 125,000.00	\$ 500.00
4611348100	1114 W HISTORIC MITCHELL	Local Commercial	\$ 170,117.65	\$ 680.00
4611350000	1122 W HISTORIC MITCHELL	Local Commercial	\$ 436,000.00	\$ 1,744.00
4611351110	1650 S 12TH	Exempt		-
4611374100	1623 S 10TH	Residential		-
4611375000	1629 S 10TH	Local Commercial	\$ 143,931.40	\$ 576.00
4611377100	1000 W HISTORIC MITCHELL	Local Commercial	\$ 264,000.00	\$ 1,056.00
4611378110	1020 W HISTORIC MITCHELL	Mercantile Apartment	\$ 1,048,294.78	\$ 2,500.00
4611397100	930 W HISTORIC MITCHELL	Special Mercantile	\$ 2,504,000.00	\$ 2,500.00
4611419100	1644 S 9TH	Exempt		-
4611423110	1654 S 9TH	Exempt		-
4611426000	802 W HISTORIC MITCHELL	Exempt		-

4611427000	808 W HISTORIC MITCHELL	Local Commercial	\$ 105,381.14	\$ 422.00
4611428000	812 W HISTORIC MITCHELL	Local Commercial	\$ 81,000.71	\$ 400.00
4611429000	814 W HISTORIC MITCHELL	Local Commercial	\$ 46,571.77	\$ 400.00
4611430000	822 W HISTORIC MITCHELL	Local Commercial	\$ 227,000.00	\$ 908.00
4611431000	828 W HISTORIC MITCHELL	Local Commercial	\$ 70,000.00	\$ 400.00
4611432000	832 W HISTORIC MITCHELL	Local Commercial	\$ 372,000.00	\$ 1,488.00
4611469100	710 W HISTORIC MITCHELL	Mercantile Apartment	\$ 906,742.94	\$ 2,500.00
4611470000	720 W HISTORIC MITCHELL	Local Commercial	\$ 80,464.67	\$ 400.00
4611472100	728 W HISTORIC MITCHELL	Local Commercial	\$ 224,000.00	\$ 896.00
4611473000	734 W HISTORIC MITCHELL	Local Commercial	\$ 161,000.00	\$ 644.00
4611474000	1662 S 8TH	Exempt		-
4611475000	1656 S 8TH	Mercantile Apartment		-
4611476000	1648 S 8TH	Mercantile Apartment		-
4611508000	1659 S 6TH	Residential		-
4611509000	1663 S 6TH	Local Commercial	\$ 17,213.39	\$ 400.00
4611510000	1669 S 6TH	Residential		-
4611511000	1671 S 6TH	Residential		-
4611512000	600 W HISTORIC MITCHELL	Local Commercial	\$ 87,437.63	\$ 400.00
4611514100	604 W HISTORIC MITCHELL	Local Commercial	\$ 131,811.86	\$ 527.00
4611515000	616 W HISTORIC MITCHELL	Local Commercial	\$ 96,200.00	\$ 400.00
4611516000	620 W HISTORIC MITCHELL	Local Commercial	\$ 55,700.00	\$ 400.00
4611517000	622 W HISTORIC MITCHELL	Local Commercial	\$ 130,204.96	\$ 521.00
4611518000	632 W HISTORIC MITCHELL	Local Commercial	\$ 136,000.00	\$ 544.00
4611519000	1662 S 7TH	Mercantile Apartment		-
4611520000	1658 S 7TH	Local Commercial	\$ 14,600.00	\$ 58.00
4611581000	601 W HISTORIC MITCHELL	Mercantile Apartment	\$ 367,595.42	\$ 1,470.00
4611601000	910 W HISTORIC MITCHELL	Local Commercial	\$ 1,075,000.00	\$ 2,500.00
4611602000	910 W HISTORIC MITCHELL	Mercantile Apartment		-

4611603000	910 W HISTORIC MITCHELL	Mercantile Apartment		-
4611611000	1640 S 10TH	Exempt		-
4611612000	1643 S 9TH	Mercantile Apartment		-
4611621000	1125 W HISTORIC MITCHELL	Local Commercial	\$ 395,000.00	\$ 1,580.00
4620625000	501 W HISTORIC MITCHELL	Local Commercial	\$ 145,000.00	\$ 580.00
4620626000	507 W HISTORIC MITCHELL	Local Commercial	\$ 12,700.00	\$ 51.00
4620627000	511 W HISTORIC MITCHELL	Local Commercial	\$ 13,500.00	\$ 54.00
4620628000	515 W HISTORIC MITCHELL	Local Commercial	\$ 34,062.68	\$ 400.00
4620629000	519 W HISTORIC MITCHELL	Special Mercantile	\$ 17,100.00	\$ 68.00
4620630000	521 W HISTORIC MITCHELL	Special Mercantile	\$ 17,100.00	\$ 68.00
4620631110	529 W HISTORIC MITCHELL	Special Mercantile	\$ 267,990.59	\$ 1,072.00
4620634000	539 W HISTORIC MITCHELL	Local Commercial	\$ 51,000.00	\$ 400.00
4620635000	541 W HISTORIC MITCHELL	Local Commercial	\$ 44,294.76	\$ 400.00
4620636100	545 W HISTORIC MITCHELL	Local Commercial	\$ 287,000.00	\$ 1,148.00
4620647000	546 W HISTORIC MITCHELL	Local Commercial	\$ 96,454.33	\$ 400.00
4690430120	1931 S 14TH	Special Mercantile	\$ 458,000.00	\$ 1,832.00
4690479110	1838 S 15TH	Local Commercial	\$ 756,000.00	\$ 2,500.00
4690480000	1439 W MITCHELL	Exempt		-
4690481000	1427 W MITCHELL	Residential		-
4690482000	1423 W MITCHELL	Local Commercial	\$ 43,102.86	\$ 400.00
4690483000	1708 S 15TH	Residential		-
4690484000	1714 S 15TH	Residential		-
4690485000	1718 S 15TH	Residential		-
4690486000	1722 S 15TH	Residential		-
4690487000	1726 S 15TH	Residential		-
4690499000	1511 W MITCHELL	Local Commercial	\$ 112,000.00	\$ 448.00
4690500000	1501 W MITCHELL	Local Commercial	\$ 86,500.00	\$ 400.00
4690502000	1533 W MITCHELL	Local Commercial	\$ 80,500.00	\$ 400.00
4690503000	1527 W MITCHELL	Local Commercial	\$ 32,857.64	\$ 400.00
4690504000	1523 W MITCHELL	Residential		-
4693271000	1433 W BURNHAM	Special Mercantile	\$ 2,140,000.00	\$ 2,500.00
4693272000	1901 S 14TH	Local Commercial	\$ 980,000.00	\$ 2,500.00
			TOTAL	\$ 111,420.00

APPENDIX E

BID State Statute:

66.1109 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.

66.1109(1)(c)(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.

1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.

2. The kind, number and location of all proposed expenditures within the business improvement district.

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

4. 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.

5. 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.

(2m) A municipality may annex territory to an existing business improvement district if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

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

(d) Within 30 days after the hearing under par. (c), the owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan, have not filed a petition with the planning commission protesting the annexation.

(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 one of the following:

1. If the cash balance in the segregated account described under sub. (4) equaled or exceeded \$300,000 at any time during the period covered by the report, the municipality shall obtain an independent certified audit of the implementation of the operating plan.

2. If the cash balance in the segregated account described under sub. (4) was less than \$300,000 at all times during the period covered by the report, the municipality shall obtain a reviewed financial statement for the most recently completed fiscal year. The statement shall be prepared in accordance with generally accepted accounting principles and include a review of the financial statement by an independent certified public accountant.

(cg) For calendar years beginning after December 31, 2018, the dollar amount at which a municipality is required to obtain an independent certified audit under par. (c) 1. and the dollar amount at which a

municipality is required to obtain a reviewed financial statement under par. [\(c\) 2](#). shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2017, as determined by the federal department of labor. Each amount that is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10.

(cr) The municipality shall obtain an additional independent certified audit of the implementation of the operating plan 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.

(4) 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 and reviewed financial statements 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.

(4g) A municipality may convert a business improvement district under this section into a neighborhood improvement district under s. [66.1110](#) if an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located in the business improvement district petitions the municipality for the conversion. If the municipality approves the petition, the board shall consider and may make changes to the operating plan under s. [66.1110 \(4\) \(b\)](#).

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

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

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

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

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

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

(5)

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

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

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

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

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

BUSINESS IMPROVEMENT DISTRICT NO. 4

GREATER MITCHELL STREET

ANNUAL REPORT

September 2017 – August 2018

9/20/2018

Business Improvement District #4 – Greater Mitchell Street

ANNUAL REPORT

September 2017 – August 2018

OVERVIEW

Business Improvement District #4 was organized under Wisconsin State Statute 66.1109 (formerly 66.608), and was organized in 1989 for the purpose of the revitalization of the Mitchell Street commercial corridor, between 5th and 15th Streets, on the near south side of the City of Milwaukee. The district includes Historic Mitchell Street, from 5th to 13th Streets.

The Mission and purpose of BID #4 is:

To continue *the revitalization and improvement of its Historic Mitchell Street retail district and the Mitchell Street Commercial Corridor* and the diverse neighborhood; to continue resilient efforts to support business and retail retention, and the recruitment of new businesses, with economic initiatives and activities including marketing and branding the district; and to provide maintenance services to maintain a clean, safe and esthetically pleasing business corridor. Commercial corridors are the display windows to the surrounding neighborhoods, and BID #4 works to promote Mitchell Street's energetic businesses, provides support and services to maintain and expand those businesses, and supports the nearby neighborhoods. The BID also launches new events to highlight local businesses, to increase destination shopping and visiting to the commercial corridor. In addition, BID #4 regularly communicates to all property and business owners of redevelopment activities, including the City's historic preservation guidelines, and supports, advocates and assists in resolving issues for its approximately 100 plus commercial property owners. Following are BID #4's accomplishments for the period of September 2017 – August 2018, and plans for 2019.

2017-2018 Accomplishments:

- In order to continue improvement on Mitchell Street and the commercial corridor, BID #4 continued to work with the property owners and businesses to renovate retail store fronts and facades, utilizing and providing information on the City's Sign, RIF, White Box and Façade Grant programs. Two facade projects were completed in 2017 and two projects are underway in 2018.
- For the seventh consecutive year in 2017, BID #4 again sponsored, coordinated and operated another successful Sun Fair on Historic Mitchell Street, to again present the spirit of community to the neighborhood, and to continue to attract destination shoppers to the retailers on the

Street. However, the event was cancelled in 2018. Several new events are in the process of being planned for 2019.

- At present, the major 2019 event will be coordinated with NEWaukee, with a World's Fair dining theme, to promote the cultural diversity of Historic Mitchell Street and the commercial corridor.
- Continued the planting and maintenance of the four medians on Historic Mitchell Street, from 5th to 13th Streets. In 2017, the BID began a 2-year project with the installation of eight flowering planters on the commercial corridor, all to enhance the visual appearance of the Street. The project continues in 2018. Also, the maintenance of the treescaping around the 40-plus trees on the commercial corridor is overseen by the BID.
- Continued on a weekly basis the Street's regular environmental maintenance and cleaning program. BID #4 works with MCSC with the cleaning of the sidewalks, curbs and gutters, and the pedestrian alleys on Mitchell Street.
- Continue to retain, expand and attract new businesses, developers and investors to the business corridor. Over the past 12 months, 14 new businesses opened on Mitchell Street. In addition, two businesses re-located to other locations on the commercial corridor, and four smaller businesses closed or re-located. Two new restaurants opened, one serving traditional Mexican food, and the other serving pizza and a middle eastern menu. The ice cream & sweet shop also re-opened this year. A third new restaurant is scheduled to open in mid-November.
- Continued on-going economic development and branding activities to promote the commercial corridor as a thriving area in which to operate retail businesses; this has greatly reduced the previous number of vacant storefronts on the Street to currently nine. During this 2017-2018 reporting period, a total of thirteen new businesses re-located to, or opened in, the BID #4 District. A building that has been vacant for over four years has been purchased and is currently undergoing major renovations as another art gallery with artists' studios. Included in the new businesses are two pharmacies, a pediatric dental clinic, and a tax/bookkeeping service.
- Continued efforts to re-establish a Neighborhood Block Watch program in coordination with MPD District 2 for the safety and security of the district and its businesses. The BID's Safety Committee meets regularly to continue efforts on safety issues, including panhandling and vagrancy issues, and the speeding problems on Mitchell Street. Plans for a resident block group are currently underway.
- Conducted BID #4's Annual Open House for business and property owners and merchants, which included City Departments' representation (DNS and DCD), community agency and business resources, and other strategic resources. This event provides an opportunity for property and business owners to network, and to provide input and comments on the next year's Operating Plan. This is another of the BID's community outreach efforts.

- Continued, on a daily basis, to monitor graffiti and maintain the graffiti removal program in the commercial district, in collaboration with the City's DNS Retail Area Graffiti Removal Program. In 2017, the BID spent \$7170 on graffiti removal and \$3263 to date through July of this year. The total dollars spent on graffiti removal in the past ten years is \$81,152. Graffiti continues to be a constant issue in the district, and daily surveillance is needed to remove graffiti as quickly as possible. BID #4 has been recognized by DNS with a certificate of appreciation as an "Excellent BID" in its anti-graffiti program. The BID #4 Graffiti Report, reporting dollars spent on graffiti removal from the program's inception in 2002 through the present is available for review.
- Sponsored the second public information meeting in 2018, conducted by the Wisconsin Historical Society, for the completion of a National Register nomination for the West Historic Mitchell Street Commercial Historic District. It provided property owners information regarding investment in commercial buildings using the Tax Credit program.
- Continued expanding efforts to promote public art activities on the commercial corridor following the successful 2014 "Listening to Mitchell" public art installation on Historic Mitchell Street, as well as supporting the 2016 "Temporary Resurfacing" public outdoor video art event on Historic Mitchell Street. In the Fall of 2017, BID #4 was selected by DNS as one of three City BID's to participate in its utility box mural painting project, with two boxes located on Historic Mitchell Street being historically designed and painted by two selected local artists. The boxes are located at the corners of 6th and 11th of the commercial corridor. This is another of the BID's community outreach spirit projects and aids in the enhancement of the Street.
- Completed a 2-year project in 2017 of installation of new, attractive Ironsites litter containers on Historic Mitchell Street, from 5th to 13th Streets, for a total of 22 new containers. These efforts continue to improve and enhance the appearance and cleanliness of the commercial corridor. The project was completed with the use of TIF funds, and replaced all of the City's older litter containers on the commercial corridor. Plans are for additional containers in 2019.
- Plans are to update the BID's informational marketing pamphlet, which is used for Mitchell Street's on-going promotion and economic development activities. The BID continually maintains and updates its Website and Facebook with district news and events, and new businesses and services opening in the Mitchell Street business neighborhood. Also, annually the BID surveys property and business owners, seeking their suggestions and input for changes or improvements within the District.
- Participating for the fifth consecutive year with HMI's 2018 "Doors Open Milwaukee" event on September 22-23. This year's focus historic neighborhood is Historic Mitchell Street, and seven of our businesses and sites are participating. The BID office will also be open, providing information and bottled water to visitors. One of the seven sites is the Mitchell Street Library which opened in late Fall 2017. The \$10.4 million project by Gorman & Company has re-developed the former Hills Building (910 W. Historic Mitchell Street) into the new MPL branch on the street level, with 57 market-rate apartments, the Alexander Apartments, on the upper floors of the building. The other six sites participating in Doors Open are Lopez Bakery, the

Gerald I. Ignace Indian Health Center, St. Stanislaus Church, Bryant's Lounge, and a new art gallery, Real Tinsel.

- In order to continue to improve involvement and participation of the BID #4 Board of Directors, the executive director attended a seminar presented by the Center for Public Skills Training. The "Governance as Leadership" concept's goal is to raise Board work and awareness to a higher standard, and equip the Board for strategic and generative leadership. This concept will be shared with the Board at one of its upcoming Strategic Planning sessions.
- Participated for the second consecutive year in Marquette University's Community-Based Crime Mapping Class Project, a course in the University's Criminology and Law Studies program. The students' final report for our business district provided an important analysis of crime categories over the recent 3-year period. This participation in this program is by the BID's Safety Committee, and the reports are available to Alderman Jose Perez and the MPD D2 command captain.
- NEWaukee and NAIOP has asked BID #4 to participate in its November 2018 annual "Empty Storefronts Conference." Three Mitchell Street sites will host afternoon sessions and presentations to the fifty-plus Conference attendees, including commercial real estate brokers and developers and business owners. This will provide additional focus on, and identifying, the commercial corridor as a business neighborhood in which to invest to revitalize and activate vacant spaces.
- Planning another City of Milwaukee Resource Workshop for property and business owners and retailers, providing information on the City's grant programs and other available resource programs and services. It includes lending information provided by several financial agencies.
- Continued the BID's Long-Range/Short Range Strategic Planning Committee meetings with Board members, now scheduled throughout the year, for planning further economic development/retail recruitment activities and initiatives, per the City's Near South Side Area Plan. The Plan was targeted to enhance assets of the area and provide implementation strategies for the future development of the Near South Side.
- Sponsored the annual holiday window-decorating contest for the eighth consecutive year, for retailers and businesses on Mitchell Street. Judging is done by Board members and Alderman Jose Perez, with the Alderman awarding framed certificates to all participants. BID #4 provides donated gift certificates to the three businesses judged with the best decorated windows. Holidays 2017 featured 15-plus retailers who participated in the window-decorating contest.
- Installed for the seventh consecutive year the bright and festive LED holiday wreath decorations on Historic Mitchell Street's harp light poles. BID #4 also again presented the "Holidays on Mitchell Street" kick-off event and lighting ceremony in November, to promote and feature

retail shopping activities for the corridor's merchants and businesses during the busy holiday period. Plans are to develop a larger event, possibly with an outdoor Christmas Market.

- Continued to enforce a Neighborhood Zoning Overlay District for Historic Mitchell Street, which was passed by the City Common Council in 2015. The Plan furthers the BID's mission of "retail-only businesses" on the street level of the commercial corridor.
- As one of the "community partners" of the Milwaukee Police Department District 2, BID #4 participated in D2's annual Fall Open House for the fifth year, promoting Mitchell Street's business district and attractions.
- Continued to advise business owners and merchants of the WWBIC loan program, the WHEDA Transform Milwaukee Loan Guarantee Program, and the business training classes offered by WWBIC and the Multicultural Entrepreneurial Institute. The BID has sponsored several WWBIC-conducted evening business classes at the BID office for property and business owners and merchants. These efforts are in addition to assisting businesses with applications for the City's various Grant programs. 2019 planning includes scheduling additional free business classes for property and business owners.
- Supported the Gerald Ignace Indian Health Center with its second annual community Health Fair, held during the August National Health Month. Of great importance to the community is that RxLink Pharmacy, an independent pharmacy, leased the vacant 1500 sq.ft. retail space on the street level of the Ignace building, and opened in early Spring 2018. This specific mandate by the BID #4 Board, in its support of the health center on the retail level of the street over four years ago, came to fruition when it opened, along with the Center's pediatric dental clinic. One additional new pharmacy and a pediatric dental service also opened in 2018 on the western end of the BID district, at 15th and Forest Home Avenue.
- With the assistance of the Alderman, DPW re-lamped the Mitchell Street lighting on the commercial corridor in 2017. The BID also regularly monitors the City's public parking lots in the district for any problems, lights out, etc., and reports issues to DPW.
- Hosted a "Walk with the Mayor" on Historic Mitchell Street in the Spring, as part of Mayor Barrett's 100 miles in 100 days summer neighborhood walking initiative. In addition, the BID promoted and participated in Alderman Jose Perez' annual walk of the District in early Spring.
- Continued involvement with area organizations in their efforts toward a safer South Side: Operation Impact, Journey House, Southside Organizing Center, MPD District 2, and Milwaukee Christian Center (Building Neighborhood Capacity Program). The new Butterfly Park was opened by MCC at 13th and Forest Home Avenue in 2017, with two neighborhood murals also installed over a 12-month period. The BID also participates in the annual spring clean-up of the park and activities held in the park.

- Re-designed and updated BID #4's Website and Facebook, adding new informational features, news, photos, etc., to further economic development and market the corridor's many culturally diverse businesses. Traffic to the Website and Facebook is monitored weekly, and has increased since the re-design.
- Participated in, and again supported, the 2018 South Side's National Night Out event, August 7.

2019 Goals and Objectives:

- Continue to work closely with, and promote, the new Mitchell Street Library branch, which opened in late fall of 2017. It is a major addition to the continuing progress of the rejuvenation of Mitchell Street. The BID has hosted a number of meetings in the Community Room. Coupled with that are the market value Alexander Apartments located on the floors above the Library, which has brought additional shoppers to the District's businesses.
- Supporting and working with the Modjeska Theatre building owners (MSDOC) in continuing efforts to re-open the Theatre, which is a critical project in the rejuvenation progress of Historic Mitchell Street. This project is the last major footprint in the rejuvenation of Historic Mitchell Street that has not as yet culminated into the Theatre's re-opening.
- Planning a potential 9th annual Mitchell Street Sun Fair, or similar neighborhood event, in June 2019. The 3-day event was not held in 2018. This neighborhood, family-oriented event, has been created to display the spirit of community to the neighborhood, and promote destination and return shopping for the retailers and businesses on Mitchell Street. It also provided an additional fund raising activity for BID #4, netting a \$10,000 income revenue in 2017, which was used for corridor esthetic enhancements and more regular street cleaning by an outside source.
- However, as noted above, another new event is being discussed with NEWaukee that would replace the Sun Fair, and bring to the commercial neighborhood a major destination attraction. This would also be a fund raising event, and could include a new branding of Mitchell Street.
- Continuing to be one of the sponsors of, and participate in, the South Side's annual National Night Out event in August. The BID's Safety Committee will continue its efforts to maintain the commercial corridor as a safe business neighborhood, with the major supporting efforts of MPD District 2.
- Continuing to work with property owners and businesses to renovate retail store fronts, using the City's Sign and Façade, RIF and White Box grant programs, via regularly scheduled informational workshops and meetings, including the BID's annual Open House every early Fall, which includes resource information, and staffing by the City and other participating agencies.
- Discussing plans to possibly re-initiate and coordinate "Mitchell Street Days" as a scheduled monthly event during the summer months, to promote more shoppers and business to the commercial corridor. Advertising and media attention would be part of the event's plans.

- Continuing economic development activities to attract more, and a wider variety of, businesses to the Street, and to insure the sustainability and retention of current businesses on the Street. Continuing efforts to secure one or more business real estate brokers who will devote efforts to marketing store front vacancies on the commercial corridor.
- In cooperation with WWBIC, again conduct a regular schedule of free business classes for property and business owners and operators, especially marketing classes for small businesses in the district.
- Continuing to inform property owners and businesses of current BID #4 activities and developments via our Newsletters, special mailings, flyers and letters, and with weekly updating of the BID's rejuvenated Web Site and Facebook. The Web Site also provides information for potential new businesses and retailers to the commercial corridor, and includes a current listing and map of current store front vacancies and buildings for sale or lease.
- Continue efforts to implement some portions of a revitalization design project for the Street, using the UW-M/CED design concepts developed in 2014. This would include more esthetic additions to the commercial corridor, i.e., additional flowering baskets and planters, public art installations, new identification banners, etc.
- Developing new initiatives to continue gaining increased momentum in efforts to improve and enhance the challenges of the Historic Mitchell Street commercial corridor and retail district. This would include stronger efforts for the control of vehicular traffic on the corridor.
- Increasing our holiday street lighting, decorations, and events, to broaden shopping activities and retail business during the holiday season, all part of the "Holidays on Mitchell Street" annual event.
- Continuing efforts to attract and secure another family restaurant/diner /café to Mitchell Street, to meet the breakfast, lunch and dinner needs of shoppers, residents and neighborhood businesses. Two new restaurants opened in 2018, but the area is still in need of a coffee shop or deli-type dining establishment.
- Determining what new and additional events and efforts will create more economic development and destination shopping activities for the commercial corridor, via another survey to be mailed to all property and business owners in the district. The BID's Strategic Planning committee is also addressing this project via scheduled meetings.
- Conducting a "Brokers' Fair" or regular contact program with commercial brokers to assist property owners in leasing their vacant commercial spaces, including creating a special flyer with information from the property owners. This is in addition to maintaining a current information listing of available commercial spaces on the BID's Website/Facebook.
- Designing and printing of an updated BID #4 promotional/marketing pamphlet, to be distributed to brokers and developers.

- Continuing to maintain, and improve, the four medians on Historic Mitchell Street with additional plantings, mulching, etc., and again adding to the treescaping materials around all of the trees, thereby esthetically improving the visibility and visual appeal of the corridor. This is an annual project, beginning in early spring and continuing until late fall. Plans are to replace the worn Mitchell Street identification banners with new banners in 2019. A sponsor has stepped forward to assist with the cost of the banners.
- Expanding the Historic Mitchell Street public art program efforts created over the past three years, with additional events to promote the commercial corridor. A sidewalk art fair and an art walk are under consideration, as well as a major new event to replace the annual Sun Fair. Meetings have begun with NEWaukee to coordinate major new BID #4 event in the Fall of 2019.
- Investigating a possible upgrading of the thirteen surveillance cameras on Historic Mitchell Street, from 6th to 13th Streets. BID #4 also distributes information to all property and business owners, via our Newsletter and Website, of Safe and Sound's surveillance camera program. Plans also are to collaborate with Operation Impact to possibly provide our commercial corridor businesses with surveillance cameras for the exterior of buildings.
- Continuing to meet and cooperate with the City's DPW to improve the commercial corridor's infra-structure issues. The annual Spring walk with Alderman Perez and DPW staff aids in this on-going project.

In summary, BID #4 continues to work year-round to make the Mitchell Street commercial corridor a unique, vibrant, clean and safe area in which to work, shop and visit, by providing sustaining support and services to its property and business owners and merchants. And, the Mitchell Street commercial corridor continues to provide an excellent opportunity for new businesses looking to expand and/or locate. The rejuvenation of the commercial corridor and the surrounding business neighborhood continues!

BUSINESS IMPROVEMENT DISTRICT NO. 4
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Totals for the Year Ended December 31, 2016)

BUSINESS IMPROVEMENT DISTRICT NO. 4

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Independent Auditor's Report

Board of Directors
Business Improvement District No. 4

We have audited the accompanying financial statements of Business Improvement District No. 4 which comprise the balance sheet as of December 31, 2017, and the related statements of activities and cash flows for the year 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 auditor's 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 Organization'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 purposes 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 Business Improvement District No. 4 as of December 31, 2017, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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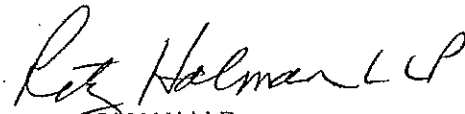
Board of Directors
Business Improvement District No. 4

Report on Summarized Comparative Information

We have previously audited Business Improvement District No. 4's December 31, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated March 17, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Supplementary Information

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


RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
May 17, 2018

**BUSINESS IMPROVEMENT DISTRICT NO. 4
BALANCE SHEET
DECEMBER 31, 2017
(With Summarized Totals for December 31, 2016)**

	2017	2016
ASSETS		
CURRENT ASSETS		
Cash	\$ 41,927	\$ 27,726
Accounts Receivable	125	577
Prepaid Expenses	2,329	4,134
Total Current Assets	\$ 44,381	\$ 32,437
OTHER ASSETS		
Security Deposit	\$ 750	\$ 750
Total Other Assets	\$ 750	\$ 750
FIXED ASSETS		
Equipment	\$ 7,622	\$ 8,887
Accumulated Depreciation	(7,288)	(7,420)
Total Fixed Assets	\$ 334	\$ 1,467
TOTAL ASSETS	\$ 45,465	\$ 34,654
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 1,192	\$ 657
Accrued Payroll Liabilities	2,153	2,696
Total Current Liabilities	\$ 3,345	\$ 3,353
NET ASSETS		
Unrestricted		
Operating	\$ 17,120	\$ 6,301
Board Designated	25,000	25,000
Total Net Assets	\$ 42,120	\$ 31,301
TOTAL LIABILITIES AND NET ASSETS	\$ 45,465	\$ 34,654

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Totals for the Year Ended December 31, 2016)

	Unrestricted	
	2017	2016
REVENUE		
Assessment Income	\$ 118,953	\$ 115,788
Interest Income	68	81
Sun Fair Revenue	26,344	23,569
Loss on Disposal of Fixed Assets	(158)	---
City of Milwaukee Trash Can Reimbursement	---	14,475
Grants	3,585	3,286
Total Revenue	<u>\$ 148,792</u>	<u>\$ 157,199</u>
 EXPENSES		
Program Services	\$ 85,861	\$ 99,275
Management and General	52,112	54,267
Total Expenses	<u>\$ 137,973</u>	<u>\$ 153,542</u>
 CHANGE IN NET ASSETS	\$ 10,819	\$ 3,657
Net Assets, Beginning of Year	<u>31,301</u>	<u>27,644</u>
 NET ASSETS, END OF YEAR	<u>\$ 42,120</u>	<u>\$ 31,301</u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Totals for the Year Ended December 31, 2016)

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 10,819	\$ 3,657
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Loss on Disposal of Fixed Assets	158	---
Depreciation	975	1,512
(Increase) Decrease in Accounts Receivable	452	218
(Increase) Decrease in Prepaid Expenses	1,805	(1,915)
Increase (Decrease) in Accounts Payable	535	(54)
Increase (Decrease) in Accrued Payroll Liabilities	(543)	(455)
Net Cash Provided by Operating Activities	\$ 14,201	\$ 2,963
 Net Increase in Cash and Cash Equivalents	 \$ 14,201	 \$ 2,963
 CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	 27,726	 24,763
 CASH AND CASH EQUIVALENTS AT END OF YEAR	 \$ 41,927	 \$ 27,726

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017

**BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE A - Summary of Significant Accounting Policies

Organization

Business Improvement District No. 4 ("BID No. 4") was organized under Wisconsin State Statute 66.608. This statute provides for the formation of Business Improvement Districts (BIDs) upon the petition of at least one property owner in the district. The purpose of a BID is to allow businesses within the district to develop, manage and promote their districts and to establish an assessment to fund these activities. BID No. 4 was organized in 1989 to revitalize Mitchell Street between 5th and 15th Streets in the City of Milwaukee.

BID No. 4 is exempt from tax as an affiliate of a governmental unit under Section 501(a) of the Internal Revenue Code.

Accounting Method

The financial statements of BID No. 4 have been prepared on the accrual basis of accounting.

Basis of Presentation

BID No. 4 reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Assets of the restricted classes are created only by donor-imposed restrictions. At December 31, 2017, the Organization's net assets were all unrestricted. The Organization maintains \$25,000 of board designated net assets at December 31, 2017. The net assets have been designated as a reserve before the yearly assessment check is issued. If necessary, the Organization can use those funds to meet cash flow needs.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less when purchased.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of customers to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected.

Allowance for Uncollectible Accounts

Management believes all receivables will be collected in accordance with the terms of the agreements. Thus, no allowance for uncollectible accounts is necessary at year end.

Fixed Assets

All acquisitions of property and equipment in excess of \$500 are capitalized. Fixed assets are recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

**BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE A - Summary of Significant Accounting Policies (continued)

Contributions

All contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor are reported as temporarily or permanently restricted support and increase the respective class of net assets. Contributions received with temporary restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Investment income that is limited to specific uses by donor restrictions is reported as increases in unrestricted net assets if the restrictions are met in the same reporting period as the income is recognized.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - Comparative Financial Information

The financial information shown for 2016 in the accompanying financial statements is included to provide a basis of comparison with 2017. The comparative information is summarized by total only, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2016, from which the summarized information was derived.

NOTE C - Concentration of Revenue

Business Improvement District No. 4 receives property assessment income and grants from the City of Milwaukee. BID No. 4's operations rely on the availability of these funds. Approximately 82% of the Organization's revenue was from the City of Milwaukee for the year ended December 31, 2017, however, this revenue represents assessments to individual property owners collected by the City.

NOTE D - Accounts Receivable

Accounts receivable consists of fees due from the City of Milwaukee of \$125 as of December 31, 2017.

**BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE E - Operating Lease

In February of 2015, the Organization signed a lease for office space starting August 1, 2015, that expires July 31, 2020. Rent expense under this lease was \$9,000 for the year ended December 31, 2017.

The following is a schedule by years of the future minimum payments required under the lease as of December 31, 2017:

<u>Year</u>	<u>Amount</u>
2018	\$ 9,000
2019	9,000
2020	<u>5,250</u>
Total	<u>\$23,250</u>

NOTE F - Assessment Income

In order to provide revenues to support the Organization's mission and carry out the work outlined in the annual operating plan, the Common Council of the City of Milwaukee enforced an assessment on property located within a specified area of Mitchell Street. The assessment is calculated based on assessed values of the properties as of every fall. The assessment levied on properties was \$4/1,000 for every dollar of assessed property value with a minimum assessment of \$400 and a maximum assessment of \$2,500 for the year ended December 31, 2017.

NOTE G - Subsequent Events

The Organization has evaluated events and transactions occurring after December 31, 2017, through May 17, 2018, the date the financial statements are available to be issued, for possible adjustments to the financial statements or disclosures. The Organization has determined that no subsequent events need to be disclosed.

BUSINESS IMPROVEMENT DISTRICT NO. 4
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017
(With Summarized Totals for the Year Ended December 31, 2016)

	Program Services	Management and General	2017 Total	2016 Total
Salaries and Wages	\$ 31,731	\$ 31,731	\$ 63,462	\$ 63,693
Payroll Taxes	2,781	2,780	5,561	5,701
Professional Fees	---	9,500	9,500	8,900
Supplies	1,806	---	1,806	2,330
Telephone	3,664	---	3,664	3,119
Computer Expense	---	---	---	50
Postage	335	223	558	512
Printing	273	---	273	544
Subscriptions	65	169	234	446
Occupancy	4,500	4,500	9,000	9,000
Real Estate Taxes	---	---	---	6,043
Equipment Rental and Maintenance	408	---	408	364
Depreciation	975	---	975	1,512
Repairs and Maintenance	68	68	136	92
Conferences, Conventions and Meetings	681	---	681	1,180
Insurance	---	2,212	2,212	2,249
Graffiti Removal	7,170	---	7,170	6,573
Marketing and Promotion	4,443	---	4,443	1,680
Sun Fair Expenses	16,327	---	16,327	16,335
Street Maintenance	8,874	---	8,874	21,866
Travel Expense	125	---	125	260
Community Outreach	1,329	---	1,329	399
Other Expense	306	929	1,235	692
TOTALS	<u>\$ 85,861</u>	<u>\$ 52,112</u>	<u>\$ 137,973</u>	<u>\$ 153,540</u>

May 17, 2018

To the Board of Directors
Business Improvement District No. 4

We have audited the financial statements of Business Improvement District No. 4 for the year ended December 31, 2017, and have issued our report thereon dated May 17, 2018. Professional standards require that we provide you with the information about our responsibilities under *Generally Accepted Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 4, 2018.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Business Improvement District No. 4 are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the audit year. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements were:

- Management's estimate of the expense allocation to program, management, and fundraising on the statement of activities. This estimate is based on management's estimate of costs attributable to the relative nature of the expenses. We evaluated the key factors and assumptions used to develop the allocation to programs, management, and fundraising in determining that the estimate is reasonable in relation to the financial statements taken as a whole

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

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To the Board of Directors
Business Improvement District No. 4
Page Two

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 17, 2018.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Directors and management of Business Improvement District No. 4 and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,


RITZ HOLMAN LLP
Certified Public Accountants