

THE MENOMONEE VALLEY
BUSINESS IMPROVEMENT DISTRICT NO.
26
2020-21 Operating Plan
2019-20 Annual Report
- July 28, 2020

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INTRODUCTION

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.)

In 1998, The City of Milwaukee developed a Master Plan for the Valley, with the support of the Menomonee Valley Business Association. The City of Milwaukee received a petition from property owners that requested the 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 (see Appendix A). The Menomonee Valley Business Improvement District (BID #26) was formed (Resolution #990931) in 1999.

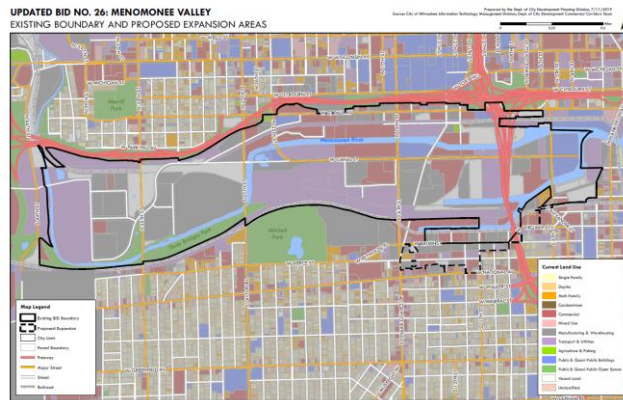
The BID law requires that every district have an annual Operating Plan. This document serves as the Operating Plan for the proposed Menomonee Valley district. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development.

PHYSICAL SETTING

The Menomonee Valley is comprised of approximately 1,200 acres in the heart of Milwaukee, along the lower three miles of the Menomonee River. Historically a wild rice marsh, then the industrial core of the city, the Valley today is a unique mix of manufacturing businesses, parks and trails, and some of the largest entertainment destinations in Wisconsin.

DISTRICT BOUNDARIES

When created in 1999 the Menomonee Valley’s original district boundaries were I-94 on the north, the confluence of the Menomonee and Milwaukee Rivers on the East, Bruce Street and the Soo Line railroad tracks on the south, and WI-175 on the west. In 2018 the passage of state legislation made it possible for the Business Improvement District to annex property that is contiguous to the current southern boundary. As a result of the ongoing expansion efforts in 2019, the boundary will extend on the south to include Virginia, Bruce and Pierce Streets respectively.



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.

2020-21 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.

Large-scale activities to be engaged in by the district during its 2020-21 fiscal year of operation will include:

- Support the 150+ employers of the Menomonee Valley by developing workforce strategies and programs that help strengthen their relationship to the local community and workforce entities.
- Create new virtual platforms for the Menomonee Valley Career Discovery Initiative to continue engaging neighborhood youth in discovering career pathways in high-demand careers that are found in the Valley.
- Host job fairs, neighborhood tours, and other ways to connect residents of the surrounding neighborhoods to job opportunities in the Valley.
- Develop a pilot program, in partnership with MATC, YWCA, and Havenwoods BID to assist entry level employees in gaining skills and credentials to move into positions in high-demand careers that offer better wages and opportunities for advancement.
- Plan and coordinate a series of discussions and trainings that promote social equity in the Menomonee Valley and build an inclusive environment.
- Support and guide employers as they proactively develop strategic responses to COVID-19-related business and workforce challenges such as workforce needs, childcare resources and operating support.
- Collaborate with partner organizations to address chronic homelessness and aggressive panhandling. The BID will continue to work with neighborhood organizations, partnering BIDs, and government agencies to develop solutions which help maintain the district and support ending long-term chronic homelessness. The BID will also contribute funds towards the Housing First model to ensure that proper resources are available.
- Facilitate redevelopment of the remaining 40 acres of brownfield properties in the Valley to clean contaminated properties, attract new businesses, and create additional jobs, as well as coordinate with redevelopment of the Komatsu site to plan for improved connections to the Valley.
- Engage stakeholders in public infrastructure projects impacting the Valley, including the Muskego Yards project, Burnham Canal, I-94 planning, and stormwater projects.
- Engage public sector partners and community stakeholders in the Milwaukee Estuary Area of Concern effort, aimed at restoring our waterways, and ensuring community engagement in projects that impact our natural resources.
- Design and market the St. Paul Design District to highlight the many home furnishing and retail establishments that align the corridor. Special focus will be on directional signage, walking tours, green initiatives, and events to draw new visitors to the area as well as make it more visible.
- Implement the BID's business service programs, which include facade improvements, graffiti removal, public space maintenance, public safety and overall marketing of the district.
- Implement a video camera safety initiative in cooperation with MPD to ensure all public and private spaces are under surveillance at all times creating a safer Menomonee Valley
- Promote the Menomonee Valley by hosting special events year-round, such as Valley Week, kayak and bike tours, to engage Valley employees, area residents and visitors to discover and explore the opportunities and amenities in the Valley.
- Coordinate the placement and design of Valley gateway and wayfinding signage to brand the Menomonee Valley district

PROPOSED DISTRICT BUDGET

INCOME AND EXPENSES	
INCOME	AMOUNT
2020 Special Assessments	210,470.46
Menomonee Valley Business Association Dues	500.00
Total Income	\$210,970.46
EXPENSES	
Contract with Menomonee Valley Partners to staff activities	150,000
Planning - Industrial Market Analysis	5,000
Menomonee Valley Exterior Enhancements Grant Program	15,000
Workforce Development Programming	5,000
Valley Circles	1,500
Marketing	20,000
Housing First Outreach Coordinator	5,000
Camera Initiative	20,000
Valley Week sponsorship	2,500
Hank Aaron State Train Run/Walk sponsorship	3,000
Graffiti removal	2,000
Maintenance needs	2,000
Insurance	1,450
Audit	1,250
Total Expenses	\$233,700
Net Assets as of June 30, 2020	\$231,243.47

It is proposed to raise \$210,970.46 through BID assessments and fees collected (see Appendix B); expenses are projected to be \$188,700 drawing from the BID’s reserves for special projects this year. 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.

ORGANIZATION OF DISTRICT BOARD

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 – Nine
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 will contract with Menomonee Valley Partners to staff implementation of the Operating Plan.
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 board's primary responsibility will be oversight of the 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; and to ensure district compliance with the provisions of applicable statutes and regulations.

The 2020-2021 BID Board is comprised of the following members:

Chair: Joyce Koker
Harley-Davidson Museum
Joyce.Koker@harley-davidson.com

Vice-Chair: Tracey Heber
Stamm Technologies
theber@stammtech.com

Treasurer: Jeff Morgan
Allied Insulation Supple Co.
jmorgan@alliedinsulation.com

Secretary: Dan Sterk
Rexnord Industries, LLC
Dan.Sterk@rexnord.com

Dave Brien
Potawatomi Hotel & Casino
D.Brien@PaysBig.com

John Brennan
J.M. Brennan Inc.
JohnB@JMBrennan.com

Ron Moore
Automation Arts
Ron@automationarts.com

Thomas Olejniczak
Harwood Architectural Studios
Tom.Olejniczak@hecl.com

Larry Stern
Standard Electric Supply
lstern@standardelectricsupply.co

ASSESSMENT

ASSESSMENT RATE AND METHOD

To support the District Board's budget for calendar year 2020, the City of Milwaukee shall levy in 2020 and carry into the tax rolls for inclusion in tax bills to be sent out in December 2020 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 at the rate of \$1.65 per \$1,000 in assessed property value, subject to a minimum assessment per tax key number parcel of \$400 and a maximum assessment per tax key number parcel of \$4,000.

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 various assessment methods, the BID Board 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 \$4,000 per parcel will be applied, and a minimum assessment of \$400 per parcel will be applied.

As of January 1, 2019, the property in the proposed district had a total assessed value of more than \$309 million. This plan proposed to assess the property in the district at a rate of \$1.65 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.

EXCLUDED AND EXEMPT PROPERTY

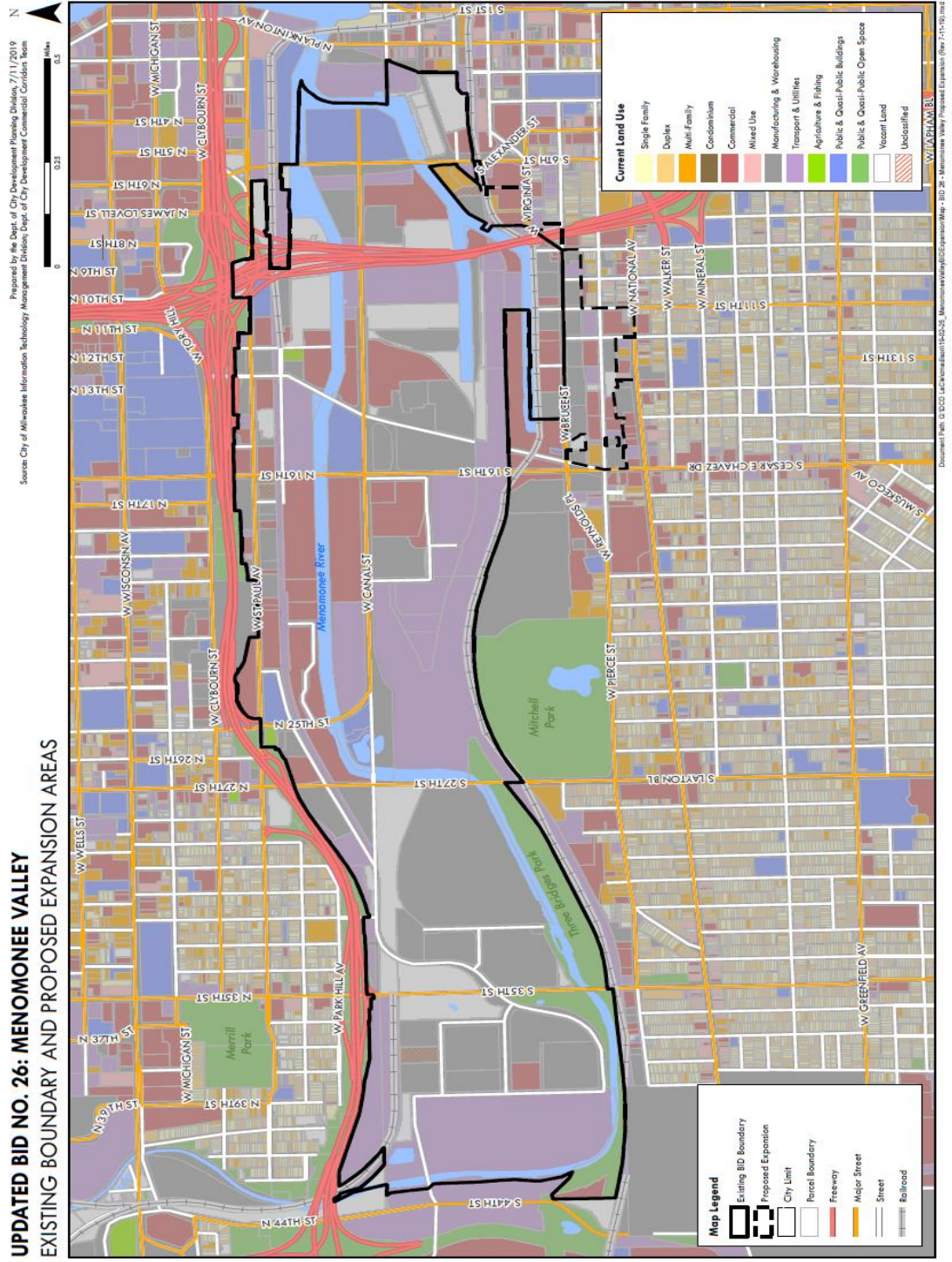
The BID law requires explicit consideration of certain classes of property. In compliance with the law the following statements are provided.

1. State Statute 66.1109(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.
2. 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 & EXPANSION BOUNDARIES
- B. 2020 PROJECTED ASSESSMENTS
- C. 2020-21 ANNUAL REPORT
- D. 2019 AUDIT

APPENDIX A: DISTRICT BOUNDARIES



APPENDIX B: 2020 PROJECTED ASSESSMENTS, SORTED BY TAX KEY

Taxkey	Class	Owner1	BID Assessble Value	AMNT
3970001113	Local Commercial	HD MILW LLC	\$ 12,019,700.00	\$4,000.00
3980181100	Manufacturing	JRB VIII LLC	\$ 72,600.00	\$400.00
3980303110	Special Mercantile	ST MARY'S CEMENT INC	\$ 1,632,000.00	\$2,692.80
3980305112	Local Commercial	ST MARY'S CEMENT	\$ 117,000.00	\$400.00
3980403100	Manufacturing	JRB VIII LLC	\$ 1,787,400.00	\$2,949.21
3980698100	Local Commercial	CREAM CITY YARDS LLC	\$ 640,300.00	\$1,056.50
3980700100	Local Commercial	CREAM CITY YARDS LLC	\$ 188,000.00	\$400.00
3980702000	Local Commercial	CALEDONIA PROPS 1635 LLC	\$ 1,657,500.00	\$2,734.88
3980705110	Manufacturing	STONE PROPERTIES LLC	\$ 454,000.00	\$749.10
3980705120	Local Commercial	GARNET ABRASIVE & WATER	\$ 229,800.00	\$400.00
3980707000	Local Commercial	BDC LOVES PARK, LLC	\$ 350,300.00	\$578.00
3980713000	Local Commercial	HENRY ALBERT & SANDRA ALBERT	\$ 289,100.00	\$477.02
3980803112	Manufacturing	CR INTERNATIONAL INC	\$ 1,175,100.00	\$1,938.92
3980805000	Special Mercantile	ANCHOR ENTERPRISES II	\$ 690,400.00	\$1,139.16
3980906111	Local Commercial	GIUFFRE I LLC	\$ 1,373,300.00	\$2,265.95
3981211000	Local Commercial	WISCONSIN ELECTRIC POWER CO	\$ 38,400.00	\$400.00
3981212110	Local Commercial	CANAL STREET YACHT CLUB LLC	\$ -	\$0.00
3981221100	Local Commercial	H D MILW LLC	\$ 677,382.00	\$1,117.68
3981232100	Manufacturing	254 NORTH EMMER LANE LLC	\$ 761,000.00	\$1,255.65
3981241000	Local Commercial	MYRIAD PROPERTY GROUP LLC	\$ 665,600.00	\$1,098.24
3981242000	Special Mercantile	ASTOR APTS LTD PTN	\$ 4,650,500.00	\$4,000.00
3981261000	Local Commercial	MV3, LLC	\$ 620,000.00	\$1,023.00
3981291000	Special Mercantile	STANDARD ELECTRIC SUPPLY CO	\$ 2,088,500.00	\$3,446.03
3990013110	Manufacturing	WISC INVESTMENT CO LLC	\$ 953,500.00	\$1,573.28
3990026000	Manufacturing	MONITOR CORP	\$ 501,800.00	\$827.97

3990213111	Local Commercial	1922 WEST ST PAUL LLC	\$ 70,300.00	\$400.00
3990215110	Manufacturing	RML HOLDINGS LLC	\$ 140,700.00	\$400.00
3990229110	Local Commercial	BURLINGTON MCSORLEY II LLC	\$ 244,300.00	\$403.10
3990231111	Local Commercial	LCM FUNDS 30 ST PAUL LLC	\$ 34,100.00	\$400.00
3990271000	Local Commercial	SOBELMANS 1900 LLC	\$ 240,864.00	\$400.00
3990272000	Local Commercial	YVONNE M ZAFFIRO IRR	\$ 19,800.00	\$400.00
3990281100	Local Commercial	CANAL ST LLC	\$ 1,627,200.00	\$2,684.88
3990292000	Special Mercantile	HENRY ALBERT &	\$ 275,100.00	\$453.92
3990311000	Local Commercial	CCK PROPERTIES III LLC	\$ 345,600.00	\$570.24
3990312000	Local Commercial	PRUNE LLC	\$ 717,500.00	\$1,183.88
3990331000	Special Mercantile	JBB HOLDINGS LLC	\$ 762,000.00	\$1,257.30
3990332000	Special Mercantile	1825 W SAINT PAUL, LLC	\$ 636,100.00	\$1,049.57
3999990100	Manufacturing	CR INTERNATIONAL INC	\$ 91,100.00	\$400.00
3999991100	Manufacturing	CR INTERNATIONAL INC	\$ 1,245,900.00	\$2,055.74
3999997100	Local Commercial	1435 CORPORATION	\$ 198,800.00	\$400.00
3999997200	Special Mercantile	READCO	\$ 585,800.00	\$966.57
3999999110	Local Commercial	MARQUETTE UNIVERSITY	\$ 2,011,200.00	\$3,318.48
4000401110	Local Commercial	DOGS WORLD LLC	\$ 352,000.00	\$580.80
4000774110	Special Mercantile	2326 LLC	\$ 1,213,400.00	\$2,002.11
4000784110	Local Commercial	HENRY ALBERT & SANDRA ALBERT	\$ 597,000.00	\$985.05
4000786110	Local Commercial	RET PROPERTY DEVELOPEMENT LL	\$ 492,600.00	\$812.79
4000788100	Local Commercial	KI 2045 W. ST PAUL AVE LLC	\$ 439,300.00	\$724.85
4000789110	Local Commercial	BRENNAN FAMILY	\$ 2,552,600.00	\$4,000.00
4000971000	Local Commercial	ZHV LLC	\$ 5,430,900.00	\$4,000.00
4000972000	Local Commercial	ZHV LLC	\$ 965,000.00	\$1,592.25
4001011000	Local Commercial	FFN HOLDINGS	\$ 972,600.00	\$1,604.79

4009990000	Local Commercial	ALMACEN DEVELOPMENT LLC	\$ 290,700.00	\$479.66
4009991110	Local Commercial	ALMACEN DEVELOPMENT LLC	\$ 476,700.00	\$786.56
4009991215	Special Mercantile	2612 GREVES LLC	\$ 1,070,000.00	\$1,765.50
4009995118	Special Mercantile	GIUFFRE I LLC	\$ 647,700.00	\$1,068.71
4009998111	Manufacturing	DIEDRICH ACQUISITIONS LLC	\$ 1,132,400.00	\$1,868.46
4019999110	Manufacturing	THIELE TANNING CO	\$ 630,200.00	\$1,039.83
4230001000	Local Commercial	JOHN F STIMAC JR	\$ 535,800.00	\$884.07
4230016000	Special Mercantile	CALEFFI NORTH AMERICA INC	\$ 2,600,000.00	\$4,000.00
4230021000	Manufacturing	VALTAY LLC	\$ 2,870,800.00	\$4,000.00
4230031000	Special Mercantile	HSI INDUSTRIAL I LLC	\$ 7,535,000.00	\$4,000.00
4230032000	Manufacturing	INGETEAM INC	\$ 6,953,600.00	\$4,000.00
4230042000	Manufacturing	CAM-JWM LLC	\$ 10,539,100.00	\$4,000.00
4230051000	Manufacturing	53RD STREET IP LLC	\$ 3,740,100.00	\$4,000.00
4230052000	Manufacturing	DOUBLE CLUTCH LLC	\$ -	\$0.00
4230061000	Manufacturing	MULHANEY PROPERTIES, LLC	\$ 1,796,000.00	\$2,963.40
4240311100	Manufacturing	PALERMO PROPERTIES , LLC	\$ 13,463,400.00	\$4,000.00
4240321000	Manufacturing	BRIORN VENTURES III LLC	\$ 3,061,800.00	\$4,000.00
4240322000	Special Mercantile	TRIONY MILWAUKEE LLC	\$ 5,430,100.00	\$4,000.00
4249998111	Manufacturing	REXNORD INDUSTRIES LLC	\$ 9,851,500.00	\$4,000.00
4250001000	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 806,400.00	\$1,330.56
4250002000	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 175,800.00	\$400.00
4250003000	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 160,000.00	\$400.00
4260022100	Manufacturing	ALDRICH CHEMICAL CO INC	\$ 1,156,200.00	\$1,907.73
4260033120	Manufacturing	EMMPACK FOODS INC	\$ 2,881,900.00	\$4,000.00
4260061110	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 532,900.00	\$879.29
4260071113	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 3,049,100.00	\$4,000.00
4260072110	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 195,000.00	\$400.00
4260101000	Special Mercantile	CHRISTOPHER M COAKLEY	\$ 741,500.00	\$1,223.48

4260102000	Special Mercantile	CHRISTOPHER M COAKLEY	\$ 103,100.00	\$400.00
4260111000	Special Mercantile	FOREST COUNTY POTAWATOMI	\$ 97,175,800.00	\$4,000.00
4260131000	Local Commercial	PFC INC	\$ 57,800.00	\$400.00
4260132100	Special Mercantile	CANAL ST INVESTMENTS LLC	\$ 11,440,100.00	\$4,000.00
4260132200	Special Mercantile	WISCONSIN ELECTRIC POWER CO	\$ 467,500.00	\$771.38
4260133000	Manufacturing	EMMPACK FOODS INC	\$ 1,007,700.00	\$1,662.71
4260141000	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 35,891,800.00	\$4,000.00
4269958112	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 386,800.00	\$638.22
4269958200	Local Commercial	FOREST COUNTY POTAWATOMI	\$ 14,900.00	\$400.00
4269965112	Local Commercial	SOO LINE RAILROAD COMPANY	\$ 325,000.00	\$536.25
4269970100	Manufacturing	SUNLITE BUILDING CORP	\$ 449,400.00	\$741.51
4269971000	Local Commercial	CBB INVESTMENTS LLC	\$ 1,031,300.00	\$1,701.65
4269972000	Local Commercial	SUNLITE BUILDING CORPORATION	\$ 113,000.00	\$400.00
4269973000	Mercantile Apartments	PAPER BOX LOFTS LP	\$ -	\$0.00
4269974000	Manufacturing	VIADUCT VENTURES LLC	\$ 298,500.00	\$492.53
4269977100	Manufacturing	MID-CITY FOUNDRY CO	\$ 507,800.00	\$837.87
4269979000	Local Commercial	ROADSTER LLC	\$ 62,800.00	\$400.00
4269985000	Manufacturing	MID-CITY FOUNDRY CO	\$ 374,600.00	\$618.09
4269986000	Special Mercantile	GRAYMONT WESTERN LIME INC	\$ 738,000.00	\$1,217.70
4270101100	Local Commercial	754 PARKING LLC	\$ 211,900.00	\$400.00
4270103100	Special Mercantile	LCM FUNDS 21 BOTTLING	\$ 29,900.00	\$400.00
4270104100	Special Mercantile	AHMED A KAHIN	\$ 307,300.00	\$507.05
4270135110	Manufacturing	RAPHAEL INDUSTRIES INC FKA	\$ 499,800.00	\$824.67
4270135200	Special Mercantile	BRITAIN BROTHERS LLC	\$ 796,500.00	\$1,314.23
4270150000	Special Mercantile	JOUDA LLC	\$ 706,200.00	\$1,165.23
4270162111	Local Commercial	G-FF LLC	\$ 239,500.00	\$400.00
4270165110	Local Commercial	GARDEN FRESH FOODS INC	\$ 171,600.00	\$400.00

4270168100	Local Commercial	BRUCE REAL ESTATE LLC	\$ 587,800.00	\$969.87
4270170112	Special Mercantile	1236 W PIERCE STREET LLC	\$ 797,400.00	\$1,315.71
4270203111	Local Commercial	WISCONSIN ELECTRIC POWER CO	\$ 352,800.00	\$582.12
4270207100	Local Commercial	BERNARD KLEIN	\$ 124,200.00	\$400.00
4270210112	Local Commercial	SOO LINE RAILROAD COMPANY	\$ 57,400.00	\$400.00
4270401110	Special Mercantile	SOMETHING ELSE LLC	\$ 375,000.00	\$618.75
4270406110	Special Mercantile	WISCONSIN ELECTRIC POWER CO	\$ 40,000.00	\$400.00
4270409121	Special Mercantile	RNC CANAL ST PROPERTY LLC	\$ 2,170,700.00	\$3,581.66
4270411120	Local Commercial	SOO LINE RAILROAD COMPANY	\$ 294,300.00	\$485.60
4270417110	Local Commercial	TRIPLE S AUTO PARTS INC	\$ 164,500.00	\$400.00
4270418100	Special Mercantile	KIN TRUCKING LLC	\$ 141,300.00	\$400.00
4270422100	Local Commercial	CRUZ M ACOSTA PEDROZA	\$ 50,700.00	\$400.00
4270422200	Local Commercial	DOMINGO MUNOZ	\$ 67,800.00	\$400.00
4270425000	Local Commercial	AKSS, LLC	\$ 659,800.00	\$1,088.67
4270426000	Local Commercial	BERNARD KLEIN	\$ 206,200.00	\$400.00
4270427000	Special Mercantile	LCM FUNDS 33 DONGES LLC	\$ 756,300.00	\$1,247.90
4270531100	Local Commercial	H D MILW LLC	\$ 761,600.00	\$1,256.64
4270541000	Local Commercial	WISCONSIN ELECTRIC POWER CO	\$ 412,200.00	\$680.13
4270542111	Special Mercantile	LONE STAR INDUSTRIES AKA	\$ 2,400,000.00	\$3,960.00
4270551000	Special Mercantile	MKE ATLAS TIMBERS LLC	\$ 11,814,600.00	\$4,000.00
4270552000	Mercantile Apartments	GRAINERY 720 LLC	\$ -	\$0.00
4270553000	Special Mercantile	LCM FUNDS 21 BOTTLING	\$ 6,314,000.00	\$4,000.00
4270571100	Local Commercial	TOTORADCO LLC	\$ 389,500.00	\$642.68
4270581999		THE COMMUNITY WAREHOUSE INC	\$ -	\$0.00
4270582000	Local Commercial	RIVER FUTURES LLC	\$ -	\$0.00

4270591000	Mercantile Apartments	BUILDING 41 LLC	\$ 771,000.00	\$1,272.15
4270592000	Mercantile Apartments	BEAM HOUSE APARTMENTS LLC	\$ -	\$0.00
4270593000	Mercantile Apartments	DOCKS BUILDING LLC	\$ -	\$0.00
4270611000	Local Commercial	RIVER FUTURES LLC	\$ -	\$0.00
4281021000	Special Mercantile	BUILDING 41 LLC	\$ 995,300.00	\$1,642.25
4281024000	Special Mercantile	BUILDING 41 LLC	\$ 55,700.00	\$400.00
4281051000	Special Mercantile	BUILDING 41 LLC	\$ 228,900.00	\$400.00
4281052000	Special Mercantile	BUILDING 41 LLC	\$ 857,400.00	\$1,414.71
4281061000	Special Mercantile	BUILDING 41 LLC	\$ 1,846,100.00	\$3,046.07
4281062000	Special Mercantile	REXNORD INDUSTRIES LLC	\$ 16,688,000.00	\$4,000.00
4320918100	Manufacturing	GARDEN FRESH REAL ESTATE LLC	\$ 193,600.00	\$400.00
4320939000	Local Commercial	GARDEN FRESH FOODS INC	\$ 10,600.00	\$400.00
4320941100	Local Commercial	GARDEN-FRESH FOODS INC	\$ 12,849.00	\$400.00
4320942000	Local Commercial	GARDEN-FRESH FOODS INC	\$ 5,000.00	\$400.00
4320943000	Local Commercial	GARDENFRESH FOODS INC	\$ 6,841.00	\$400.00
4321081000	Manufacturing	GARDEN FRESH FOODS INC	\$ 1,577,700.00	\$2,603.21
4331503110	Manufacturing	KFA LLC	\$ 126,100.00	\$400.00
4332312000	Local Commercial	MARY ELLEN PEREZ	\$ 50,700.00	\$400.00
4339994000	Local Commercial	ST FRANCIS AUTO WRECKERS INC	\$ 43,000.00	\$400.00
4339995100	Manufacturing	SUNLITE BUILDING CORP	\$ 282,600.00	\$466.29
4339997000	Manufacturing	SUNLITE BUILDING CORP	\$ 106,100.00	\$400.00
		Totals:	\$ 344,422,836.00	\$210,470.46

Menomonee Valley Business Improvement District (BID #26) Annual Report, July 2019 – June 2020

BID #26 Financial Relationship with Menomonee Valley Partners

In August 2019, BID #26 renewed its annual contract with Menomonee Valley Partners, Inc. (MVP) entering into an agreement through which MVP staffs and implements the BID's annual Operating Plan.

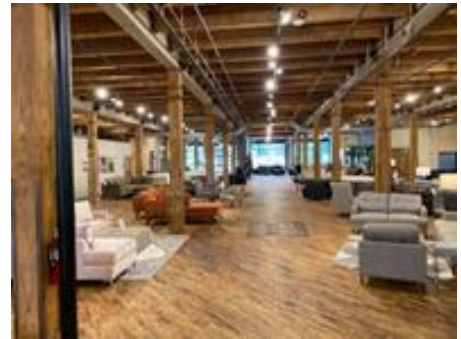
Total Assessed Value of Properties within District

For 2019-2020 the total assessed value of Valley properties had an increase of \$30.8M over the past year to \$309,108,694.26. The increase is attributed primarily to redevelopment of several properties this year. The total assessed value in 2018-2019 was \$278,291,482.

Impact of the BID this year:

Economic Development

- **St. Paul Avenue continued to grow** with the opening of several businesses, including Bachman Furniture Gallery, Christopher Kidd & Associates, and River Valley Historic Venue.
- **Several businesses announced expansions**, including JM Brennan, Palermo Villa, Inc., and Third Space Brewing.
- Planning continues for the redevelopment of the Kneelands property, including surveys of the dockwall and floodplain issues that will lay the groundwork for infrastructure and other necessary improvements.



Events

- MVP hosted the third **Valley Week** in September with **13 events in seven days** designed to attract new audiences and highlighted why the Valley is a great place to work and play. **More than 700 people attended** events that attracted nature lovers, history enthusiasts, job seekers, and those looking for unique experiences.
- MVP cohosted the **Urban Manufacturing Alliance National Gathering** to discuss how to change the narrative around manufacturing jobs and companies.
- The **Menomonee Valley Business Association** meets four times per calendar year as a valuable networking and resource tool for Valley businesses. These events provide an

opportunity to educate Valley businesses on local services, new businesses, and Valley developments. Recent meetings have been conducted virtually.

Workforce Initiatives

- **Valley Career Days** connected Valley employers to youth in a variety of ways to build the talent pipeline and position local youth to be competitive for upcoming career opportunities in fields like manufacturing, engineering, the trades, and real estate.
 - 21 Valley employers / 79 employees participated in Career Days programming
 - Over 300 neighborhood youth participated in Career Days programming
- **Valley Circles**, peer-to-peer professional development and networking groups, drew over 70 participants for regular meetings on topics like HR, Marketing, IT, Facilities, Sales, and Public Safety.
- **Neighborhood Job Fairs and Housing Tours** connected local residents to employers and current employees to the surrounding neighborhoods—all in partnership with neighborhood organizations like Layton Boulevard West Neighbors and Near West Side Partners.



District Safety and Beautification

- **Stew Crews**, teams of volunteers dedicated to land stewardship, provide a crucial community service in picking up litter to beautify the Valley and Hank Aaron State Trail for all to enjoy. This year 16 company/community groups signed up to lead Stew Crews.
- The **Menomonee Valley Public Safety** committee meets quarterly for businesses in MPD District 2 and District 3, as each district has different issues. The challenge of homelessness in the area has been addressed by the work of the Milwaukee County Housing Authority's Housing First, resulting in a dramatic decrease in people who are homeless living in the Valley.
- **The Valley Beautification Committee**, a team of dedicated Valley employees, met to develop strategies to make the Valley even more beautiful. Their efforts brought more aesthetic value to high traffic areas such as the 16th Street Viaduct, the 25th Street Roundabout, and the 25th Street/St. Paul Avenue intersection. Employers were also able to adopt metal bins recycled from Rexnord Industries to serve as planters, beautify the area, and give an industrial look.
- The BID managed **graffiti removal** for buildings and park structures throughout the district.

Recognition

- Awareness of the Menomonee Valley continued to increase on social media sites:

- Facebook - 2,027 likes (remained stable), 129,007 unique post views and 8,341 unique post engagements (likes, shares, comments).
- Twitter - 1,804 followers (increase of 56 during this period) and 106,014 unique Tweet views.
- Instagram - 805 followers (increase of 436 during this period)

APPENDIX D: 2019-20 CERTIFIED AUDIT

**BUSINESS IMPROVEMENT DISTRICT #26
MILWAUKEE, WISCONSIN**

FINANCIAL STATEMENTS

JUNE 30, 2019 AND 2018

DRAFT

BUSINESS IMPROVEMENT DISTRICT #26
MILWAUKEE, WISCONSIN

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KRAUSE & ASSOCIATES, S.C.

CERTIFIED PUBLIC ACCOUNTANT

1214 BRIDGE STREET
P.O. BOX 368
GRAFTON, WISCONSIN 53024

TELEPHONE: (262) 377-9988
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Independent Accountant's Review Report

Board of Directors
Business Improvement District #26
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of the Business Improvement District #26, which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Krause & Associates, SC

Krause & Associates, SC
Grafton, Wisconsin
December 20, 2019

DRAFT

BUSINESS IMPROVEMENT DISTRICT #26
 STATEMENTS OF FINANCIAL POSITION
 JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ 169,662	\$ 169,354
Accounts receivable	-	-
Prepaid expenses	<u>1,125</u>	<u>804</u>
 TOTAL ASSETS	 <u>\$ 170,787</u>	 <u>\$ 170,158</u>
 <u>LIABILITIES AND NET ASSETS</u>		
Accounts payable	<u>\$ 10,000</u>	<u>\$ 1,286</u>
 TOTAL LIABILITIES	 10,000	 1,286
NET ASSETS		
Without donor restrictions	<u>160,787</u>	<u>168,872</u>
 TOTAL NET ASSETS	 <u>160,787</u>	 <u>168,872</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 170,787</u>	 <u>\$ 170,158</u>

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

BUSINESS IMPROVEMENT DISTRICT #26
 STATEMENTS OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2019 AND 2018

	<u>Without donor restrictions</u>	
	<u>2019</u>	<u>2018</u>
REVENUE		
City of Milwaukee assessment income	\$ 180,528	\$ 177,746
Membership dues	300	500
Other	<u>-</u>	<u>650</u>
Total revenue	<u>180,828</u>	<u>178,896</u>
EXPENSES		
Program:		
Transfer to Menomonee Valley Partners, Inc.	155,000	125,000
Grants and sponsorships	19,500	14,875
Façade grant	7,500	-
Other program expenses	<u>2,599</u>	<u>19,201</u>
Total program	184,599	159,076
Management and general	<u>4,314</u>	<u>1,286</u>
Total expenses	<u>188,913</u>	<u>160,362</u>
Changes in net assets	(8,085)	18,534
Net assets, beginning of year	<u>168,872</u>	<u>150,338</u>
Net assets, at end of year	<u>\$ 160,787</u>	<u>\$ 168,872</u>

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

BUSINESS IMPROVEMENT DISTRICT #26
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (8,085)	\$ 18,534
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
(Increase) decrease in accounts receivable	-	98
(Increase) decrease in prepaid expenses	(321)	2,000
Increase (decrease) in accounts payable	<u>8,714</u>	<u>1,286</u>
Net cash provided by (used in) operating activities	<u>308</u>	<u>21,918</u>
Net increase (decrease) in cash and cash equivalents	308	21,918
Cash and cash equivalents at beginning of year	<u>169,354</u>	<u>147,436</u>
Cash and cash equivalents at end of year	<u>\$ 169,662</u>	<u>\$ 169,354</u>

Supplemental disclosure of cash flow information:

Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>
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The accompanying notes are an integral part of these financial statements.

BUSINESS IMPROVEMENT DISTRICT #26
 STATEMENTS OF FUNCTIONAL EXPENSES
 FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019		
	Program	Management and General	Total
Transfer to Menomonee Valley Partners, Inc.	\$ 155,000	\$ -	\$ 155,000
Grants and sponsorships	19,500	-	19,500
Façade grant	7,500	-	7,500
Events	2,239	-	2,239
Program expenses	360	-	360
Administrative	-	4,314	4,314
Total expenses	\$ 184,599	\$ 4,314	\$ 188,913

	2018		
	Program	Management and General	Total
Transfer to Menomonee Valley Partners, Inc.	\$ 125,000	\$ -	\$ 125,000
Grants and sponsorships	14,875	-	14,875
Graffiti removal	2,252	-	2,252
Events	2,449	-	2,449
Program expenses	14,500	-	14,500
Administrative	-	1,286	1,286
Total expenses	\$ 159,076	\$ 1,286	\$ 160,362

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

BUSINESS IMPROVEMENT DISTRICT #26
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Organization and business activity

The Business Improvement District #26 (BID) was created by the City of Milwaukee through resolution file No. 990931 in 1999. The primary purpose of the BID is to allow businesses within the district to develop, manage and promote their districts and to establish an assessment to fund these activities. The BID was organized to promote the planned development in the Menomonee Valley area of the City of Milwaukee. Business Improvement Districts are authorized by Wisconsin Statutes Section 66.1109.

Business improvement districts are financed by special assessments on properties within the district in accordance with Wisconsin Statutes. The City of Milwaukee collects assessments on property within the district based on an annual budget established by the BID. Property assessments are based on \$1.65 per \$1,000 of assessed property value, subject to a minimum assessment per tax key number parcel of \$400 and a maximum assessment per tax key number parcel of \$4,000.

2. Cash and cash equivalents

The BID considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

3. Prepaid expenses

Prepaid expenses are recognized when payments are made for goods or services to be received in a future period.

4. Net assets

The BID follows the accrual method of accounting wherein revenues and expenses are recorded in the period earned or incurred. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

BUSINESS IMPROVEMENT DISTRICT #26
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2019 AND 2018

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Net assets – continued

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The BID reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

5. Revenue and Revenue Recognition

Revenue is recognized when earned. Program service fees received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

6. Donated services and in-kind contributions

Volunteers contribute significant amounts of time to our program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. The BID records donated professional services at the respective fair values of the services received.

7. Allocation of functional expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include occupancy, depreciation, salaries and wages, benefits, payroll taxes, professional services, office expenses, supplies, insurance, and other, which are allocated on the basis of estimates of time and effort.

BUSINESS IMPROVEMENT DISTRICT #26
NOTES TO FINANCIAL STATEMENTS - CONTINUED
JUNE 30, 2019 AND 2018

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

8. Income taxes

The BID is exempt from income tax as an affiliate of a governmental unit pursuant to Section 501(a) of the Internal Revenue Code.

The BID evaluates its tax positions and assesses their uncertainty, if any, through review and application of various sources of tax authority including statutes, regulations, rulings, court cases and widely held administrative practices.

9. Use of estimates

The preparation of the 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.

10. Change in accounting principle

On August 18, 2016, FASB issued Accounting Standards Update (ASU) 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The BID has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly.

11. Subsequent Events

Management has evaluated subsequent events for recognition and disclosure in the financial statements through December 31, 2019, which is the date that the financial statements were available to be issued.

B – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date of June 30, 2019, comprise the following:

Cash and cash equivalents	<u>\$ 169,662</u>
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BUSINESS IMPROVEMENT DISTRICT #26
 NOTES TO FINANCIAL STATEMENTS - CONTINUED
 JUNE 30, 2019 AND 2018

C – CONCENTRATION OF RISK

The BID, receives substantially all of its revenue from the City of Milwaukee assessments. The BID’s operations rely on the availability of these funds. Approximately 99.83% and 99.35% of the BID’s revenue was from the City of Milwaukee for the years ended June 30, 2019 and 2018, respectively.

D – RELATED PARTY TRANSACTIONS

The BID has an agreement with Menomonee Valley Partners, Inc. (MVP) to transfer the amount approved annually in the BID Operating Plan. MVP, in turn, must use the funds in a manner consistent with their stated objectives. The Treasurer of the Board also serves as Vice President of MVP. The BID transferred \$155,000 and \$125,000 to MVP as payment for the agreement during the years ended June 30, 2019 and 2018, respectively.

The BID also reimbursed MVP the following operating expenses during the year ended June 30, 2019 and 2018:

	2019	2018
Shared insurance policy	\$ 1,286	\$ 1,286
Program events	2,766	6,301
Total	\$ 4,052	\$ 7,587