

BUSINESS IMPROVEMENT DISTRICT NO. 26

MENOMONEE VALLEY BID

PROPOSED 2012-13 OPERATING PLAN



August 15, 2012

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I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created 66.1109 (formerly S. 66.608) of the Statutes (see Appendix A) enabling cities to establish Business Improvement Districts (BIDs). The purpose of the law is “to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities.” (1983 Wisconsin Act 184, Section 1, legislative declaration.)

The City of Milwaukee has received a petition from property owners that requests creation of a Business Improvement District for the purpose of revitalizing and improving the Menomonee Valley business area , which is located in the heart of Milwaukee's (see Appendix A). The BID law requires that every district have an annual Operating Plan. This document serves as the Operating Plan for the proposed Menomonee Valley district. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development.

B. Physical Setting

The Menomonee Valley is primarily an industrial area, located west of Downtown Milwaukee and the Historic Third Ward. Its general boundaries are I-94 on the north, the confluence of the Menomonee and Milwaukee Rivers on the east, Bruce St. and the Soo Line Railroad tracks on the south, and U.S. 41 on the west.

C. District Boundaries

Boundaries of the Menomonee Valley Business Improvement District (“district”) are shown on the map in Appendix A of this plan. A listing of the properties included in the district is provided in Appendix B.

II. OPERATING PLAN OBJECTIVES

A. 2012-13 Plan Objectives

The objective of the BID is to contribute to the redevelopment of the Menomonee Valley and provide important business services to the businesses within the district.

B. Principle activities to be engaged in by the district during its 2012-13 fiscal year of operation will include:

- a. Facilitating the planning of and fundraising for the *Menomonee Valley - From the Ground Up* effort, a collaboration of the City of Milwaukee, State of Wisconsin, Menomonee Valley Partners, Inc., and the Urban Ecology Center. The component projects of *From the Ground Up* include transforming a 24-acre remnant brownfield parcel into a natural area of the Hank Aaron State Trail, expanding the Trail by six miles, and converting an abandoned building into a third Urban Ecology Center branch that will serve neighborhood schools and residents, as well as Valley employers and their employees. The BID has made a \$100,000 multi-year pledge toward this project.
- b. Complete the next phase of the Menomonee Valley Branding Project, whose purpose is to identify and build a brand for the Valley. This year the objectives of this effort will focus on ways to use the Valley brand to engage Valley employees, area residents and visitors in the use of assets in the Valley.

- c. Collaborate with the City of Milwaukee on the Menomonee Valley 2.0 redevelopment plan.
- d. Collaborate with the Department of Transportation on the I-94 East-West planning process, which will impact access to the Valley and potentially impact property owners and businesses.
- e. Organizing workforce programming to provide Milwaukee area youth and young adults information on the great careers that are found in the Menomonee Valley.
- f. Recruiting to the District new businesses that will provide family supporting jobs and contribute to the Milwaukee economy.
- g. Facilitating the development of business resources for companies operating throughout the district.
- h. Negotiating on behalf of the District with the City of Milwaukee, Wisconsin Department of Natural Resources, Department of Transportation, and other local, state and federal agencies having jurisdiction in regards to the Menomonee Valley.
- i. Developing Business-to-Business opportunities to increase the buyer and vendor relationships amongst Valley businesses.
- j. Increasing capacity of the Business Resource Committee and to build workforce strategies to increase the linkages to community and workforce organizations.
- k. Developing options for site improvements throughout the District.
- l. Implementing a Graffiti Removal Project in the District whereby properties within the District boundary will be eligible to have graffiti removed at a minimal cost.
- m. Developing safety clusters areas to improve the overall safety and neighborhood relations of all areas of the Menomonee Valley.
- n. Increasing capacity for the Workplace Health & Wellness Committee by providing exceptional workplace wellness services to Valley companies through resource provision (Wellness Expo), training, and direct programming along the Hank Aaron State Trail.
- o. Organizing and providing support to the 12 “Stew Crew” teams of volunteers from Valley companies in their efforts to keep Valley public areas well maintained and remove invasive species along the Hank Aaron State Trail.
- p. Provide improvements, resources and services particularly toward the aesthetic appearance of St. Paul Ave, through the St. Paul Commercial District Initiative and the St. Paul Enhancement Grant.
- q. Facilitating and creating awareness of the public transportation options for the Menomonee Valley to ensure Valley businesses are accessible to the surrounding workforce.
- r. Administrative activities including, but not limited to, securing an independent certified audit, securing insurance for the activities of the District Board, and complying with the open meeting law, Subchapter V of Chapter 19 of the Wisconsin Statutes.

III. PROPOSED DISTRICT BUDGET

INCOME

2012 Special Assessments.....\$ 123,083.52

Menomonee Valley Business Association dues..... \$1,000.00

Total Income \$124,083.52

EXPENSES

Yearly contract with Menomonee Valley Partners, Inc., a 501 (c)(3) organization, to assist in staffing and implementation of activities outlined above \$80,000.00

Contribution to Valley Employee Resource Calendar \$7,200.00

Expenses for supplies, insurance, audit and events \$5,000.00

Graffiti Removal..... \$2,000.00
(\$1000 to match City Programming/\$1000 toward other defined graffiti removal services as we define)

Friends of the Hank Aaron State Trail Run/Walk..... \$2,000.00

Health & Wellness Initiative..... \$3,500.00

Brewers Outing/End of Year Meeting.....\$4,000.00

Menomonee Valley - From the Ground Up..... \$10,000.00

* This year's investment of a \$100,000 multi-year pledge toward this project.

St. Paul Commercial District Initiative.....\$25,000.00

* Funding will be matched (3:1 ratio) through the Industrial Business Initiative

** In the FY2012, the BID approved two façade improvements through the St. Paul Enhancement Grant Program. The BID share of these projects to date is \$11,250 and these funds are encumbered toward these two projects. This leaves \$13,750 in BID funds available through program.

Total Expenses.....\$138,700.00

NET ASSETS at June 30, 2012 **\$191,711.79**

*The contribution sent to Menomonee Valley Partners, Inc. had not been deposited by June 30.

It is proposed to raise **\$124,083.52** through BID assessments and fees collected (see Appendix B). 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.

IV. ORGANIZATION OF DISTRICT BOARD

The board's primary responsibility will be implementation of this Operating Plan. This will require the board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise the Operating Plan; to ensure district compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of BID assessments.

State law requires that the board be composed of at least five members and that a majority of the board members be owners or occupants of property within the district.

It is recommended that the BID board be structured and operate as follows:

- 1. Board Size – Seven

2. Composition – The majority of members shall be owners or occupants of property within the district. Any non-owner or non-occupant appointed to the board shall be a resident of the City of Milwaukee. The board shall elect its Chairperson from among its members.
3. Term - Appointments to the board shall be for a period of three years.
4. Compensation – None
5. Meetings - All meetings of the board shall be governed by the Wisconsin Open Meetings Law.
6. Record Keeping - Files and records of the board's affairs shall be kept pursuant to public record requirements.
7. Staffing - The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings - The board shall meet regularly, at least twice each year. The board shall follow rules of order (“by laws”) to govern the conduct of its meetings.

The BID shall be a separate entity from Menomonee Valley Partners, Inc. (MVP), notwithstanding the fact that members, officers and directors of each may be shared. MVP shall remain a private organization, not subject to the open meeting law, and not subject to the public record law except for its records generated in connection with the BID board. MVP may, and it is intended, shall, contract with the BID to provide services to the BID, in accordance with this Plan.

V. METHOD OF ASSESMENT

A. Assessment Rate and Method

To support the District Board’s budget for calendar year 2012, the City of Milwaukee shall levy in 2012 and carry into the tax rolls for inclusion in tax bills to be sent out in December 2012 special assessments on all properties in the District subject to special assessment. Property that is not tax-exempt shall be included in the property subject to special assessment. The District Board uses a special assessment formula, whereby each tax key number parcel is assessed the rate of \$1.50 per \$1,000 in assessed property value, subject to a minimum assessment per tax key number parcel of \$350 and a maximum assessment per tax key number parcel of \$2,500.

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID. Therefore, a fixed assessment rate based on the assessed value of the property was selected as the basic assessment methodology for this BID.

However, maintaining an equitable relationship between the BID assessment and the expected benefits requires an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$2,500 per parcel will be applied, and a minimum assessment of \$350 per parcel will be applied.

As of January 1, 2012, the property in the proposed district had a total assessed value of more than \$156.2 million. This plan proposed to assess the property in the district at a rate of \$1.50 per \$1,000.00 of assessed value, subject to the maximum and minimum assessments, for the purposes of the BID.

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

B. Excluded and Exempt Property

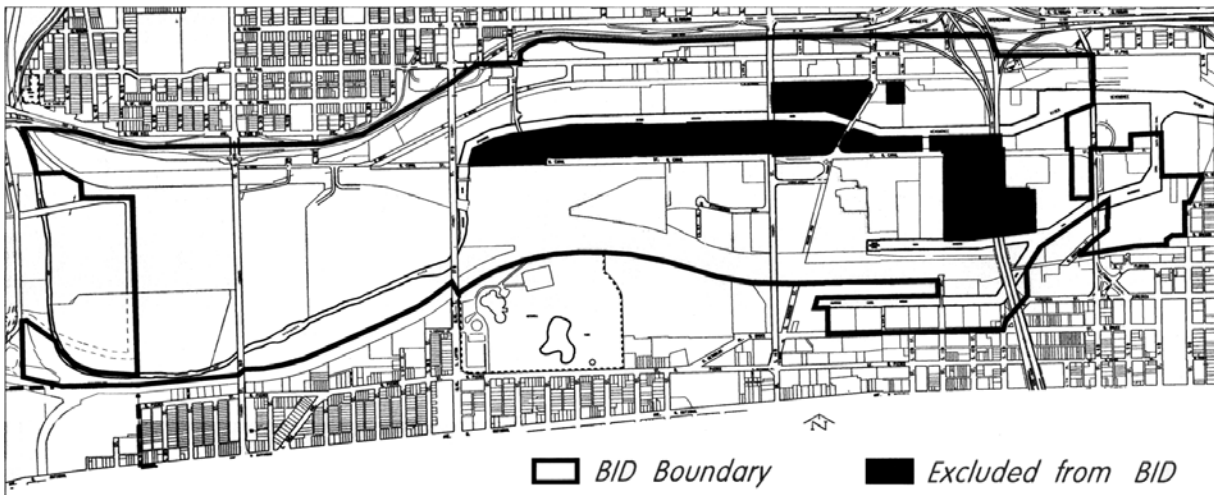
The BID law requires explicit consideration of certain classes of property. In compliance with the law the following statements are provided.

1. State Statute 66.1109(1) (f) Im: The district will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this plan because it is assumed that they will benefit from development in the district.
2. State Statute 66.1109(5) (a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix B, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1) (b), property exempt from general real estate taxes has been excluded from the district. Privately owned tax-exempt property adjoining the district and which is expected to benefit from district activities may be asked to make a financial contribution to the district on a voluntary basis.

APPENDICES

- A. DISTRICT BOUNDARIES
- B. 2012 PROJECTED ASSESSMENTS

APPENDIX A: DISTRICT BOUNDARIES



APPENDIX B: 2012 PROJECTED ASSESSMENTS, SORTED BY TAX KEY

| taxkey | address | owner1 | total assessment value | BID #26 Assessment |
|------------|------------------|---------------------------------|------------------------------|-----------------------|
| 3611587116 | 701 W ST PAUL | STATE OF WISCONSIN | 0 | 0 |
| 3611617200 | 651 W ST PAUL | CITY OF MILWAUKEE | 0 | 0 |
| 3612141000 | 260 N 12TH | CITY OF MILW REDEV AUTH | 0 | 0 |
| 3612142000 | 907 W HINMAN | STATE OF WISCONSIN | 0 | 0 |
| 3612143000 | 825 W HINMAN | CITY OF MILW REDEV AUTH | 0 | 0 |
| 3970001113 | 126 N 6TH | HD MILW LLC | 12063000 | 2500 |
| 3980181100 | 1118 W ST PAUL | JRB VIII LLC | 60600 | 350 |
| 3980184100 | 940 W ST PAUL | STATE OF WISCONSIN DEPT OF | 0 | 0 |
| 3980303110 | 712 W CANAL | ST MARY'S CEMENT INC | 1632000 | 2448 |
| 3980305112 | 880 W CANAL | ST MARY'S CEMENT | 117000 | 350 |
| 3980403100 | 324 N 12TH | JRB VIII LLC | 1951200 | 2500 |
| 3980405112 | 1027 W ST PAUL | STATE OF WISCONSIN | 0 | 0 |
| 3980698100 | 1505 W ST PAUL | READCO | 353700 | 530.55 |
| 3980700100 | 1601 W ST PAUL | READCO | 107000 | 350 |
| 3980702000 | 1635 W ST PAUL | WISC INVESTMENT CO LLC | 675700 | 1013.55 |
| 3980705110 | 1701 W ST PAUL | STONE PROPERTIES LLC | 433200 | 649.8 |
| 3980705120 | 1719 W ST PAUL | GARNET ABRASIVE & WATER | 191000 | 350 |
| 3980707000 | 1739 W ST PAUL | PATRICIA J OLIVOTTI TRUSTEE | 319000 | 478.5 |
| 3980713000 | 1925 W ST PAUL | HENRY ALBERT & SANDRA ALBERT | 256000 | 384 |
| 3980803112 | 405 N 12TH | CR INTERNATIONAL INC | 1160900 | 1741.35 |
| 3980805000 | 315 N 12TH | ANCHOR ENTERPRISES II | 692400 | 1038.6 |
| 3980906111 | 1601 W MT VERNON | GIUFFRE I LLC | 1373100 | 2059.65 |
| 3981212110 | 1200 W CANAL | CANAL STREET YACHT CLUB LLC | 540100 | 810.15 |
| 3981221100 | 131 N. 6th | H D Milwaukee LLC | 677282 | 1015.92 |
| 3981231000 | 222 N EMMBER | STANDARD ELECTRIC SUPPLY CO | 974000 | 1461 |
| 3981232100 | 254 N EMMBER | 481DA LLC | 825800 | 1238.7 |
| 3981241000 | 272 N 12TH | MYRIAD PROPERTY GROUP LLC | 645000 | 967.5 |
| 3981242000 | 250 N 12TH | ASTOR APTS LTD PTN | 2310000 | 2500 |
| 3981261000 | 1205 W MT VERNON | RONALD SANFILIPPO | 620000 | 930 |
| 3990013110 | 1610 W ST PAUL | WISC INVESTMENT CO LLC | 914300 | 1371.45 |

| | | | | |
|------------|-------------------------------|---|---------|--------|
| 3990026000 | 1500 W ST PAUL | MONITOR CORP | 439600 | 659.4 |
| 3990213111 | 1922 W ST PAUL | 1922 WEST ST PAUL LLC | 70300 | 350 |
| 3990215110 | 1906 W ST PAUL | LUCILLE L LIEBNER | 135900 | 350 |
| 3990229110 | 1816 W ST PAUL | PAIN ENTERPRISES INC | 217000 | 350 |
| 3990231111 | 1800 W ST PAUL | GUERRERO PROPERTIES LLC | 35000 | 350 |
| 3990243112 | NO RECORD (we used last year) | | | 0 |
| 3990271000 | 1900 W ST PAUL | MELANIE SOBELMAN | 291000 | 436.5 |
| 3990272000 | 1902 W ST PAUL | YVONNE M ZAFFIRO REVOCABLE | 22000 | 350 |
| 3990281100 | 1300 W CANAL | CANAL ST LLC | 1629000 | 2443.5 |
| 3990291000 | 1741 W ST PAUL | GUERRERO PROPERTIES LLC | 1205000 | 1807.5 |
| 3990292000 | 1907 W ST PAUL | HENRY ALBERT & | 273000 | 409.5 |
| 3999988100 | 1418 W ST PAUL | ROBERT F ZELLMER | 865400 | 1298.1 |
| 3999990100 | 1410 W ST PAUL AV | CR INTERNATIONAL INC (no current data) | 94900 | 350 |
| 3999991100 | 407 N 13TH | CR INTERNATIONAL INC | 1100000 | 1650 |
| 3999997100 | 1357 W ST PAUL | 1435 CORPORATION | 276600 | 414.9 |
| 3999997200 | 324 N 15TH | READCO | 556000 | 834 |
| 3999999110 | 313 N 13TH | FOREST COUNTY POTAWATOMI | 2485000 | 2500 |
| 4000401110 | 2501 W ST PAUL | DOGS WORLD LLC | 346800 | 520.2 |
| 4000774110 | 2326 W ST PAUL | 2326 LLC | 1189200 | 1783.8 |
| 4000784110 | 2015 W ST PAUL | HENRY ALBERT & SANDRA ALBERT | 544000 | 816 |
| 4000786110 | 2033 W ST PAUL | 2033 ASSOCIATES LLP | 434300 | 651.45 |
| 4000788100 | 2045 W ST PAUL | ARUNDEL LLC | 355000 | 532.5 |
| 4000789100 | 2101 W ST PAUL | BRENNAN FAMILY LIMITED | 714000 | 1071 |
| 4000789210 | 2301 W ST PAUL | 2301 LLC | 905600 | 1358.4 |
| 4000971000 | 2122 W MT VERNON | GIUFFRE VIII LLC | 5171000 | 2500 |
| 4000972000 | 200 N 25TH | GIUFFRE VIII LLC | 965000 | 1447.5 |
| 4009990000 | 321 N 25TH | ALMACEN DEVELOPMENT LLC | 262000 | 393 |
| 4009991110 | 305 N 25TH | ALMACEN DEVELOPMENT LLC | 404000 | 606 |
| 4009991215 | 2612 W GREVES | 2612 GREVES LLC | 1070000 | 1605 |
| 4009995115 | 2401 W ST PAUL | RAYMOND F KUBACKI, | 934000 | 1401 |
| 4009995118 | 2001 W MT VERNON | GIUFFRE I LLC | 498000 | 747 |
| 4009998111 | 2615 W GREVES | DIEDRICH ACQUISITIONS LLC | 1188400 | 1782.6 |

| | | | | |
|------------|--|---------------------------------|----------|---------|
| 4010409111 | 3002 W CANAL | CITY OF MILWAUKEE | 0 | 0 |
| 4011401112 | 2702 W GREVES | RED STAR PROPERTY LLC | 2188000 | 2500 |
| 4019999110 | 123 N 27TH | THIELE TANNING CO | 636700 | 955.05 |
| 4230001000 | 600 S 44TH | JOHN F STIMAC JR | 514800 | 772.2 |
| 4230014000 | 3880 W MILWAUKEE | MULHANEY PROPERTIES LLC | 1662100 | 2493.15 |
| 4230016000 | 3883 W MILWAUKEE | CALEFFI NORTH AMERICA INC | 2600000 | 2500 |
| 4230021000 | 3630 W WHEELHOUSE | VALTAY LLC | 3364400 | 2500 |
| 4230031000 | 3800 W CANAL | HSI INDUSTRIAL I LLC | 8375400 | 2500 |
| 4230032000 | 3757 W. Milwaukee Ed. | Ingeteam | 1800000 | 2500 |
| 4239999017 | 400 S 44TH | THE SE WI PROFESSIONAL | 0 | 0 |
| 4240311100 | 3301 W CANAL | PALERMOS PROPERTIES , LLC | 14564100 | 2500 |
| 4240401000 | NO RECORD (used last year Palermo - 2500) | | | 0 |
| 4249998110 | 3001 W CANAL | REXNORD INDUSTRIES LLC | 10033900 | 2500 |
| 4259983122 | 2301 W CANAL | FCPC PLANKINTON YARDS | 1323000 | 1984.5 |
| 4260022100 | 210 S EMMBER | ALDRICH CHEMICAL CO INC | 1209000 | 1813.5 |
| 4260033120 | 219 S EMMBER | EMMPACK FOODS INC | 2959800 | 2500 |
| 4260061110 | 1513 W CANAL | EMMPAK FOODS INC | 532000 | 798 |
| 4260071113 | 1901 W CANAL | EMMPAK FOODS INC | 2872000 | 2500 |
| 4260072110 | 1850 W POTAWATOMI CR | FOREST COUNTY POTAWATOMI | 195000 | 350 |
| 4260111000 | 1611 W CANAL | FOREST COUNTY POTAWATOMI | 364500 | 546.75 |
| 4260131000 | 104 S EMMBER | PFC INC | 100000 | 350 |
| 4260132000 | 1207 W CANAL | ZIEGLER BENCE PARTNERS 5 LLC | 8600000 | 2500 |
| 4260133000 | 320 S EMMBER | EMMPACK FOODS INC | 1125800 | 1688.7 |
| 4269940111 | 305 S 16TH | FOREST COUNTY POTAWATOMI | 809200 | 1213.8 |
| 4269947111 | 338 S 17TH | FOREST COUNTY POTAWATOMI | 12052000 | 2500 |
| 4269948112 | 320 S 19TH | FOREST COUNTY POTAWATOMI | 12052000 | 2500 |
| 4269958200 | 1916 W POTAWATOMI CR | FOREST COUNTY POTAWATOMI | 14900 | 350 |
| 4269965112 | 500 S MUSKEGO | SOO LINE RAILROAD COMPANY | 325000 | 487.5 |
| 4269985000 | 1400 W BRUCE | MID-CITY FOUNDRY CO | 324100 | 486.15 |
| 4269986000 | 1304 W BRUCE | WESTERN LIME CORPORATION | 738000 | 1107 |
| 4270101100 | 754 W VIRGINIA | GEORGE A DAMMAN | 206000 | 350 |

| | | CHARITABLE | | |
|------------|------------------|--------------------------------|---------------|--------------|
| 4270103100 | 800 W VIRGINIA | LCM FUNDS 21 BOTTLING | 34500 | 350 |
| 4270104100 | 840 W VIRGINIA | AHMED A KAHIN | 300000 | 450 |
| 4270203111 | 131 S 7TH | JOHN STOLLENWERK | 352800 | 529.2 |
| 4270203120 | 833 W CANAL | STATE OF WI | 0 | 0 |
| 4270207100 | 754 W VIRGINIA | BERNARD KLEIN | 118800 | 350 |
| 4270210112 | 904 W BRUCE | SOO LINE RAILROAD COMPANY | 57400 | 350 |
| 4270401110 | 920 W BRUCE | ARCHER-DANIELS-MIDLAND CO | 625000 | 937.5 |
| 4270406110 | 1135 W CANAL | WISCONSIN ELECTRIC POWER CO | 0 | 0 |
| 4270409121 | 1201 W CANAL | RNC CANAL ST PROPERTY LLC | 1447000 | 2170.5 |
| 4270411120 | 1104 W BRUCE | SOO LINE RAILROAD COMPANY | 294300 | 441.45 |
| 4270418100 | 470 S 11TH | HURON TRANSPORTATION INC | 638000 | 957 |
| 4270422100 | 902 W BRUCE | KARL H ZIELKE | 19900 | 350 |
| 4270422200 | 904 W BRUCE | DOMINGO MUNOZ | 58000 | 350 |
| 4270425000 | 1102 W BRUCE | AKSS, LLC | 611000 | 916.5 |
| 4270426000 | 1134 W BRUCE | BERNARD KLEIN | 206200 | 350 |
| 4270427000 | 1230 W BRUCE | BRUCE STREET PROPERTIES LLC | 604000 | 906 |
| 4270521211 | 615 W OREGON | BUILDING 41 LLC | 30000 | 350 |
| 4270531100 | 143 S 6TH ST | H D MILW LLC | 761500 | 1142.25 |
| 4270541000 | 841 W CANAL | JOHN STOLLENWERK MILWAUKEE | 412200 | 618.3 |
| 4270542111 | 643 W CANAL | LONE STAR INDUSTRIES AKA | 2381000 | 2500 |
| 4270571100 | 530 S 11TH | JNA INVESTMENT | 367000 | 550.5 |
| 4270572100 | 1000 W BRUCE | JIMENEZ LLC | 466200 | 699.3 |
| 4270573000 | 920 W BRUCE | JIMENEZ LLC | 194100 | 350 |
| 4270574000 | 521 S 9TH | COMMUNITY WAREHOUSE INC | 0 | 0 |
| 4280512114 | 339 W PITTSBURGH | BUILDING 41 LLC | 2282300 | 2500 |
| 4280516110 | 220 S 6TH | BUILDING 41 LLC | 274100 | 411.15 |
| 4310312000 | 500 S 35TH | CITY OF MILWA REDEV AUTH | 0 | 0 |
| | Totals | | \$157,646,282 | \$123,083.52 |

