



To: Community & Economic Development Committee
Common Council, City of Milwaukee

From: Leo J. Ries, Executive Director

Date: January 26, 2009

Re: 2009 Director's Fundraising Report for Main Street Milwaukee (MSM)

The fundraising climate throughout Milwaukee has been affected by the recent economic downturn. We are seeing funders either scaling back on the amount of their contribution or tightening their focus on specific issues (i.e. foreclosure, public safety). Despite that, we are confident that many of our current donors will continue their support for the program. In addition, we've gotten favorable responses from some potential donors. Overall, private-sector investment in the program has been considerable – totaling nearly \$1.2 million from 2005 through 2008. If donated services and other forms of investment are included, the total investment exceeds \$2 million. This level of commitment demonstrates, I believe, the willingness and the commitment of the private sector to work with the City to finance a neighborhood improvement agenda, provided a structure exists to enable that investment.

2009 marks the 5th year of operation for the MSM Program. In addition to assistance provided through the program, the districts are also, in some cases, receiving additional support from local funders. US Bank, for example, as a result of advocacy efforts by the Department of City Development, recently awarded Avenues West (the SOHI district) a \$50,000 grant for business technical assistance. Layton Blvd. West Neighbors (the Silver City District) has developed a close relationship with P&H Mining which has generated significant, on-going program support.

In addition to local donors, LISC has also been successful in securing additional funding from national sources, most prominent among these is State Farm Insurance. In addition, LISC was successful in securing a special grant for MSM Program in 2009 from the Department of Justice with the help of Congresswoman Gwen Moore. We are currently encouraging some districts to compete for the Metropolitan Life Community-Police Partnership Award which brings with it a grant of up to \$15,000.

The attached 2005-09 Account Statement is a snapshot of fundraising efforts to date. The following provides additional information on certain funds which are targeted towards specific activities.

HUD Section 4: \$60,000

Funds have been awarded (\$60,000/year for two years) to provide salary and fringe benefits for a part-time employee in each of the 6 Main St. Milwaukee districts to advance the Main Street Four Point Approach. Funds will be available in July 2009.

Community Safety Initiative (CSI): \$35,000

CSI staff from LISC has been working with SOHI and North Ave district managers to develop work plans and provide TA to build active and productive partnerships with the police in support of greater public safety.

State of Wisconsin Department of Commerce: \$50,000

The first three-year commitment (\$25,000/year) from the Department of Commerce (DOC) ended on December 31, 2008. LISC has submitted an application for another three-year commitment at \$50,000/year. The DOC staff has been very pleased with their experience with the MSM, since it provides an effective vehicle for the State of Wisconsin to support emerging, minority-owned businesses. They have also appreciated the success with which each district used the State grants to leverage additional assistance (i.e. façade grants, safety grants).

PENDING: Wal-Mart: \$TBA

As a result of LISC Milwaukee's commitment to commercial corridor work, National LISC used the MSM program as a success story in a \$10M grant application to Wal-Mart for 'Green' business in 10 LISC sites. The decision on the Wal-Mart Grant should be made in the first or second quarter of 2009.

FUTURE: Zilber Neighborhood Initiative (ZNI)

I'm sure that everyone on the Committee is aware that in May 2008, philanthropist Joe Zilber announced that he is committing \$50 million over 10 years to revitalize Milwaukee neighborhoods. His approach would be modeled on the New Communities Program in Chicago. LISC is already working with the two newly designated neighborhoods – Lindsay Heights and Clarke Square. While this initiative does not currently impact the MSM program, we see the MSM Program as an essential component of the comprehensive revitalization strategy envisioned by the Zilber Foundation for the ten neighborhoods that will ultimately be supported by this program.

Main Street Milwaukee Program
A Commercial Corridor Revitalization Initiative
2005-09 Account Statement

Privately-funded, program investment

Sources	2005		2006		2007		2008		2009	
	Revenue		Revenue		Revenue		Revenue		Revenue	Pending
AT&T Wisconsin	\$ 10,000	\$	\$ 15,000	\$	\$ 20,000	\$	\$ -	\$	\$ -	\$ -
Bader Foundation	\$ 75,000	\$	\$ 50,000	\$	\$ 50,000	\$	\$ 110,000	\$	\$ 50,000	\$ 50,000
Bradley Foundation	\$ 25,000	\$	\$ 25,000	\$	\$ -	\$	\$ -	\$	\$ -	\$ -
Chase Bank	\$ 37,500	\$	\$ 18,750	\$	\$ 18,750	\$	\$ -	\$	\$ -	\$ -
Greater Milwaukee Foundation	\$ 50,000	\$	\$ 50,000	\$	\$ -	\$	\$ 40,000	\$	\$ -	\$ 40,000
Home Depot	\$ -	\$	\$ -	\$	\$ -	\$	\$ 16,000	\$	\$ -	\$ -
LISC - HUD Section 4	\$ 80,000	\$	\$ 20,000	\$	\$ -	\$	\$ -	\$	\$ 60,000	\$ 60,000
LISC - CSI	\$ 20,000	\$	\$ -	\$	\$ 30,000	\$	\$ 7,000	\$	\$ 35,000	\$ -
Potawatomi Foundation	\$ 50,000	\$	\$ 50,000	\$	\$ 50,000	\$	\$ 50,000	\$	\$ 50,000	\$ 20,000
State Farm Insurance	\$ 10,000	\$	\$ 10,000	\$	\$ -	\$	\$ -	\$	\$ -	\$ -
Uihlein Charitable Trust	\$ 25,000	\$	\$ 25,000	\$	\$ 10,000	\$	\$ 20,000	\$	\$ -	\$ 25,000
U.S. Bank	\$ -	\$	\$ -	\$	\$ 20,000	\$	\$ -	\$	\$ -	\$ 10,000
TCF Bank	\$ -	\$	\$ 25,000	\$	\$ 25,000	\$	\$ 25,000	\$	\$ -	\$ 25,000
Wells Fargo	\$ -	\$	\$ -	\$	\$ 20,000	\$	\$ -	\$	\$ -	\$ -
Wisconsin Dept. of Commerce	\$ -	\$	\$ 25,000	\$	\$ 25,000	\$	\$ 25,000	\$	\$ -	\$ 50,000
TOTAL: Direct Grants	\$ 382,500	\$	\$ 278,750	\$	\$ 238,750	\$	\$ 298,000	\$	\$ 195,000	\$ 315,000
In-kind & Pro bono										
LISC	\$ 21,000	\$	\$ 19,000	\$	\$ 19,000	\$	\$ 19,000	\$	\$ 19,000	\$ 19,000
Donated A&E Services	\$ 80,000	\$	\$ 80,000	\$	\$ 80,000	\$	\$ -	\$	\$ -	\$ -
Legal Services	\$ -	\$	\$ -	\$	\$ 4,000	\$	\$ -	\$	\$ -	\$ -
Other LISC Investments										
LBWN - Mekatos Bakery, loan & equity investment	\$ 163,000	\$	\$ -	\$	\$ -	\$	\$ -	\$	\$ -	\$ -
MLKEDC - King Commons III, predevelopment funds	\$ -	\$	\$ -	\$	\$ -	\$	\$ 15,000	\$	\$ -	\$ -
MLKEDC - commercial node planning funds	\$ -	\$	\$ -	\$	\$ -	\$	\$ 17,500	\$	\$ -	\$ -
NACDC - The Avenue, predevelopment funds	\$ -	\$	\$ -	\$	\$ -	\$	\$ 20,000	\$	\$ -	\$ -
Hennessy Group - SOHI Building, pre-developemnt loan	\$ -	\$	\$ -	\$	\$ -	\$	\$ 125,000	\$	\$ -	\$ -
TOTAL: Program Investment	\$ 726,500	\$	\$ 457,750	\$	\$ 421,750	\$	\$ 494,500	\$	\$ 214,000	\$ 334,000