

BUSINESS IMPROVEMENT DISTRICT #38 OPERATING PLAN

YEAR 2018

Cesar E. Chavez Drive





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I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created S. 66.1109 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, as of January 1, 2009, received and approved BID #38 operating plan from property owners which requested creation of a Business Improvement District for the purpose of revitalizing and improving the Cesar E. Chavez Drive business area on Milwaukee's Near South Side. The BID law requires that every district have an annual Operating Plan. This document is the Operating Plan proposed for 2018, the tenth year of the Cesar E. Chavez BID. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development.

B. Physical Setting

The Cesar E. Chavez District covers a commercial area on Cesar E. Chavez Drive, stretching from National Avenue in the North to Greenfield Avenue in the South. The Cesar E. Chavez District also includes a parcel adjacent to the west side of Cesar E. Chavez Drive, 1635 West National Avenue.

II. DISTRICT BOUNDARIES

Boundaries of the proposed district are shown on the map in Appendix B of this plan. A listing of the properties included in the district is provided in Appendix C.

III. PROPOSED OPERATING PLAN

A. Plan Objectives

The objective of the BID is to:

- a) Improve public safety, image and public perception of the Cesar E. Chavez BID
- b) Coordinate public improvement projects in the Cesar E. Chavez Drive BID
- c) Increase the capacity of local businesses
- d) Promote Cesar E. Chavez Drive as a unique shopping and tourist destination by creating an improved cultural image through the installation of public art and space activation

B. Proposed Activities - 2018

Principle activities to be engaged in by the district during its 10th year of operation will include:

- a) Reconstitute the Cesar E. Chavez Drive BID Board of Directors, obtain city compliance and good financial status
- b) Maintain the streetscape beautification to present a unified and aesthetically pleasing environment for Cesar E. Chavez Drive
- c) Implement cleaning services to promote upkeep on the street
- d) Contribute to and implement public art projects in the district
- e) Execute the 4th year of the FARM Project
- f) Coordinate the 6th Ciclovía MKE – Openstreets Event

C. Proposed Expenditures – Year 10

Proposed Budget

Items	Expenditure
Landscaping/Christmas Decorations	\$12,500
Street Cleaning	\$5,000
Administrative/Professional Fees	\$5,000
FARM Project	\$2,000
Total	\$24,500
Reserve	\$1,000

D. Financing Method

It is proposed to raise \$25,500 through BID assessments (see Section IV, A, and Appendix C). 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 BID Board

The Mayor appoints members to the district board ("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. The BID board should be structured and operate as follows:

1. Board Size – The board shall have a minimum of five (5) members and a maximum of eleven (11) members.
2. Composition – Majority of the board members shall be owners or occupants of property within the BID. 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 adopt rules of order ("by laws") to govern the conduct of its meetings.

F. Relationship to the BID

The BID shall be a separate entity from any contract agency notwithstanding the fact that members, officers and directors of each may be shared. Contracted agencies shall remain private organizations, 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. The BID Board may contract with any agency to provide services to the BID, in accordance with this Plan.

IV. METHOD OF ASSESSMENT

A. Assessment Rate and Method

The principle behind the assessment methodology is that each property should equally contribute to the BID. After consideration of other assessment methods, it was determined that each owner would benefit equally from the BID projects and participation would promote involvement with the BID. The assessment will be a flat fee of \$500 with the exception of tax-exempt properties that will join the BID on a voluntary basis.

As of August 30, 2017, the property in the proposed district had a total assessed value of \$13,413,500.00. This plan proposes to assess the property in the district at a rate of \$500 per parcel of property.

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

$$51 \text{ properties} \times \$500 = \$25,500$$

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)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.
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 C, 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.

V. RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY

A. 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 BID is a means of formalizing and funding the public-private partnership between the City and property owners in the Cesar E. Chavez Drive BID area and for furthering 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.

B. 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 is expected to play a significant role in the implementation of the Operating Plan. In particular, the City will:

1. Provide technical assistance to the proponents of the district through adoption of the Plan, and provide assistance as appropriate thereafter.
2. Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
3. Collect assessments, maintain in a segregated account, and disburse the monies of the district.
4. Receive annual audits as required per sec. 66.1109 (3) (c) of the BID law.
5. Provide the board, through the Tax Commissioner's Office on or before June 30th of each Plan year, with the official City records and the assessed value of each tax key number with the district, as of January 1st of each Plan year, for purposes of calculating the BID assessments.
6. Encourage the State of Wisconsin, Milwaukee County, and other units of government to support the activities of the district.

VI. FUTURE YEAR OPERATING PLANS

A. Phased Development

It is anticipated that the BID will continue to revise and develop this Operating Plan annually, in response to changing development needs and opportunities in the district, in accordance with the purposes and objectives defined in this initial Operating Plan.

Section 66.1109 (3) (a) of the BID law requires the board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, it focuses upon year ten (10) activities, and information on specific assessed values, budget amounts and assessment amounts are based on year ten (10) conditions. Greater detail about subsequent year's activities will be provided in the required annual Plan updates, and approval by the Common Council of such Plan updates shall be conclusive evidence of compliance with this Plan and the BID law.

The BID Operating Plan will continue to apply the assessment formula to raise funds to meet the next annual 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 reestablishment.

Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties 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)

BID #38 OPERATING PLAN – APPENDICES

- A. BUSINESS IMPROVEMENT DISTRICT STATE STATUTE
- B. BUSINESS IMPROVEMENT DISTRICT #38 MAP OF BOUNDARIES
- C. LISTING OF PROPERTIES AND ASSESSMENTS
- D. LISTING OF BOARD MEMBERS

Appendix A:

Business Improvement Districts State Statute –Wis. 66-66.1109

(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.
- (c) "Chief executive officer" means a mayor, city manager, village president or town chairperson.
- (d) "Local legislative body" means a common council, village board of trustees or town board of supervisors.
- (e) "Municipality" means a city, village or town.
- (f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation and promotion of a business improvement district, including all of the following:
 - 1. The special assessment method applicable to the business improvement district.
 - 1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.
 - 2. The kind, number and location of all proposed expenditures within the business improvement district.
 - 3. A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.
 - 4. A description of how the creation of the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.
 - 5. A legal opinion that subs. 1. to 4. have been complied with.
- (g) "Planning commission" means a plan commission under s. 62.23, or if none a board of public land commissioners, or if none a planning committee of the local legislative body.

(2) A municipality may create a business improvement district and adopt its operating plan if all of the following are met:

- (a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. (b) has petitioned the municipality for creation of a business improvement district.
- (b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.
- (c) At least 30 days before creation of the business improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed business improvement district and initial operating plan. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the proposed initial operating plan and a copy of a detail map showing the boundaries of the proposed business improvement district shall be sent by certified mail to all owners of real property within the proposed business improvement district. The notice shall state the boundaries of the proposed business improvement district and shall indicate that copies of the proposed initial operating plan are available from the

planning commission on request.

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

(e) The local legislative body has voted to adopt the proposed initial operating plan for the municipality.

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

(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.

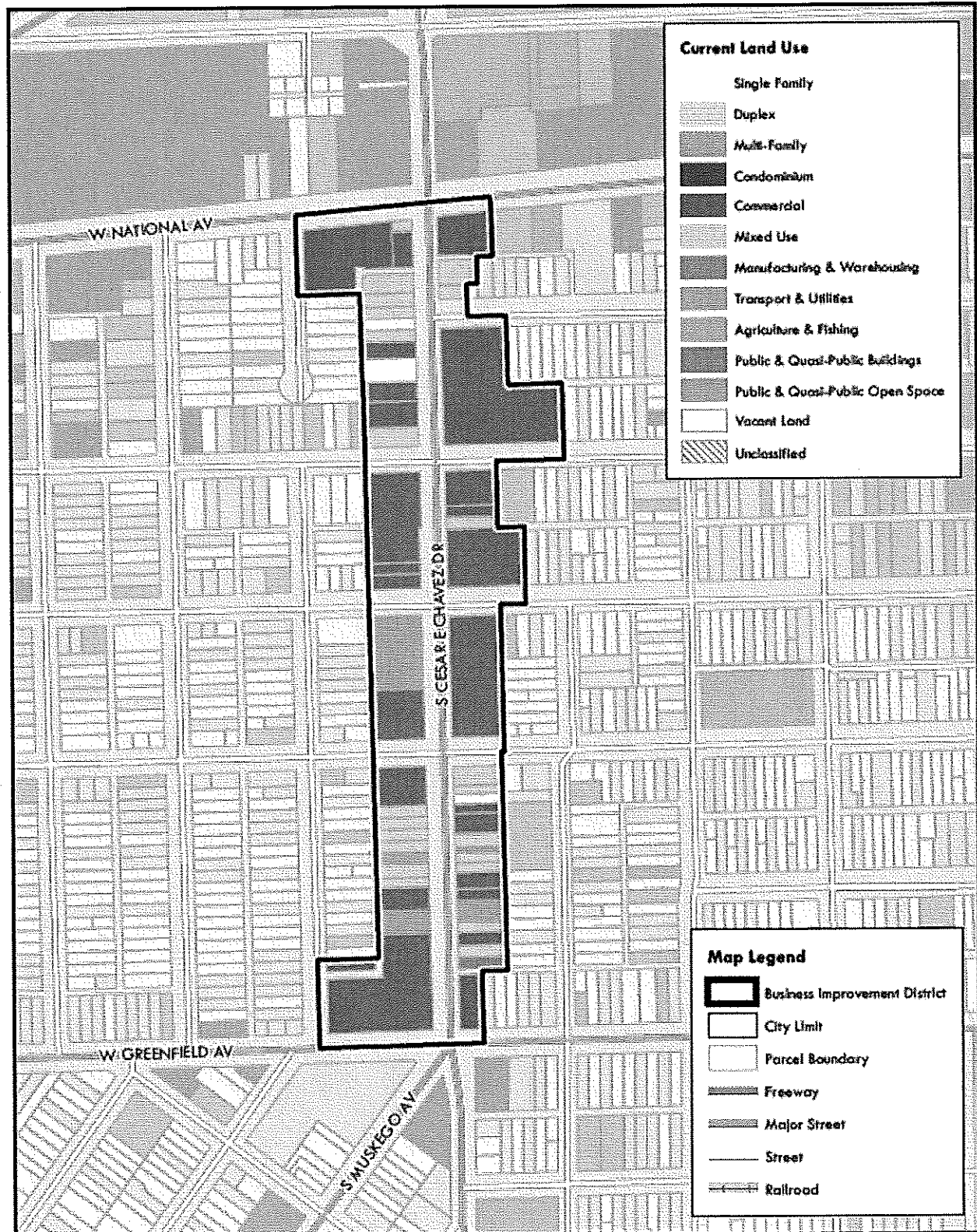
(b) A municipality may terminate a business improvement district at any time.

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

History: 1983 a. 184; 1989 a. 56 s. 258; 1999 a. 150 s. 539; Stats. 1999 s. 66.1109; 2001 a. 85.

Appendix B:

Business Improvement District #38 Map of Boundaries



Appendix C:

2017 Property Assessments					
Taxkey	Address	Owner	Property Class	Total Assessed Value	BID Assessment
4330001000	911 S CESAR E CHAVEZ	Rose E Espino	Local Commercial	\$31,600	\$500
4330002000	923 S CESAR E CHAVEZ	Kersmtly LLC	Local Commercial	\$158,000	\$500
4330004110	925 S CESAR E CHAVEZ	Miguel Angel Garza Jr	Local Commercial	\$109,000	\$500
4330006000	933 S CESAR E CHAVEZ	Imad Koran	Local Commercial	\$402,000	\$500
4330201000	1200 S CESAR E CHAVEZ	Maria G Arteaga	Local Commercial	\$292,000	\$500
4330406000	1304 S CESAR E CHAVEZ	Maria A Torrijos	Local Commercial	\$208,000	\$500
4330407000	1300 S CESAR E CHAVEZ	Maria A Torrijos	Local Commercial	\$13,200	\$500
4330408000	1246 S CESAR E CHAVEZ	Maria A Torrijos	Local Commercial	\$14,500	\$500
4330409000	1242 S CESAR E CHAVEZ	Eduardo Velez	Local Commercial	\$132,000	\$500
4330410000	1238 S CESAR E CHAVEZ	Leonardo Aponte	Local Commercial	\$266,000	\$500
4330810000	1322 S CESAR E CHAVEZ	Maribel Estrada	Local Commercial	\$476,300	\$500
4330812000	1310 S CESAR E CHAVEZ	Iglesia del Dios Vivo	Local Commercial	\$119,800	\$500
4330813000	1308 S CESAR E CHAVEZ	Prieto Prop Holding LLC	Local Commercial	\$433,000	\$500
4331001100	1635 W NATIONAL	Badger Mutual Fire Ins Co	Local Commercial	\$948,000	\$500
4331230000	1016 S CESAR E CHAVEZ	El Rey Enterprises	Local Commercial	\$147,000	\$500
4331231000	1014 S CESAR E CHAVEZ	El Rey Enterprises	Local Commercial	\$71,200	\$500
4331232000	1000 S CESAR E CHAVEZ	El Rey Enterprises	Local Commercial	\$383,400	\$500
4331417000	824 S CESAR E CHAVEZ	El Rey Enterprises LLP	Local Commercial	\$181,900	\$500
4331419100	816 S CESAR E CHAVEZ	Jf Drywall LLC	Local Commercial	\$145,000	\$500
4331601000	807 S CESAR E CHAVEZ	Ahn J Lee	Local Commercial	\$178,000	\$500
4331602000	801 S CESAR E CHAVEZ	CFSC Properties LLC	Local Commercial	\$137,000	\$500
4331604000	905 S CESAR E CHAVEZ	Ruelle Family LLC	Local Commercial	\$107,000	\$500

4331605 000	901 S CESAR E CHAVEZ	Aiello Property Inc LLC	Local Commercial	\$205,000	\$500
4331607 000	831 S CESAR E CHAVEZ	Ruben Arce	Local Commercial	\$140,000	\$500
4331608 000	825 S CESAR E CHAVEZ	Juan M Sanchez	Local Commercial	\$177,000	\$500
4331609 000	821 S CESAR E CHAVEZ	Juan J Jimenez	Local Commercial	\$137,000	\$500
4331789 111	1023 S CESAR E CHAVEZ	El Rey Enterprises	Local Commercial	\$539,000	\$500
4331792 000	1033 S CESAR E CHAVEZ	Irma Y Herrera	Local Commercial	\$274,000	\$500
4331793 000	1037 S CESAR E CHAVEZ	El Rey Enterprises	Local Commercial	\$116,400	\$500
4331801 110	1109 S CESAR E CHAVEZ	Manos Holdings South	Local Commercial	\$103,000	\$500
4331807 111	1127 S CESAR E CHAVEZ	Manos Holdings South	Local Commercial	\$905,000	\$500
4331819 110	1207 S CESAR E CHAVEZ	Apple Transport LLC	Local Commercial	\$218,000	\$500
4331821 000	1215 S CESAR E CHAVEZ	El Rey Properties LLC	Local Commercial	\$167,000	\$500
4331822 000	1217 S CESAR E CHAVEZ	Federico Diaz	Local Commercial	\$154,000	\$500
4331823 000	1221 S CESAR E CHAVEZ	Md Property Mgmt LLC	Local Commercial	\$161,000	\$500
4331824 000	1225 S CESAR E CHAVEZ	Dede Properties LLC	Local Commercial	\$94,900	\$500
4331826 000	1235 S CESAR E CHAVEZ	Torrijos LLC	Local Commercial	\$153,000	\$500
4331827 000	1239 S CESAR E CHAVEZ	E. Villarreal Properties	Local Commercial	\$108,000	\$500
4331828 100	1243 S CESAR E CHAVEZ	E. Villarreal Properties	Local Commercial	\$227,000	\$500
4331831 100	1305 S CESAR E CHAVEZ	E. Villarreal Properties	Local Commercial	\$45,300	\$500
4332204 000	1232 S CESAR E CHAVEZ	Miguel Herrera	Local Commercial	\$256,000	\$500
4332205 000	1230 S CESAR E CHAVEZ	Ahmad Hamdan	Local Commercial	\$146,000	\$500
4332207 000	1224 S CESAR E CHAVEZ	Torrijos LLC	Local Commercial	\$149,000	\$500
4332208 000	1216 S CESAR E CHAVEZ	Federico Diaz	Local Commercial	\$234,000	\$500
4332209 000	1214 S CESAR E CHAVEZ	Torrijos LLC	Local Commercial	\$87,500	\$500
4332210 000	1210 S CESAR E CHAVEZ	Luis J Jimenez	Local Commercial	\$11,700	\$500
4332211 000	1208 S CESAR E CHAVEZ	Crystal Bautista	Local Commercial	\$77,000	\$500
4330903 100	1567 W NATIONAL	Brodersen Props Of Milw LLC	Special Mercantile	\$226,000	\$500

4331248 110	1575 W WASHINGTON	Mcdonald's Corp	Special Mercantile	\$513,000	\$500
4331838 112	1337 S CESAR E CHAVEZ	16th Street Community	Special Mercantile	\$284,000	\$500
4332241 000	916 S CESAR E CHAVEZ	El Rey Enterprises LLC	Special Mercantile	\$2,417,000	\$500
4331825 000	1229 S CESAR E CHAVEZ	Adam Wroblewski	Mercantile Apartment	\$91,300	\$-
4331606 000	835 S CESAR E CHAVEZ	Aiello Property Inv Llc	Residential	\$42,500	\$-
4330811 000	1316 S CESAR E CHAVEZ	Iglesia del Dios Vivo	Exempt	\$-	\$-
4331226 112	1032 S CESAR E CHAVEZ	16th Street Community	Exempt	\$-	\$-
4332206 000	1224 S CESAR E CHAVEZ	City Of Milw Ped-Way	Exempt	\$-	\$-

Total	56 Properties— 51 Assessed	\$13,413,500	\$25,500
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Appendix D:

Cesar Chavez Drive BID #38 Board Composition

Name	Position	Term End	Phone	Email
Rosa Chau	Board Member	July 12, 2020	414-416-8503	Rosachdu@gmail.com
Leonardo Gomez	Board Member	June 9, 2020	414-303-4034	Alfonsogomez444@yahoo.com
Nelson Lang	Secretary & Treasurer	May 19, 2020	414-541-5200	Nelson@elreyfoods.com
Pablo Razo	Board Member	April 5, 2020	414-553-2115	Razo_corporation@yahoo.com
Alejandro Rivera	Board Member	March 29, 2020	414-384-4249	Riverasww1@yahoo.com
Chris Rasch	<i>Nominated</i>	----	414-897-5758	Christoper.Rasch@sschc.org
Francisco Bravo	<i>Nominated</i>	----	414-930-1742	FBravo@lisc.org



BID No. 38 Cesar E. Chavez Drive Annual Report

2016 Year in Review

- Continued the beautification program with Tiger Lily and the Adopt-A-Planter
- Launched the 2nd phase of the FARM project
- Installed Cesar Chavez statue in front of El Rey
- Successfully executed a commemorative celebration of Cesar E Chavez with a statue unveiling in March of 2016. About 1000 attendees throughout the day of events. Several media outlets covered the event.
- Hosted Milwaukee's 2nd and 3rd Ciclovía MKE – open streets events that encourage healthy walking and biking and street activation
- Helped facilitate with city and community tours: DeTours, Art Bus, and Mecca
- Unveiled the 1st ever Bublr Bikes station on the drive
- Partnered up with A.W.E., CSNI, and local artist to install a Health Equity Mural on Scott & Chavez
- Started recruiting for new board members for the BID
- Continued promotions of all city services

2017 Year in Review

- Started process of revitalizing BID Board and addressing issues from 2015/2016
- Continued recruiting for new board members for the BID, 5 appointed by July 2017
- Continued the beautification program with Tiger Lily
- Successfully executed a commemorative celebration of Cesar E Chavez Day around the statue in March
- Executed the 5th and 6th Ciclovía MKE – Open Streets. June drew a crowd of over 2,000 people; August drew a crowd between 750-1,000. Over 900 bikes were given away in June. A total of over 40 community organizations and businesses participated this summer. Ciclovía gained some media coverage including TV, radio, and print.
- Implemented inaugural Cesar E. Chavez Drive Artist in Residence starting in July 2017
- Participated in street clean up activities with Sixteenth St. Community Health Center and CSNI
- Public safety meeting in planning process as a result of desire of several business owners on Chavez Drive
- Continued promotions of all city services, connected some businesses to grant opportunities for façade, white-boxing, etc.
- El Rey Property Management took advantage of façade and signage grant through city to modify many of the properties on the 1000 block of Chavez
- Noemi Prieto is in the planning process of updating the façade at 1308 S. Chavez and white boxing the interior using city funds

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38

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Independent Auditor's Report

Board of Directors
Cesar E. Chavez Drive Business Improvement District #38

We have audited the accompanying financial statements of Cesar E. Chavez Drive Business Improvement District #38 which comprise the balance sheets as of December 31, 2014, 2013 and 2012, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cesar E. Chavez Drive Business Improvement District #38 as of December 31, 2014, 2013 and 2012, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America

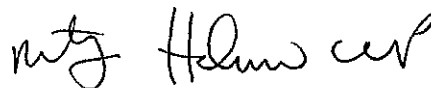
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Milwaukee, WI 53202 f. 414.271.7464
ritzholman.com

Board of Directors
Cesar E. Chavez Drive Business Improvement District #38

Other Matter(s)

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

A handwritten signature in black ink, appearing to read "Ritz Holman", followed by a stylized flourish.

RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
February 16, 2017

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
BALANCE SHEETS
DECEMBER 31, 2014, 2013 AND 2012

	ASSETS		
	2014	2013	2012
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 9,520	\$ 52,150	\$ 85,625
Accounts Receivable	25,000	25,500	---
Prepaid Expenses	---	5,000	---
Total Current Assets	<u>\$ 34,520</u>	<u>\$ 82,650</u>	<u>\$ 85,625</u>
 TOTAL ASSETS	 <u>\$ 34,520</u>	 <u>\$ 82,650</u>	 <u>\$ 85,625</u>
	LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES			
Accounts Payable	\$ 5,600	\$ ---	\$ ---
Total Current Liabilities	<u>\$ 5,600</u>	<u>\$ ---</u>	<u>\$ ---</u>
 NET ASSETS			
Unrestricted	\$ 28,920	\$ 82,650	\$ 85,625
Total Net Assets	<u>\$ 28,920</u>	<u>\$ 82,650</u>	<u>\$ 85,625</u>
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 34,520</u>	 <u>\$ 82,650</u>	 <u>\$ 85,625</u>

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

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012

		Unrestricted	
	2014	2013	2012
REVENUE			
Investment Income	\$ 8	\$ 16	\$ 29
Tax Assessments	25,000	25,500	26,500
Other Revenue	7,074	---	---
Total Revenue	<u>\$ 32,082</u>	<u>\$ 25,516</u>	<u>\$ 26,529</u>
EXPENSES			
Program Services	\$ 60,671	\$ 26,419	\$ 17,581
Management and General	25,141	2,072	3,009
Total Expenses	<u>\$ 85,812</u>	<u>\$ 28,491</u>	<u>\$ 20,590</u>
CHANGE IN NET ASSETS	\$ (53,730)	\$ (2,975)	\$ 5,939
Net Assets, Beginning of Year	<u>82,650</u>	<u>85,625</u>	<u>79,686</u>
NET ASSETS, END OF YEAR	<u><u>\$ 28,920</u></u>	<u><u>\$ 82,650</u></u>	<u><u>\$ 85,625</u></u>

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

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012

	<u>2014</u>	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Change in Net Assets	\$ (53,730)	\$ (2,975)	\$ 5,939
Adjustments to Reconcile Change in Net Assets to			
Net Cash Provided by Operating Activities			
(Increase) Decrease in Accounts Receivable	500	(25,500)	---
(Increase) Decrease in Prepaid Expenses	5,000	(5,000)	---
Increase (Decrease) in Accounts Payable	<u>5,600</u>	<u>---</u>	<u>---</u>
Net Cash (Used) Provided by Operating Activities	<u>\$ (42,630)</u>	<u>\$ (33,475)</u>	<u>\$ 5,939</u>
Net (Decrease) Increase in Cash and Cash Equivalents	\$ (42,630)	\$ (33,475)	\$ 5,939
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>52,150</u>	<u>85,625</u>	<u>79,686</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 9,520</u></u>	<u><u>\$ 52,150</u></u>	<u><u>\$ 85,625</u></u>

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

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014, 2013 AND 2012

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014, 2013 AND 2012

NOTE A - Summary of Significant Accounting Policies

Organization

Cesar E. Chavez Drive Business Improvement District #38 (The "Organization") 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. The Organization's mission is to plan for long-term sustainable growth, foster a premier business and commercial center, provide guidance on financing and incentives, and nurture our community through safety, beautification, and services.

Cesar E. Chavez Drive Business Improvement District #38 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 the Organization have been prepared on the accrual basis of accounting.

Basis of Presentation

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Assets of the restricted classes are created only by donor-imposed restrictions.

At December 31, 2014, 2013 and 2012, the Organization had only unrestricted net assets.

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.

Contributions

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

Estimates

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

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014, 2013 AND 2012

NOTE B - Concentration of Revenue

The Organization receives property assessment income from the City of Milwaukee. The Organization's operations rely on the availability of these funds. During 2014, approximately 78% of the Organization's revenue was from the City of Milwaukee. For the years ended December 31, 2013 and 2012, nearly 100% of the Organization's revenue was from the City of Milwaukee.

NOTE C - Marketing and Advertising

The Organization uses marketing and advertising to promote its programs among the audiences it serves. Marketing and advertising costs are expensed as incurred. Marketing and advertising expense for the years ended December 31, 2014, 2013 and 2012, was \$19,766, \$0 and \$0, respectively.

NOTE D - Assessment Income

In order to provide revenues to support the Organization's mission, the Common Council of the City of Milwaukee enforced an assessment on property located within a specified area of the Cesar E. Chavez Drive area. The assessment is calculated based on the eligible properties as of every fall. The assessment levied on properties was \$500 per parcel of nonresidential property for the years ended December 31, 2014, 2013 and 2012.

NOTE E - Subsequent Events

The Organization has evaluated events and transactions occurring after December 31, 2014, through February 16, 2017, the date the financial statements are available to be issued, for possible adjustments to the financial statements or disclosures. The Organization has determined that no subsequent events need to be disclosed.

CESAR E. CHAVEZ DRIVE BUSINESS IMPROVEMENT DISTRICT #38
SCHEDULES OF FUNCTIONAL EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2014, 2013 AND 2012

	Program Services	Management and General	2014
Management	\$ ---	\$ 24,000	\$ 24,000
Contract Services	5,125	610	5,735
Staffing	14,623	---	14,623
Marketing and Advertising	19,766	---	19,766
Streetscaping and Street Maintenance	20,140	---	20,140
Supplies	---	527	527
Printing	1,017	---	1,017
Miscellaneous	---	4	4
Totals	<u>\$ 60,671</u>	<u>\$ 25,141</u>	<u>\$ 85,812</u>

	Program Services	Management and General	2013
Management	\$ ---	\$ 2,000	\$ 2,000
Streetscaping and Street Maintenance	12,709	---	12,709
Holiday Decorations	2,882	---	2,882
Newsletters	2,960	---	2,960
Meeting Expenses	0	72	72
Miscellaneous	7,868	---	7,868
Totals	<u>\$ 26,419</u>	<u>\$ 2,072</u>	<u>\$ 28,491</u>

	Program Services	Management and General	2012
Management	\$ ---	\$ 2,009	\$ 2,009
Streetscaping and Street Maintenance	1,375	---	1,375
Holiday Decorations	1,085	---	1,085
Security Cameras	12,910	---	12,910
Website	2,211	---	2,211
Meeting Expenses	---	1,000	1,000
Totals	<u>\$ 17,581</u>	<u>\$ 3,009</u>	<u>\$ 20,590</u>

BID #38 (Cesar E. Chavez Drive) Board Member Sheet

Board Organization: 5 to 11, a 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.

<u>Board Member</u>	<u>Title</u>	<u>Start Date</u>	<u>End Date</u>
Leonardo Gomez	Member	06/09/2017	06/09/2020
Rosa Chau	Member	07/12/2017	07/12/2020
Alejandro Rivera	Member	03/29/2017	03/29/2020
Pablo Razo	Member	04/05/2017	04/05/2020
Nelson Lang	Treasurer & Secretary	05/19/2017	05/19/2020