

City of Milwaukee

GREATER MITCHELL STREET

BUSINESS IMPROVEMENT DISTRICT NO. 4

OPERATING PLAN FOR YEAR 2022 (33rd Year)

9/15/2021

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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 2022. The BID #4 Staff prepared this Plan with technical assistance from the City of Milwaukee Department of City Development’s Commercial Corridor Team, and approved by the BID #4 Board of Directors.

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. In the last several years, it has become an ever-growing culturally diverse neighborhood, both residentially and commercially.

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 2022 Operating Plan. (Appendix D)

III. PROPOSED 2022 OPERATING PLAN

A. Plan Objectives and Mission:

The BID #4's 2022 Mission, and the continuing objectives of BID #4 include: To continue the revitalization and improvement of the retail shopping and business district as a shopping destination; to develop a strong commercial area and to create a higher quality of life in the City; 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 annual events to attract more destination and return shoppers and visitors to the commercial corridor; to promote private and public funding and sponsorships of the BID's activities and events; and to increase the number and variety of businesses, including more diverse restaurants, in this District on Milwaukee's near south side. The BID continually strives to remain culturally relevant to the ethnically diverse enterprises in the District, and to work with the commercial property and business owners who also believe in the vision of improving the Mitchell Street commercial corridor. The BID's specific and strong initiatives are maintaining a clean, graffiti-free, safe and friendly business neighborhood, and promoting a positive shopping destination for its merchants and businesses on the commercial corridor and in the District.

B. Proposed Goals and Activities:

Primary goals, endeavors and activities to be engaged in by BID #4 during its 33rd 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. This effort includes graffiti removal, street sanitation maintenance, maintenance of the medians and floral plantings, streetscaping, and holiday decorations and lighting. 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. Several new public art and other events will be scheduled, to continue to draw new visitors to the commercial corridor. The three events planned for 2020 were cancelled due to COVID-19, as well as event plans for 2021. New events will be planned and conducted in 2022.

Refer to Appendix C for Additional 2022 Goals and Activities.

C. Proposed Expenditures and Income:

Proposed Expense Budget for 2022:

Business Development	\$3,250
Marketing and Promotion	5,244
Community Outreach	2,400
Graffiti Removal	2,500

Meeting Expenses	500
Street Maintenance	6,000
Office Expenses	2,739
Rent	9,270
Telephone/Internet	2,244
Postage	650
Utilities	-0-
Repairs & Maintenance	1,093
Legal & Professional Services	12,000
Insurance	2,256
Personnel	71,067
Miscellaneous	225
 Total Expense Budget for 2022:	 \$121,438
 Proposed Income Budget for 2022:	 \$122,198

D. Financing Method:

It is proposed to raise \$116,574.00 from 125 commercial properties, through BID assessments (see Appendix D); and it is projected that two or three new planned events in 2022 will net \$3,000.00. Additionally, it is projected that BID #4 will have \$2,500 of miscellaneous income, plus \$124.00 of interest income. There is a projected \$1500.00 increase in assessments for the 2022 Operating year over 2021, which shows a continuing but slow increase in the commercial property values in the District. 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 operation.

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 commercial 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 commercial 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 held 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 (including Economic Development, Safety, Fund Development and Marketing) meet as needed, with reporting to the Board at its regular monthly Board meetings. The Board's Executive/Finance Committee meets quarterly, or as necessary. The Board's Strategic Planning Committee meets a minimum of four times each year.

Record Keeping - Files and records of the Board's affairs shall be kept pursuant to public record keeping 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 contracts the services of an outside 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, 2021, the commercial property in the district had a total assessed value of \$38,636,515. 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 a \$2,500.00 BID assessment.

Appendix D provides the projected 2022 BID assessment for each property included in the District. There is approximately a \$1500.00 increase over the previous year's assessments, indicating a slow increase in the assessed value of the commercial properties.

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, a Review is mandated for those BID's with annual assessment income of less than \$300,000. This then pertains to BID #4, until further notice.

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 Operating 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 and 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 YEARS' OPERATING PLANS

A. Phased Development

The BID will continue to revise and develop its Operating Plan annually, in response to changing development needs and opportunities in the district, in accordance with the purposes and objectives defined in this 2022 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 Plans 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 A

BID #4 Boundary Map



APPENDIX B

Listing of Current 2021 BID #4 Board of Directors

<u>Name</u>	<u>Title</u>	<u>Email Address</u>	<u>Property Owned or Occupied</u>	<u>Term</u>
John Dye	President	jdye@me.com	1579 S. 9 th Street	4/2021-4/2024
Demitra Copoulos		vitamindandc@gmail.com	1007 W. Historic Mitchell Street	4/2020-4/2023
Gloria Marquez	Treasurer	gmmarquez@outlook.com	3018 W. Rusk Street	4/2020-4/2023
Amrit Patel		amritpatel@yahoo.com	1023 W. Historic Mitchell Street	10/2018-10/2021
Ryan Pattee		rpattee@gmail.com	1104 W. Historic Mitchell Street	5/2019-5/2022
Fernando Moreno		badgerplanner74@gmail.com	627 W. Historic Mitchell St.	8/2019-8/2022
Joseph Arnezeder	Secretary	joseph.david23@gmail.com	1306 W. Forest Home Avenue	4/2020-4/2023
Jennifer Lamb		jmtmarie28@gmail.com	8826 W. Burleigh Street	8/2020-8/2023
Shane McAdams		mcadamsshane@hotmail.com	1013 W. Historic Mitchell Street	9/2021-9/2024
Russell Rossetto		russelitto@gmail.com	101 W. Mitchell Street	8/2019-8/2022
Dan Didier	Vice President	dan@september.club	2625 S. Greeley Street	4/2019-4/2022

APPENDIX C

2022 Proposed Goals and Activities – Annual Report: September 2020 – August 2021

Due to the challenges of COVID-19 and its effect on the businesses located in BID #4, many goals for 2021 were not able to be achieved; three events were cancelled. Therefore, BID #4 plans for 2022 goals and activities include those not attained in 2021.

The BID continues to operate as a solidifying support for the commercial property owners within the District, providing them with an organization that continues to maintain the commercial and retail viability in the business area, and promotes it as a desirable commercial area in which to do business.

The BID's focus for 2021 was, and continues to be for 2022, assisting those businesses that remained open and/or re-opened post-pandemic, supporting their sustainability.

In addition, BID #4 waged an on-going media blast campaign in 2021 for the "re-opening of Mitchell Street" that included social media, digital billboard advertising and print advertising.

Due to civil unrest in early Summer 2021, BID #4 worked with Milwaukee 7 to financially assist businesses within the District to replace damaged glass windows and doors. This also resulted in a generous donation to BID #4 from the MMAC Community Support Foundation.

The BID #4 continuing and revised proposed 2022 goals and activities include:

* Continuing efforts to complete an overall new design plan, including capital improvements, safer vehicular traffic control, and parking lot utilization and improvements. Street traffic control and continues to be a major problem. Determine if additional traffic signals and speed limit signage can be installed. Planning includes the rejuvenation of Mitchell Street's seven pedestrian alleys that are located between the 800 and 1100 West Historic Mitchell Street blocks. Improvements include esthetic improvements, cleaning, improved lighting, and painting, including murals. These Pedestrian Alleys would then be used for outside public events, i.e., art shows, music and food events, etc.

* 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. Several new businesses have opened in BID #4 in 2021, including a barber shop/salon; a women's dress shop, a communications repair shop, a resale shop, a donut/sweet shop scheduled to open this Fall, and a staffing agency opening a second location. The BID will continue to seek additional restaurants, to heighten the growing cultural diversity of the commercial corridor. Three businesses closed and/or left the District due to the pandemic during 2020-21.

- * Providing assistance to property owners and developers who are engaged in property improvements and re-development activities, utilizing the City's Grant programs (Signage, Façade, Retail Investment Fund (RIF), and White Box).
- * Promoting the unique historic significance, vibrancy, and commercial and cultural diversity of the District. Ensuring the historic design-sensitive exterior renovations of buildings in the District, working closely with the City's Historic Preservation Commission and staff, and continue to monitor and enforce the historic guidelines for Historic Mitchell Street, which is a historic district.
- * Ensuring that all commercial buildings within the District are continually maintained graffiti-free with the City's graffiti removal program, via an annual contract with the Department of Neighborhood Services. BID #4 has had a contract with DNS for twelve years. In 2020, BID #4 spent a total of \$3,463.50 for graffiti removal in the District. Through June of 2021, the BID has spent \$1,626.00 for the removal of graffiti in the District.
- * Providing support and assistance to businesses that engage 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 increase the property owners' interests.
- * Conducting two new public events in 2022, possibly beginning with an art/music event. These new events would include a fundraising or sponsorship component. The two public art/music events scheduled for early June and early September 2020 were cancelled due to COVID-19, and the BID's annual Open House in September 2020 was also cancelled. Events have also been cancelled for 2021, and the BID's next annual Open House is being re-scheduled for early 2022.
- * Increasing the promotion, visibility and awareness of the BID's annual Holiday activities for the Commercial Corridor. Included in the holiday events is a holiday window-decorating contest for all of the businesses and restaurants in the District; installing lighted wreaths on all of the harp lights; and other holiday decorations. Increased marketing efforts are being planned for the 2021 holiday season and future holiday seasons.
- * Planning to rejuvenate the seven Pedestrian Alleys that are located along Historic Mitchell Street between the 800 and 1100 blocks. Work would include weeding, water cleaning, possibly some mural paintings or other painting as needed, upgraded lighting, and other esthetic improvements. These pedestrian alleys could then be used for potential outdoor public events, i.e., art shows, music and food shows, farmers' markets, Mitchell Street Days, etc. The BID received a generous donation of 16 large concrete planters from KEI, which have been planted with flowers for the summer and fall months of 2021, with maintenance costs borne by BID #4. This has made a huge improvement to the esthetics on Historic Mitchell Street. The BID continually assesses existing landscape elements and researches new branding streetscape elements.
- * Maintaining the neighborhood business district portfolio, including an inventory of available commercial space, for distribution to brokers and prospective retail tenants and/or developers, 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. As part of the BID's social media outreach, a complete and updated BID #4 Business Directory is posted on the BID's Website/Facebook.

* Continuing to work closely with the Milwaukee Police Department District 2 for increased police protection and support to enhance safety in the area, along with security measures and safety programs for a safer business neighborhood. BID #4 has a Safety Committee comprised of Board members, associates and volunteers, trying to reduce the vagrancy, panhandling, prostitution and crime issues. The commercial corridor has 13 security surveillance cameras installed on Historic Mitchell Street, from 6th to 13th Streets. Vehicular speeding and reckless driving on the commercial corridor continues to be a major safety issue which the BID continues to address with MPD and the AD12 Alderman. BID #4 received a \$2000 mini-grant from the City's DPW for a "Reckless Driving Program" campaign, which it conducted from May to October of 2022, in hopes of reducing the reckless and speeding traffic and bolstering pedestrian safety on the Commercial Corridor.

* Promoting and increasing media coverage of the District's activities, new businesses, etc., as part of its marketing efforts. This includes providing information to the media on new developments, the new restaurants and other new businesses, etc., which has resulted in several print media articles in Milwaukee publications.

* Initiating, coordinating, and promoting outreach events and activities for property and business owners and retailers (i.e., the new public art events on Historic Mitchell Street, resource fairs, ADA information, business classes, holiday kick-off event and window decorating contest, the BID's annual September Open House for property and business owners, etc.), and initiating new positive events. These events and activities will continue to both promote the vibrant and unique and culturally diverse retail area, and draw returning and new destination shoppers and visitors to the commercial corridor. The BID plans to participate again in the September 2022 Doors Open Milwaukee virtual event, which is operated by Historic Milwaukee Inc. Each year, the number of BID #4 businesses participating in this event has increased, drawing, pre-pandemic, hundreds of visitors to Historic Mitchell Street and its many diverse services and retail offerings.

*Assisting property and business owners with liaison to the City, regarding permits, grants, licenses, historic preservation matters and DNS issues. The BID will continue to schedule meetings and provide information on the State's historic tax credit program for commercial property owners who might be investing in the preservation of their commercial properties. In 2019-2020, three property owners took advantage of these programs by meeting with a representative from the Wisconsin Historical Society for potential renovation of their properties, using State and Federal tax credits. One of the larger exterior renovation projects was completed in 2020, and another one in Spring 2021.

*Providing community outreach for business services and organizations such as sponsorship of the Southside National Night Out (Southside Organizing Center), the Gerald Ignace annual Health Fair and annual Red Shawl Gala, MPD District 2's Three Kings Day event, and Safe & Sound's annual event. The BID's support and participation in these events, though mostly cancelled in 2020-2021, will continue in 2022.

* Supporting and participating with a number of South Side 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 the Southside Organizing Center, LISC, WWBIC, Milwaukee Christian Center, Safe & Sound's events, annual neighborhood clean-up programs, and MPD District 2.

* Distributing timely information to property and business owners, merchants, and other interested parties via the BID's quarterly Newsletters, flyers, letters, resource seminars and pertinent information, business classes, and other appropriate venues. This included in 2020-21, critical information for our small businesses on the various local, state and federal assistance programs available due to COVID-19. That assistance will continue.

* 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.

* Supporting an established neighborhood residents' group, with monthly meetings held at the BID office. In addition, the BID provides assistance with activities in the established Butterfly Park which is located in the business district. This volunteer participation continues in 2021 where possible, and will continue in 2022. The BID's office and conference area continues to be available for public and neighborhood meetings in coordination and cooperation with the Alderman's Office and the City.

* Conducting the BID's annual Open House for property and business owners and merchants held every September, which provides networking opportunities, as well as City representatives, and other strategic resource information for attendees, on District, City, County and State levels. This important event annually provides the commercial property and business owners to input suggestions, as well as ask questions, regarding the current year and following year's BID #4 Operating Plan and activities. The event was cancelled in 2020 and 2021 due to COVID-19, but will be re-scheduled in early 2022.

* Maintaining an every-other-week clean-up of the commercial corridor by outside contractor MCSC, and maintenance of the streetscaping on Historic Mitchell Street. Continuing the projects of installing additional new litter containers (22 have been installed).

In 2019, twelve of the old and worn Historic Mitchell Street ID banners were replaced (via a generous donation). Plans for 2022 include replacing all of the Street's ID banners with newly branded banners, as part of re-branding program for the commercial corridor. Several planned street improvement projects have been re-scheduled to 2022 due to COVID-19.

Additional sponsors and/or donors will be solicited for these on-going projects, to continue the esthetic improvements of the Commercial Corridor's appearance for visitors and shoppers to the business area.

* BID #4 is cooperating with the MMSD and the City on implementing work on four parking lot sites in the District, where green infrastructure projects are being planned for 2021-2022. One of the four City parking lots will be converted into a community park. The other three lots will be repaved with lighting updated.

* Beginning in 2020, continuing throughout 2021 and 2022, BID #4 has been working with UW-M's School of Architecture & Urban Planning to establish its Mobile Design Box, a pop-up gallery and community space that adapts existing vacant storefronts, to encourage innovative social, economic and cultural uses.

The Mobile Design Box is located at 615 W. Historic Mitchell Street.

APPENDIX D

Projected Assessments for the 2022 Operating Plan:

Taxkey	Address	total	BID Assessble Value	BID 4 Assessment
4600101110	1300-1316 W HISTORIC MITCHELL ST	\$ 1,061,000.00	\$ 1,061,000.00	\$ 2,500.00
4600113100	1301 W FOREST HOME AV	\$ 36,000.00	\$ 36,000.00	\$ 144.00
4600115110	1337 W FOREST HOME AV	\$ 1,815,800.00	\$ 1,815,800.00	\$ 2,500.00
4600118100	1905-1909 S 13TH ST	\$ 104,100.00	\$ 52,050.00	\$ 400.00
4600121000	1919-1923 S 13TH ST	\$ 141,400.00	\$ 74,942.00	\$ 400.00
4600123110	1937 S 13TH ST	\$ 47,400.00	\$ 47,400.00	\$ 190.00
4600123120	1331 W BURNHAM ST	\$ 762,500.00	\$ 762,500.00	\$ 2,500.00
4600303000	1416-1418 W FOREST HOME AV	\$ 86,800.00	\$ 43,400.00	\$ 400.00
4600304000	1412-1414 W FOREST HOME AV	\$ 90,100.00	\$ 56,763.00	\$ 400.00
4600305000	1406 W FOREST HOME AV	\$ 1,700.00	\$ 1,700.00	\$ 400.00
4600306000	1400 W FOREST HOME AV	\$ 102,500.00	\$ 52,275.00	\$ 400.00
4601032000	1500-1502 W MITCHELL ST	\$ 156,300.00	\$ 78,150.00	\$ 400.00
4601034000	1510 W MITCHELL ST	\$ 7,400.00	\$ 7,400.00	\$ 400.00
4601036000	1516 W MITCHELL ST	\$ 10,100.00	\$ 10,100.00	\$ 40.00
4601040100	1532--A W MITCHELL ST	\$ 140,000.00	\$ 74,200.00	\$ 400.00
4601060000	1400 W MITCHELL ST	\$ 129,200.00	\$ 129,200.00	\$ 517.00
4601061000	1404-1406 W MITCHELL ST	\$ 104,900.00	\$ 56,646.00	\$ 400.00

4601068110	1436-1438 W MITCHELL ST	\$ 267,400.00	\$ 267,400.00	\$ 1,070.00
4610502100	621-633 W HISTORIC MITCHELL ST	\$ 1,720,400.00	\$ 1,720,400.00	\$ 2,500.00
4610503000	635-637 W HISTORIC MITCHELL ST	\$ 151,300.00	\$ 151,300.00	\$ 605.00
4610528000	715-719 W HISTORIC MITCHELL ST	\$ 19,100.00	\$ 19,100.00	\$ 76.00
4610530000	709-713 W HISTORIC MITCHELL ST	\$ 183,800.00	\$ 183,800.00	\$ 735.00
4610531000	705-707 W HISTORIC MITCHELL ST	\$ 149,400.00	\$ 124,002.00	\$ 496.00
4610539000	732 W MAPLE ST	\$ 85,400.00	\$ 85,400.00	\$ 400.00
4610540000	738 W MAPLE ST	\$ 39,500.00	\$ 26,070.00	\$ 400.00
4610541000	733-737 W HISTORIC MITCHELL ST	\$ 359,000.00	\$ 359,000.00	\$ 1,436.00
4610542000	729-731 W HISTORIC MITCHELL ST	\$ 60,700.00	\$ 60,700.00	\$ 400.00
4610544100	723 W HISTORIC MITCHELL ST	\$ 247,700.00	\$ 247,700.00	\$ 991.00
4610545000	801-805 W HISTORIC MITCHELL ST	\$ 317,000.00	\$ 196,540.00	\$ 786.00
4610546000	807-813 W HISTORIC MITCHELL ST	\$ 344,000.00	\$ 199,520.00	\$ 798.00
4610547000	815-817 W HISTORIC MITCHELL ST	\$ 127,800.00	\$ 76,680.00	\$ 400.00
4610549000	833-839 W HISTORIC MITCHELL ST	\$ 593,100.00	\$ 361,791.00	\$ 1,447.00
4610570000	929-931 W HISTORIC MITCHELL ST	\$ 529,500.00	\$ 529,500.00	\$ 2,118.00
4610583000	1003 W HISTORIC MITCHELL ST	\$ 358,000.00	\$ 89,500.00	\$ 400.00
4610584000	1009-1011 W HISTORIC MITCHELL ST	\$ 182,900.00	\$ 182,900.00	\$ 732.00
4610585000	1013-1015 W HISTORIC MITCHELL ST	\$ 145,600.00	\$ 103,376.00	\$ 414.00
4610586000	1017 W HISTORIC MITCHELL ST	\$ 158,000.00	\$ 116,920.00	\$ 468.00
4610587100	1023-1027 W HISTORIC MITCHELL ST	\$ 214,200.00	\$ 214,200.00	\$ 857.00
4610590000	1029-1033 W HISTORIC MITCHELL ST	\$ 158,200.00	\$ 158,200.00	\$ 633.00
4610599000	1032 W MAPLE ST	\$ 11,600.00	\$ 11,600.00	\$ 46.00
4610602000	1022 W MAPLE ST	\$ 124,900.00	\$ 124,900.00	\$ 500.00
4610604000	1101-1113 W HISTORIC MITCHELL ST	\$ 562,800.00	\$ 562,800.00	\$ 2,251.00
4610605000	1117-1119 W HISTORIC MITCHELL ST	\$ 180,000.00	\$ 102,600.00	\$ 410.00
4610609100	1718-1734 S 12TH ST	\$ 71,500.00	\$ 71,500.00	\$ 286.00
4610619100	1201-1211 W HISTORIC MITCHELL ST	\$ 342,600.00	\$ 342,600.00	\$ 1,370.00
4610620110	1213-1237 W HISTORIC MITCHELL ST	\$ 535,000.00	\$ 535,000.00	\$ 2,140.00
4610621110	1715-1717 S 12TH ST	\$ 236,900.00	\$ 236,900.00	\$ 948.00

4610622100	1730-1738 S 13TH ST	\$ 303,900.00	\$ 303,900.00	\$ 1,216.00
4610624000	1744-1750 S 13TH ST	\$ 22,300.00	\$ 22,300.00	\$ 89.00
4610636100	1830-1832 S 13TH ST	\$ 137,100.00	\$ 68,550.00	\$ 400.00
4610637000	1828 S 13TH ST	\$ 77,100.00	\$ 24,672.00	\$ 400.00
4610638000	1824 S 13TH ST	\$ 83,300.00	\$ 41,650.00	\$ 400.00
4610639000	1820 S 13TH ST	\$ 124,800.00	\$ 74,880.00	\$ 400.00
4610640000	1816 S 13TH ST	\$ 102,000.00	\$ 53,040.00	\$ 400.00
4610641000	1812 S 13TH ST	\$ 92,300.00	\$ 16,614.00	\$ 400.00
4610643000	1800 S 13TH ST	\$ 95,500.00	\$ 95,500.00	\$ 400.00
4611311000	1202-1212 W HISTORIC MITCHELL ST	\$ 580,000.00	\$ 348,000.00	\$ 1,392.00
4611312000	1216-1218 W HISTORIC MITCHELL ST	\$ 148,800.00	\$ 87,792.00	\$ 400.00
4611313000	1222-1224 W HISTORIC MITCHELL ST	\$ 196,000.00	\$ 196,000.00	\$ 784.00
4611314000	1226-1230 W HISTORIC MITCHELL ST	\$ 279,700.00	\$ 279,700.00	\$ 1,119.00
4611315000	1662 S 13TH ST	\$ 109,700.00	\$ 109,700.00	\$ 439.00
4611341000	1651 S 11TH ST	\$ 127,000.00	\$ 58,420.00	\$ 400.00
4611343000	1659 S 11TH ST	\$ 103,100.00	\$ 19,589.00	\$ 400.00
4611344000	1665 S 11TH ST	\$ 152,000.00	\$ 42,560.00	\$ 400.00
4611345000	1100 W HISTORIC MITCHELL ST	\$ 269,100.00	\$ 269,100.00	\$ 1,076.00
4611346000	1104 W HISTORIC MITCHELL ST	\$ 127,300.00	\$ 127,300.00	\$ 509.00
4611347000	1108 W HISTORIC MITCHELL ST	\$ 127,300.00	\$ 127,300.00	\$ 509.00
4611348100	1114-1116 W HISTORIC MITCHELL ST	\$ 290,700.00	\$ 206,397.00	\$ 826.00
4611350000	1122-1138 W HISTORIC MITCHELL ST	\$ 427,100.00	\$ 427,100.00	\$ 1,708.00
4611375000	1629 S 10TH ST	\$ 143,400.00	\$ 143,400.00	\$ 574.00
4611377100	1000-1006 W HISTORIC MITCHELL ST	\$ 263,600.00	\$ 263,600.00	\$ 1,054.00
4611426000	802-804 W HISTORIC MITCHELL ST	\$ 289,800.00	\$ 289,800.00	\$ 1,159.00
4611427000	808-810 W HISTORIC MITCHELL ST	\$ 216,100.00	\$ 123,177.00	\$ 493.00
4611428000	812 W HISTORIC MITCHELL ST	\$ 119,500.00	\$ 81,260.00	\$ 400.00
4611429000	814-816 W HISTORIC MITCHELL ST	\$ 112,900.00	\$ 54,192.00	\$ 400.00
4611430000	822-826 W HISTORIC MITCHELL ST	\$ 237,000.00	\$ 237,000.00	\$ 948.00
4611431000	828-830 W HISTORIC MITCHELL ST	\$ 143,000.00	\$ 71,500.00	\$ 400.00

4611432000	832-838 W HISTORIC MITCHELL ST	\$ 364,100.00	\$ 364,100.00	\$ 1,456.00
4611470000	720-722 W HISTORIC MITCHELL ST	\$ 189,900.00	\$ 100,647.00	\$ 403.00
4611472100	728-732 W HISTORIC MITCHELL ST	\$ 236,100.00	\$ 236,100.00	\$ 944.00
4611473000	734-738 W HISTORIC MITCHELL ST	\$ 188,500.00	\$ 188,500.00	\$ 754.00
4611474000	1662 S 8TH ST	\$ 104,900.00	\$ 78,675.00	\$ 400.00
4611509000	1663 S 6TH ST	\$ 115,000.00	\$ 18,400.00	\$ 400.00
4611512000	600-602 W HISTORIC MITCHELL ST	\$ 125,000.00	\$ 88,750.00	\$ 400.00
4611514100	604-608 W HISTORIC MITCHELL ST	\$ 200,000.00	\$ 142,000.00	\$ 568.00
4611515000	616 W HISTORIC MITCHELL ST	\$ 118,700.00	\$ 118,700.00	\$ 475.00
4611516000	620 W HISTORIC MITCHELL ST	\$ 59,000.00	\$ 59,000.00	\$ 400.00
4611517000	622-628 W HISTORIC MITCHELL ST	\$ 310,400.00	\$ 136,576.00	\$ 546.00
4611518000	632-634 W HISTORIC MITCHELL ST	\$ 389,500.00	\$ 128,535.00	\$ 514.00
4611520000	1658-1660 S 7TH ST	\$ 14,600.00	\$ 14,600.00	\$ 58.00
4611601000	910 W HISTORIC MITCHELL ST, Unit 100	\$ 1,058,000.00	\$ 1,058,000.00	\$ 2,500.00
4611621000	1125 W HISTORIC MITCHELL ST	\$ 415,400.00	\$ 415,400.00	\$ 1,662.00
4620625000	501-505 W HISTORIC MITCHELL ST	\$ 297,600.00	\$ 148,800.00	\$ 595.00
4620634000	539 W HISTORIC MITCHELL ST	\$ 107,000.00	\$ 53,500.00	\$ 400.00
4620635000	541 W HISTORIC MITCHELL ST	\$ 181,400.00	\$ 48,978.00	\$ 400.00
4620636100	545-551 W HISTORIC MITCHELL ST	\$ 275,400.00	\$ 275,400.00	\$ 1,102.00
4620647000	546-550 W HISTORIC MITCHELL ST	\$ 445,000.00	\$ 106,800.00	\$ 427.00
4690479110	1838-1844 S 15TH ST	\$ 858,800.00	\$ 858,800.00	\$ 2,500.00
4690482000	1423 W MITCHELL ST	\$ 84,500.00	\$ 45,630.00	\$ 400.00
4690499000	1511 W MITCHELL ST	\$ 166,600.00	\$ 166,600.00	\$ 666.00
4690500000	1501 W MITCHELL ST	\$ 95,300.00	\$ 95,300.00	\$ 400.00
4690502000	1533-1535 W MITCHELL ST	\$ 151,800.00	\$ 75,900.00	\$ 400.00
4690503000	1527 W MITCHELL ST	\$ 135,400.00	\$ 33,850.00	\$ 400.00
4693272000	1901 S 14TH ST	\$ 630,600.00	\$ 630,600.00	\$ 2,500.00
4610562110	800-822 W MAPLE ST	\$ 817,700.00	\$ 817,700.00	\$ 2,500.00
4611378110	1020-1030 W HISTORIC MITCHELL ST	\$ 4,483,800.00	\$ 1,031,274.00	\$ 2,500.00
4611469100	710 W HISTORIC MITCHELL ST	\$ 4,314,900.00	\$ 1,467,066.00	\$ 2,500.00

4611519000	1662-1664 S 7TH ST	\$ 19,500.00	\$ 19,500.00	\$ 78.00
4611581000	601-615 W HISTORIC MITCHELL ST	\$ 3,008,800.00	\$ 391,144.00	\$ 1,565.00
4611603000	910 W HISTORIC MITCHELL ST, Unit 300	\$ 95,000.00	\$ 95,000.00	\$ 400.00
4611612000	1643 S 9TH ST	\$ 247,200.00	\$ 247,200.00	\$ 989.00
4600123130	1940 S 14TH ST	\$ 1,269,500.00	\$ 1,269,500.00	\$ 2,500.00
4600301100	1841 S 14TH ST	\$ 484,000.00	\$ 484,000.00	\$ 1,936.00
4600315100	1401-1417 W MITCHELL ST,	\$ 840,100.00	\$ 840,100.00	\$ 2,500.00
4601861100	1302-1338 W FOREST HOME AV	\$ 2,080,700.00	\$ 2,080,700.00	\$ 2,500.00
4610548000	829 W HISTORIC MITCHELL ST	\$ 865,400.00	\$ 865,400.00	\$ 2,500.00
4610550110	1718 S 9TH ST	\$ 44,000.00	\$ 44,000.00	\$ 176.00
4610572100	939 W HISTORIC MITCHELL ST	\$ 689,400.00	\$ 689,400.00	\$ 2,500.00
4610592100	1039-1041 W HISTORIC MITCHELL ST	\$ 689,900.00	\$ 689,900.00	\$ 2,500.00
4610595100	1726 S 11TH ST	\$ 296,900.00	\$ 296,900.00	\$ 1,188.00
4611397100	930-932 W HISTORIC MITCHELL ST	\$ 2,531,800.00	\$ 2,531,800.00	\$ 2,500.00
4620629000	519 W HISTORIC MITCHELL ST	\$ 17,100.00	\$ 17,100.00	\$ 68.00
4620630000	521-523 W HISTORIC MITCHELL ST	\$ 17,100.00	\$ 17,100.00	\$ 68.00
4620631110	529 W HISTORIC MITCHELL ST	\$ 392,900.00	\$ 267,172.00	\$ 1,069.00
4690430120	1931 S 14TH ST	\$ 466,900.00	\$ 466,900.00	\$ 1,868.00
4693271000	1433 W BURNHAM ST	\$ 2,234,100.00	\$ 2,234,100.00	\$ 2,500.00
		\$ 52,001,100.00	\$ 38,636,515.00	\$ 116,574.00

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 subds. [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 2020 - August 2021

9/15/2021

OVERVIEW

Business Improvement District #4 was organized under Wisconsin State Statute 66.1109 (formerly 66.608) 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 BID #4 district includes Historic Mitchell Street, from 5th to 13th Streets.

The Mission of BID #4 is to continue the revitalization and improvement of its Historic Mitchell Street retail district and the Mitchell Street Commercial Corridor and its diverse neighborhood; to continue resilient efforts to support business and retail retention and recruit new businesses with economic initiatives 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 in the City, and BID #4 promotes Mitchell Street's energetic and culturally diverse businesses, provides support services to maintain and expand those businesses and the surrounding neighborhoods. The BID also launches new events to highlight local businesses and increase destination shopping and visiting to the business district. In addition, BID #4 communicates to all commercial property and business owners of redevelopment activities plus the City's historic preservation guidelines, and supports, advocates and assists in addressing and resolving issues for its approximately 110 property and business owners.

Following are BID #4's accomplishments for the period of September 2019 – August 2020, and initial planning underway for 2021.

Accomplishments/Activities during the period of **September 2020 - August 2021** were curtailed for most of 2020 to date due to COVID-19. The new art/music public outdoor event, utilizing the pedestrian walkways and scheduled for June 2020, was re-scheduled for early Fall and then cancelled. The BID's Annual Open House for business and property owners, held every September, was cancelled. It was agreed by the Board of Directors to cancel the 2021 Annual Open House and re-schedule it for early 2022. Planning will begin early in 2022 for one or two public events, including a fund-raising event, and they will be scheduled for summer-fall 2022.

However, the annual "Holidays on Mitchell Street" activities were conducted as usual in November and December 2020, and will be scheduled this 2021 holiday season. Included was the special holiday lighting of Historic Mitchell Street and the annual holiday window-decorating contest for all of the businesses, with framed certificates signed by Alderman Jose G. Perez awarded to all participating businesses and gift certificates presented to the top three-judged businesses.

The BID continued its work with property and business owners to renovate retail store fronts and facades, utilizing the City's Signage, RIF, Façade and White Box Grant programs. There was very little activity during 2020; however, in 2021 to date, one major façade project was completed by a commercial property owner, using the Façade Grant program. In addition, several business owners have updated or installed new exterior signage, using the Signage Grant program.

The BID continued its efforts of the planting and maintenance of the four medians on Historic Mitchell Street. Due to the 2020 gas-line replacement project, the City's installation of new intersection curbs with ADA ramps, and the re-paving of Historic Mitchell Street from 8th to 13th Streets, much of the BID's

planned esthetic improvements were re-scheduled for Spring 2021, including the addition of sixteen, donated, large flowering urns. Plans for new Street identification banners and installation of additional Ironsites-designed litter containers have been re-scheduled for 2022. Refreshing the decorative gravel at the bases of all of the trees on Historic Mitchell Street was completed during the 2021 summer.

All of the City's street lights and harp lights were replaced with LED-lighting in early summer 2021 by DPW, to help to insure a better-lit and safer Historic Mitchell Street business district.

BID #4 continues on an-every-other-week schedule the additional cleaning of the commercial corridor's sidewalks, curbs, gutters and pedestrian alleys via an outside contractor.

Efforts to retain, expand and attract new businesses to the business district continued during 2020. Although hampered by the COVID-19 pandemic, several new businesses did open in late 2019 and early 2020, including a barber shop, a small restaurant specializing in a carry-out menu, a hair-styling salon, a pizza restaurant, an art gallery, and a CBD-specialty shop. In 2021 to date, several other new businesses have re-located, or opened, in the BID #4 District. They include a staffing agency, a communications repair service, and a women's clothing shop. Voces de Frontera purchased a building on Historic Mitchell Street in 2020 and is scheduled to move into its new headquarters this Fall. A café is also being planned by a current property owner, and an ice cream/donut shop is scheduled to open in September.

The BID continued with its daily monitoring of new graffiti in the district, with removal utilizing, and in collaboration with, the City's DNS Retail Area Graffiti Removal Program. The BID has had an annual contract with DNS for over twelve years. In 2020, BID #4 spent \$3,463.50 on graffiti removal. For 2021 through the month of July, BID #4 has spent 1,861.00 for the removal of graffiti from commercial properties. Graffiti has substantially decreased in past several years due to the constant and fast removal by the BID.

BID #4 continued to promote the Wisconsin Historical Society and the state and federal Tax Credit Programs for commercial property owners planning to invest in the preservation of their historic buildings. One renovation project was started in late 2019 and completed in the summer 2020 utilizing historic tax credits.

In November and December of 2019, the BID #4 office served as the south side location for the "MKE United Anti-Displacement Fund" grant program for eligible homeowners living in near-downtown Milwaukee neighborhoods, to help them pay for increased in their property taxes.

The BID office and its meeting facilities are always available for community meetings, though they were not available during the pandemic.

The BID again was a sponsor of the "National Night Out" event, conducted by the Southside Organizing Center in August 2019, and again in 2021. And, BID #4 continues to support programs and events conducted by the Milwaukee Police Department District 2, and will again participate in D2's annual Fall Open House in September 2021. Most events were cancelled in 2020.

The Fall 2020 virtual "Doors Open Milwaukee" included several significant locations and businesses on Historic Mitchell Street, to continue the BID's promotion of its business district.

The Board of Directors of BID #4 continued its schedule of monthly Board meetings virtually via ZOOM, after cancelling only one of its meetings as the pandemic began. Monthly Board meetings continued

since April 2020 and will through the end of this year. The Board continues its on-going Strategic Planning Committee virtual meetings with 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.

The BID continues involvement with area community organizations in their efforts toward a safer near South Side: Operation Impact, Journey House, Southside Organizing Center, and the Milwaukee Christian Center (Building Neighborhood Capacity Program). The neighborhood park, opened in 2017 by MCC at 13th and Forest Home in the BID #4 district, added another painted mural for Butterfly Park. The BID continues to participate in the Park's fall and spring clean-ups as scheduled. BID #4 conducted another Spring Clean-Up in April 2021, providing snacks and water to the volunteers.

Due to the civil unrest in late Spring 2020, eight Historic Mitchell Street businesses suffered damage and vandalism. The BID office worked with the MMAC's Rebuild and Revitalize Fund program to assist businesses that experienced damage or vandalism during the protests with grants to repair/restore their damaged retail property. MMAC/M7 also donated funds to those BID's who participated in the R&R Fund program, and BID #4 received a generous donation.

BID #4 was the recipient of two additional major donations in 2020: A \$2000 grant from the Steve Stricker American Family Insurance Foundation, and a \$1000 donation from the Historic Mitchell Street Preservation Corporation. Those donations helped to continue esthetic improvements on the commercial corridor.

A major part of all of 2020 was the dissemination of critical information to our small businesses who were affected by COVID-19 and the shut-down of non-essential businesses, including the local, state and federal loan and grant programs. That work continues to assist the businesses who have re-opened, and who remained open during the pandemic, to insure their sustainability. BID #4 did sponsor and conduct a media blast in July to announce the "re-opening of Mitchell Street businesses." It included digital billboard advertising, print advertising, a BID-sponsored Facebook ad, and other social media. In 2021, BID #4 has continued its support of the business district via social media.

BID #4 applied for and secured a \$2000 Mini-Grant from the City's DPW to participation in the "Reckless Driving Program", designed to curb speeding and reckless driving and promote safe driving on Historic Mitchell Street and enhance pedestrian safety. The summer 2021 program was heavily promoted on social media and by local media outlets.

Additional programs that BID #4 is participating in this year include NEWaukee's 2021 Southside Dining Week event which will involve several of the restaurants in our District in October, and LISC's Brew City Match Program to financially assist commercial property owners in leasing their vacant commercial spaces to potential businesses.

2022 Goals and Objectives include providing businesses with information of the continuing federal, state and city grant and loan programs, to provide businesses with sustainability of their business, as many COVID-19 precautions and issues continue. This will also include working with commercial

property and business owners using the City's Grant programs, via re-scheduled informational workshops, meetings, the annual Open House in early 2022, and the quarterly BID #4 Newsletter.

Economic development activities will continue to attract more, and a wider variety of businesses to our culturally diverse business neighborhood. Efforts will continue to secure one or more commercial real estate brokers who would devote efforts to marketing retail vacancies on the culturally diverse commercial corridor.

Planning will continue for the scheduling of two or more 2022 public art/music events, utilizing the seven pedestrian walkways (the "Open Spaces") on Historic Mitchell Street, all for the promotion of the historic business district and its attractions to shoppers and visitors.

BID #4 is cooperating with MMSD and the City with its planning to implement a green infrastructure project in four of the City parking lots in our District, which could include converting one of the lots into a park. The project is scheduled to be completed in 2022. Several community meetings for neighborhood input are planned for this September and October.

BID #4 continues to work with the MPD's Fusion Center in attempting to secure a grant for the updating/replacement of the thirteen aged surveillance security cameras located in the district. This project possibly could be funded by a CDBG grant or other means being explored.

BID #4 is continuing its participation with the UW-Milwaukee Department of Architecture's Mobile Design Box project, "Addressing Urban Vacancy." The project is a pop-up gallery and community space that adapts existing vacant storefronts in order to encourage innovative social, economic and cultural uses. It is housed in a former vacant space at 615 W. Historic Mitchell Street, with a mobile furniture pop-up project, and will continue on site for another year.

The 2022 continuing maintenance and improvement of the four medians on Historic Mitchell Street will include additional plantings, along with fresh mulching and plant/shrub trimming, and upkeep of the treescaping at the bases of all trees on Mitchell, from 5th to 13th Streets. This maintains the visual appeal, and thereby esthetically improves the business district for shoppers and visitors. Additional and regular street cleaning, litter removal and graffiti removal remains a priority for BID #4.

BID #4 will continue to work with the City's Historic Preservation Commission staff for approval of all exterior renovations, improvements and new signage, planned by current and future Historic Mitchell Street commercial property and business owners.

As a result of TID 37 closing, TID 71 (Mitchell Street) will receive a donation of \$2,658,175 to pay off its outstanding debt. That will put the Mitchell Street commercial corridor in good position to look at future commercial development projects, which the Board of Directors is investigating. Potential projects could include the now-vacant Modjeska Theatre, the 1101 building, and possibly the exterior rehabbing of several historic commercial properties in 2022 and beyond, that are considering renovations and/or re-development.

In summary, the BID #4 Board of Directors and Staff continue to work and plan to make the Mitchell Street commercial corridor a unique, vibrant, clean and safe business district in which to work, shop and visit, by providing sustaining support, assistance and services to its commercial property owners and merchants. The Mitchell Street commercial corridor and business neighborhood continues to provide an excellent opportunity for businesses and restaurants looking to expand and/or locate. The rejuvenation of the commercial corridor and the surrounding business neighborhood continues in 2022!!

BUSINESS IMPROVEMENT DISTRICT NO. 4
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Summarized Totals for the Year Ended December 31, 2019)
With Accountant's Review Report

BUSINESS IMPROVEMENT DISTRICT NO. 4

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Business Improvement District No. 4
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of Business Improvement District No. 4 (a nonprofit organization), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

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

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Ritz Holman LLP
Serving business, nonprofits, individuals and trusts.

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Milwaukee, WI 53202 f. 414.271.7464
ritzholman.com

To the Board of Directors
Business Improvement District No. 4

Summarized Comparative Information

We previously reviewed Business Improvement District No. 4's 2019 financial statements and in our conclusion dated April 16, 2020, stated that based on our review, we were not aware of any material modifications that should be made to the 2019 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2019, for it to be consistent with the reviewed financial statements from which it has been derived.


RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
March 31, 2021

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2020
(With Summarized Totals for December 31, 2019)
(See Accountant's Review Report)

ASSETS

	2020	2019
CURRENT ASSETS		
Cash	\$ 51,447	\$ 47,342
Accounts Receivable	275	108
Prepaid Expenses	7,883	4,661
Total Current Assets	\$ 59,605	\$ 52,111
OTHER ASSETS		
Security Deposit	\$ 750	\$ 750
Total Other Assets	\$ 750	\$ 750
FIXED ASSETS		
Equipment	\$ 7,759	\$ 7,125
Accumulated Depreciation	(7,336)	(7,125)
Total Fixed Assets	\$ 423	\$ ---
TOTAL ASSETS	\$ 60,778	\$ 52,861

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts Payable	\$ 1,064	\$ 2,197
Accrued Payroll Liabilities	2,587	---
Deferred Revenue	---	5,000
Line of Credit	23,000	20,000
Total Current Liabilities	\$ 26,651	\$ 27,197
NET ASSETS		
Without Donor Restrictions		
Operating	\$ 9,127	\$ 664
Board Designated	25,000	25,000
Total Net Assets	\$ 34,127	\$ 25,664
TOTAL LIABILITIES AND NET ASSETS	\$ 60,778	\$ 52,861

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, 2020
(With Summarized Totals for the Year Ended December 31, 2019)**

	<u>2020</u>	<u>2019</u>
REVENUE		
Contributions	\$ 23,000	\$ ---
Assessment Income	115,118	111,404
Interest Income	7	125
Miscellaneous Income	---	248
Grants - Graffiti Removal	1,795	3,221
Total Revenue	<u>\$ 139,920</u>	<u>\$ 114,998</u>
 EXPENSES		
Program Services	\$ 74,331	\$ 71,512
Management and General	57,126	54,385
Total Expenses	<u>\$ 131,457</u>	<u>\$ 125,897</u>
 CHANGE IN NET ASSETS	 \$ 8,463	 \$ (10,899)
 Net Assets, Beginning of Year	 <u>25,664</u>	 <u>36,563</u>
 NET ASSETS, END OF YEAR	 <u>\$ 34,127</u>	 <u>\$ 25,664</u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020
(With Summarized Totals for the Year Ended December 31, 2019)
(See Accountant's Review Report)

	Program Services	Management and General	2020 Total	2019 Total
Salaries and Wages	\$ 33,498	\$ 33,498	\$ 66,996	\$ 64,615
Payroll Taxes	2,675	2,675	5,350	5,583
Professional Fees	---	10,900	10,900	9,500
Supplies	3,772	---	3,772	1,923
Telephone	1,658	1,106	2,764	3,655
Computer Expense	---	719	719	166
Postage	511	340	851	958
Printing	74	---	74	316
Subscriptions	35	274	309	273
Occupancy	4,557	4,556	9,113	9,000
Equipment Rental and Maintenance	768	---	768	512
Depreciation	211	---	211	---
Repairs and Maintenance	106	105	211	486
Conferences, Conventions and Meetings	871	---	871	1,378
Insurance	---	2,252	2,252	2,234
Graffiti Removal	3,589	---	3,589	6,443
Marketing and Promotion	4,009	---	4,009	3,428
Event Expenses	---	---	---	1,955
Street Maintenance	15,087	---	15,087	11,313
Travel Expense	984	---	984	246
Community Outreach	125	---	125	1,050
Interest Expense	---	323	323	141
Business Development	1,423	---	1,423	---
Other Expense	378	378	756	722
TOTALS	\$ 74,331	\$ 57,126	\$ 131,457	\$ 125,897

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, 2020
(With Summarized Totals for the Year Ended December 31, 2019)
(See Accountant's Review Report)

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 8,463	\$ (10,899)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	211	---
(Increase) Decrease in Accounts Receivable	(167)	268
(Increase) Decrease in Prepaid Expenses	(3,222)	1,158
Increase (Decrease) in Accounts Payable	(1,133)	473
Increase (Decrease) in Accrued Payroll Liabilities	2,587	(1,846)
Increase (Decrease) in Deferred Revenue	(5,000)	5,000
Increase (Decrease) in Line of Credit	<u>3,000</u>	<u>20,000</u>
Net Cash (Used) Provided by Operating Activities	<u>\$ 4,739</u>	<u>\$ 14,154</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	<u>\$ (634)</u>	<u>\$ ---</u>
Net Cash Used by Investing Activities	<u>\$ (634)</u>	<u>\$ ---</u>
Net (Decrease) Increase in Cash and Cash Equivalents	\$ 4,105	\$ 14,154
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>47,342</u>	<u>33,188</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 51,447</u></u>	<u><u>\$ 47,342</u></u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(See Accountant's Review Report)

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(See Accountant's Review Report)

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 two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

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. 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, 2020
(See Accountant's Review Report)

NOTE A - Summary of Significant Accounting Policies (continued)

Contributions and Grant Revenue

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets. Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increase net assets without donor restrictions. Conditional promises to give are not recognized until they become unconditional. A conditional contribution is one that has both a barrier that must be overcome and an agreement requiring advance payment to be returned or future payment not to be obligated when the barrier is not overcome. Amounts received for which the donor has limited the use of the asset or designated the gift as support for future periods are considered restricted support and included in net assets with donor restrictions. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. When the restriction on a contribution is met in the same reporting period as the contribution is received, the contribution is reported in net assets without donor restrictions.

Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Donated services are recognized as contributions if the services create or enhance nonfinancial assets or the services require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Accordingly, the value of contributed time that does not meet these requirements has not been determined and is not reflected in the accompanying financial statements.

Government Grants and Contract Revenue

Government grants and contract revenue are recognized when earned. Revenue is earned when eligible expenditures, as defined in each grant, contract or other allowable cost manual, are made. Any cash received for revenue not yet earned is considered to be deferred revenue. Revenue earned but not yet paid to the Organization is included in grants receivable. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such review reduces expenditures allowable under these grants or contracts, the Organization records the disallowance at the time the final assessment is made. Management believes that disallowances, if any, would not have a significant effect on the financial statements.

Functional Expenses

Expenses for salaries and wages and related items are allocated 50% to program and 50% to management and general categories based on management's estimate of time and effort. Other expenses that are not direct costs of program or management and general are allocated in proportion to the allocation of salaries and wages.

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.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(See Accountant's Review Report)

NOTE B - Comparative Financial Information

The financial information shown for 2019 in the accompanying financial statements is included to provide a basis of comparison with 2020. 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, 2019, from which the summarized information was derived.

NOTE C - Future Accounting Pronouncements

Accounting Standards Update 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958) will be effective for fiscal years beginning after June 15, 2021. The amendments in this update are required and provide new presentation and disclosure requirements about contributed nonfinancial assets to nonprofits, including additional disclosure requirements for recognized contributed services. Contributed nonfinancial assets will be required to be reported as a separate line in the statement of activities. A financial statement note will be required to provide disaggregated contributed nonfinancial assets by category including: the type of contributed nonfinancial asset; qualitative information about the monetization or utilization of the nonfinancial assets; the policy about the monetization or utilization of nonfinancial assets; a description of restrictions, valuation, and the market used to determine the fair value. The amendments, required to be presented retrospectively to all periods presented, will not change the recognition and measurement requirements for those assets.

Accounting Standards Update 2016-02, Leases (Topic 842) will be effective for fiscal years beginning after December 15, 2021. This update requires the recognition of lease assets and lease liabilities on the statement of financial position measured at the present value of lease payments and requires disclosure of key information about the leasing arrangements.

Accounting Standards Update 2020-08, Receivables – Nonrefundable Fees and Other Costs (Topic 310-20) will be effective for fiscal years beginning after December 15, 2021. The amendments in this update represent changes to clarify the codification. An organization shall apply the amendment prospectively. This amendment impacts the effective yield of an existing individual callable debt security.

Accounting Standards Update 2016-13, Financial Instruments - Credit Losses (Topic 326) will be effective for fiscal years beginning after December 15, 2023. The main objective of this update is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in this update replace the incurred loss impairment methodology in current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates, including exploring more forward-looking alternatives.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(See Accountant's Review Report)

NOTE D - Liquidity

The organization maintains cash and cash equivalents on hand to ensure meeting expenses through the end of the operating year. Each year the organization receives its operating check by March 1st for the operating year. The board designated net assets of \$25,000 to meet its cash flow needs until the operating check has been received. The organization uses a combination of bank accounts and a \$25,000 line of credit if needed to meet cash flow needs until the assessment income is received. As of December 31, 2020, \$2,000 remains available on the line of credit.

The Organization's financial assets available for general expenditures within one year of the statement of financial position date for are as follows:

Cash and Cash Equivalents	\$ 51,447
Accounts Receivable	<u>275</u>
Total Current Assets	\$ 51,722
2021 Assessment Check to be received by March 1, 2021	<u>115,118</u>
Available resources for 2021 expenses	<u>\$166,840</u>

NOTE E - 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. Nearly 82% of the Organization's revenue was from the City of Milwaukee for the year ended December 31, 2020, however, this revenue represents assessments to individual property owners collected by the City.

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. 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, 2020.

NOTE F - Line of Credit

The Organization has a line of credit available of \$25,000 with an interest rate of 5.5% and a maturity date of June 23, 2021. As of December 31, 2020, the balance drawn on the line of credit was \$23,000.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2020
(See Accountant's Review Report)

NOTE G - Operating Lease

In February of 2015, the Organization signed a lease for office space starting August 1, 2015, that expired July 31, 2020. Rent expense under this lease was \$9,113 for the year ended December 31, 2020. In January of 2020, the Organization renewed the lease for the office space starting August 1, 2020, that expires July 31, 2025. Rent expense under the lease renewal is \$773 per month. The following is a schedule by years of the future minimum payments required under the lease as of December 31, 2020:

<u>Year</u>	<u>Amount</u>
2021	\$ 9,270
2022	9,270
2023	9,270
2024	9,270
2025	<u>5,408</u>
Total	<u>\$42,488</u>

NOTE H - Subsequent Events

The Organization has evaluated events and transactions occurring after December 31, 2020, through March 31, 2021, the date the financial statements are available to be issued, for possible adjustments to the financial statements or disclosures.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of many businesses and nonprofit organizations. While the disruption is expected to be temporary, there is considerable uncertainty around the duration of the closings. The Organization may be affected by reduced tax assessment revenue in future years. It is unknown at this time what, if any, negative impact on the Organization's financial position may be.