

BUSINESS IMPROVEMENT DISTRICT NO. 35

**Kinnickinnic River Business Improvement District**

**OPERATING PLAN  
2024**

Approved by BID 35 Board:

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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 Created Business Improvement District No 35 (“BID 35”) and approved its initial operating plan via Common Council Resolution No 040877, adopted November 3, 2004.

Since 2004, BID 35 has submitted yearly amended plans adding and modifying its plan objectives as part of its ongoing management and promotion of the district. This amended plan shall govern operation of BID 35 during calendar year 2024.

### **B. Physical Setting**

The BID includes thirteen (13) properties which have river frontage along the Kinnickinnic River, many of which are home to marine related businesses. Boat storage, marine repair, an antique boat restorer, and a marine construction business share the three-block area with a thriving fire restoration business, and other small commercial firms.

## **II. DISTRICT BOUNDARIES**

The BID District is made up of properties that stretch along the Kinnickinnic River banks, bounded by the Becher Street Bridge on the south and the Kinnickinnic Avenue Bridge on the East.

## **III. PROPOSED OPERATING PLAN**

### **A. Plan Objectives**

The Objective of the Kinnickinnic River BID is to maintain and promote the KK-Becher commercial district for the benefit of the members.

### **B. Planned Activities – Year 20**

Principle activities to be engaged in by the district during its eighteenth (18) year of operation will include:

- a) Promote and market the Business Improvement District and the City of Milwaukee.
- b) Maintain the fiscal integrity of BID 35.
- c) Act as an ombudsman for the BID members seeking assistance, change of service from the City, County, State, and Federal agencies.
- d) Initiate positive media coverage regarding the BID district's activities.
- e) Assist the Department of City Development in connection with the Southeast Side Area and Harbor District Comprehensive Plans.
- f) Participate in and coordinate with City, State, and stakeholder efforts to improve and redesign the I-43/94 interchange at West Becher Street. Activities may include participating in meetings and workshops, supporting design and construction efforts, and supporting and/or providing ongoing maintenance such as a private landscaping contract to maintain areas in and around the interchange.

#### C. Planned Expenditures – 2024

Budget:

The expenditures will be financed from funds collected through the BID assessment process, voluntary private contributions, and public grants.

The budget for the BID is as follows:

##### Revenue & Reserves

1. BID Annual Assessment	\$3,647.63
2. Loan Payment Assessment	\$17,226.53
3. Interest Income	\$22.00
4. Cash Reserves (as of 7/31/23)	\$69,251.27

Total Revenue and Reserves	\$90,147.43
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##### Expenses

1. Administration	
a. Office Materials	\$25.00
b. Postage and Filing Fees	\$25.00
2. Professional Fees	
a. Financial Review or Audit	\$2,500.00
3. Miscellaneous (bank fees, etc.)	\$25.00
4. Loan Payment	\$17,226.53
5. Projects	
a. Landscaping Contract	\$5,000.000

Total Expenses

\$25,655.10

#### D. Financing Method

It is proposed to raise \$3,647.63 through BID assessments (Appendix D). 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 will appoint 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 is structured and operates as follows:

1. Board Size – Seven (7)
2. Composition - A majority of Board members shall be owners or occupants of property within the district. Any non-owner or non-occupant of a property within the district 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 BID shall have no employees in the Plan year. To carry out the activities described in the Plan of Operation, the Board will contract for services as needed.
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 Harbor District, Inc.

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

### IV. METHOD OF ASSESSMENT

#### A. Assessment Rate and Method – General Operations

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

The total KK River frontage of properties in the BID is 3,722.17 feet. This plan proposes to assess the property in the district at a rate of \$0.98 per lineal foot of riverfront of each property for general BID operations. Appendix D shows the projected BID assessment for each property included in the district for this purpose.

#### B. Assessment Rate and Method – Loan Repayment

In addition to the funds required for General Operations, it is proposed to raise an additional \$17,226 to be applied to payments of principal and interest in the Plan year as required under the terms of the BID's Promissory Note to the City of Milwaukee dated December 1, 2008. This plan proposes to assess the parcels in the district for this purpose in direct proportion to the percentage of the loan funds that were applied for the benefit of the parcel. Appendix D shows the projected BID assessment for each such parcel for this purpose. Appendix E shows the loan repayment schedule.

#### C. Excluded and Exempt Property

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

1. State Statute 66.1109(1)(f)Im: The district will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this plan because it is assumed that they will benefit from development in the district.

2. State Statute 66.1109(5)(a): Property known to be used exclusively for residential purposes and property exempted from the general property taxes under the State Statute 70.11 will not be assessed; such properties will be identified as BID Exempt Properties in Appendix D, as revised each year.

## **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 district is a means of formalizing and funding the public-private partnership between the City and property owners in the Kinnickinnic River-Becher business 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 expected to play a significant role in the creation of the Business Improvement district and 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. PLAN APPROVAL PROCESS**

### **A. Public Review Process**

The BID statute establishes a specific process for reviewing and approving operating plans. Pursuant to the statutory requirements, the following process will be followed:

1. The BID shall submit its proposed Operating Plan to the Department of City Development.
2. The Community and Economic Development Committee of the Common Council will review the proposed Operating Plan at a public meeting and will make a recommendation to the full Common Council.
3. The Common Council will act on the proposed Operating Plan.
4. If adopted by the Common Council, the proposed Operating Plan is sent to the Mayor for his approval.
5. If approved by the Mayor, this Operating Plan for the BID is approved and the Mayor will appoint new members to the Board to replace Board members approved whose terms have expired or who have resigned.

## **VII. FUTURE YEAR OPERATING PLANS**

### **A. Phased Development**

It is anticipated that the BID will continue to revise and develop the 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.



In later years, the BID Operating Plan will continue to apply the assessment formula, as adjusted, 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).

#### C. Termination of the BID

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 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.

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).

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.

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.

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.

## APPENDIX A - STATUTE

### 66.1109 Business improvement districts.

- (1) In this section:
- (a) "Board" means a business improvement district board appointed under sub. (3)(a).
- (b) "Business improvement district" means an area within a municipality consisting of contiguous parcels and may include railroad rights-of-way, rivers, or highways continuously bounded by the parcels on at least one side, and shall include parcels that are contiguous to the district but that were not included in the original or amended boundaries of the district because the parcels were tax-exempt when the boundaries were determined and such parcels became taxable after the original or amended boundaries of the district were determined.
- (c) "Chief executive officer" means a mayor, city manager, village president or town chairperson.
- (d) "Local legislative body" means a common council, village board of trustees or town board of supervisors.
- (e) "Municipality" means a city, village or town.
- (f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation and promotion of a business improvement district, including all of the following:
1. The special assessment method applicable to the business improvement district.
  - 1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.
  2. The kind, number and location of all proposed expenditures within the business improvement district.
  3. A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.
  4. A description of how the creation of the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.
  5. A legal opinion that subds. 1. to 4. have been complied with.
- (g) "Planning commission" means a plan commission under s. 62.23, or if none a board of public land commissioners, or if none a planning committee of the local legislative body.
- (2) A municipality may create a business improvement district and adopt its operating plan if all of the following are met:
- (a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. (b) has petitioned the municipality for creation of a business improvement district.
- (b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.
- (c) At least 30 days before creation of the business improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed business improvement district and initial operating plan. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the proposed initial operating plan and a copy of a detail map showing the boundaries of the proposed business improvement district shall be sent by certified mail to all owners of real property within the proposed business improvement district. The notice shall state the boundaries of the proposed business improvement district and shall indicate that copies of the proposed initial operating plan are available from the planning commission on request.
- (d) Within 30 days after the hearing under par. (c), the owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan, or the owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan, have not filed a petition with the planning commission protesting the proposed business improvement district or its proposed initial operating plan.

- (e) The local legislative body has voted to adopt the proposed initial operating plan for the municipality.
- (2m)** A municipality may annex territory to an existing business improvement district if all of the following are met:
  - (a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.
  - (b) The planning commission has approved the annexation.
  - (c) At least 30 days before annexation of the territory, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the business improvement district shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.
  - (d) Within 30 days after the hearing under par. (c), the owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan, have not filed a petition with the planning commission protesting the annexation.
- (3)**
  - (a) The chief executive officer shall appoint members to a business improvement district board to implement the operating plan. Board members shall be confirmed by the local legislative body and shall serve staggered terms designated by the local legislative body. The board shall have at least 5 members. A majority of board members shall own or occupy real property in the business improvement district.
  - (b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the business improvement district shall be approved by the local legislative body.
  - (c) The board shall prepare and make available to the public annual reports describing the current status of the business improvement district, including expenditures and revenues. The report shall include one of the following:
    - 1. If the cash balance in the segregated account described under sub. [\(4\)](#) equaled or exceeded \$300,000 at any time during the period covered by the report, the municipality shall obtain an independent certified audit of the implementation of the operating plan.
    - 2. If the cash balance in the segregated account described under sub. [\(4\)](#) was less than \$300,000 at all times during the period covered by the report, the municipality shall obtain a reviewed financial statement for the most recently completed fiscal year. The statement shall be prepared in accordance with generally accepted accounting principles and include a review of the financial statement by an independent certified public accountant.
  - (cg) For calendar years beginning after December 31, 2018, the dollar amount at which a municipality is required to obtain an independent certified audit under par. [\(c\) 1.](#) and the dollar amount at which a municipality is required to obtain a reviewed financial statement under par. [\(c\) 2.](#) shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2017, as determined by the federal department of labor. Each amount that is revised under this paragraph shall be rounded to the

nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10.

- (cr) The municipality shall obtain an additional independent certified audit of the implementation of the operating plan upon termination of the business improvement district.
- (d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all powers necessary or convenient to implement the operating plan, including the power to contract.
- (4) All special assessments received from a business improvement district and all other appropriations by the municipality or other moneys received for the benefit of the business improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than special assessments, to pay the costs of audits and reviewed financial statements required under sub. (3) (c), or on order of the board for the purpose of implementing the operating plan. On termination of the business improvement district by the municipality, all moneys collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the business improvement district, in the same proportion as the last collected special assessment.
- (4g) A municipality may convert a business improvement district under this section into a neighborhood improvement district under s. [66.1110](#) if an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located in the business improvement district petitions the municipality for the conversion. If the municipality approves the petition, the board shall consider and may make changes to the operating plan under s. [66.1110 \(4\) \(b\)](#).
- (4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:
  - (a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.
  - (b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. (c) and unless the business improvement district is not terminated under par. (e).
  - (c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.
  - (d) Within 30 days after the date of hearing under par. (c), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.
  - (e) If after the expiration of 30 days after the date of hearing under par. (c), by petition under this subsection or subsequent notification under par. (d), and after subtracting any retractions under par. (d), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the

operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

**(5)**

- (a)** Real property used exclusively for residential purposes and real property that is exempted from general property taxes under s. [70.11](#) may not be specially assessed for purposes of this section.
- (b)** A municipality may terminate a business improvement district at any time.
- (c)** This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.
- (d)** If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. [70.11](#) or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.

**History:** [1983 a. 184](#); [1989 a. 56](#) s. [258](#); [1999 a. 150](#) s. [539](#); Stats. 1999 s. 66.1109; [2001 a. 85](#); [2017 a. 59](#), [70](#), [189](#).

## APPENDIX B – BID BOARD ROSTER

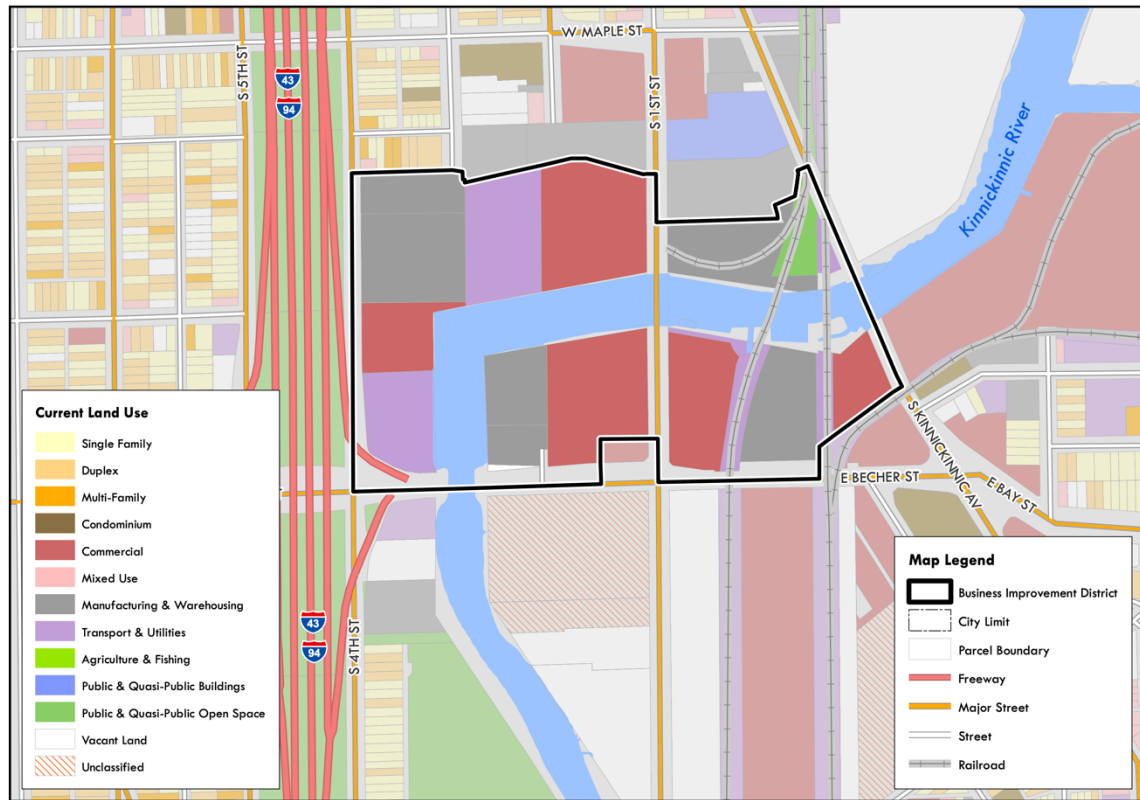
Name	Board Title	Business (if applicable)	Associated BID Property	Term Start	Term End
Dan Adams	Secretary	The Druml Company	2000 S. 4 <sup>th</sup> St.	6/1/2021	6/1/2024
Therese Burkhart		The Druml Company	2000 S. 4 <sup>th</sup> St.	6/1/2021	6/1/2024
Daniel Druml	Chair	The Druml Company	2000 S. 4 <sup>th</sup> St.	6/1/2021	6/1/2024
Darren Miller			2005 S. Kinnickinnic Ave.	9/22/2022	9/22/2025
Steve Looft			2005 S. Kinnickinnic Ave.	8/10/2022	8/10/2025
David Stegeman		Michels	218 W. Becher St.	8/10/2021	8/10/2024

# APPENDIX C – DISTRICT BOUNDARIES

## BID NO. 35: KINNICKINNIC RIVER CITY OF MILWAUKEE

Prepared by the Dept. of City Development Planning Division, 7/6/2017  
Source: City of Milwaukee Information Technology Management Division;  
Dept. of City Development Commercial Corridors Team

0 0.1 0.2 Miles





## APPENDIX D – 2024 ASSESSMENTS

Taxkey	Address	Class	Loan Funds Received	% of \$193,992.50	Loan Payment	Linear Frontage	General Operations Assessment	BID 35 Assessment
4661156000	2003-R S KINNICKINNIC AV	Exempt						
4661157100	1941 S KINNICKINNIC AV	Exempt						
4670105000	138-ADJ E BECHER ST	Exempt						
4671508110	1923-1939 S KINNICKINNIC AV	Exempt						
4678001000	2000 S 1ST ST	Exempt						
4679989113	1958-ADJ S 1ST ST	Exempt						
4661155000	2005 S KINNICKINNIC AV	Local Commercial	\$ -	0.00%	\$ -	162.85	\$ 159.59	\$ 159.59
4670101110	2018 S 1ST ST	Special Mercantile	\$ -	0.00%	\$ -	0.00	\$ -	\$ -
4670103100	138 E BECHER ST	Special Mercantile	\$ 17,246.75	8.89%	\$ 1,531.51	173.00	\$ 169.54	\$ 1,701.05
4670104111	2018-R S 1ST ST	Special Mercantile	\$ 37,331.31	19.24%	\$ 3,315.02	386.52	\$ 378.79	\$ 3,693.81
4671581000	1930 S 4TH ST	Local Commercial	\$ -	0.00%	\$ -	0.00	\$ -	\$ -
4671582000	1966 S 4TH ST	Special Mercantile	\$ -	0.00%	\$ -	0.00	\$ -	\$ -
4671583000	2000 S 4TH ST	Local Commercial	\$ 34,328.93	17.70%	\$ 3,048.41	337.92	\$ 331.16	\$ 3,379.57
4671601000	218 W BECHER ST, Unit 1	Special Mercantile	\$ 9,359.89	4.82%	\$ 831.16	260.55	\$ 255.34	\$ 1,086.50
4671602000	218 W BECHER ST, Unit 2	Special Mercantile	\$ 11,231.87	5.79%	\$ 997.39	312.65	\$ 306.40	\$ 1,303.79
4671603000	218 W BECHER ST, Unit 3	Special Mercantile	\$ 4,679.95	2.41%	\$ 415.58	130.27	\$ 127.66	\$ 543.24
4671604000	218 W BECHER ST, Unit 4	Mercantile Apartments	\$ 3,743.96	1.93%	\$ 332.46	104.22	\$ 102.14	\$ 434.60
4671605000	218 W BECHER ST, Unit 5	Mercantile Apartments	\$ 3,743.96	1.93%	\$ 332.46	104.22	\$ 102.14	\$ 434.60
4671606000	218 W BECHER ST, Unit 6	Special Mercantile	\$ 4,679.95	2.41%	\$ 415.58	130.27	\$ 127.66	\$ 543.24
4679982100	2078 S 4TH ST	Local Commercial	\$ -	0.00%	\$ -	377.71	\$ 370.16	\$ 370.16
4679990110	1958-1970 S 1ST ST	Mercantile Apartments	\$ -	0.00%	\$ -	565.00	\$ 553.70	\$ 553.70
4679992220	1933-R S 1ST ST	Special Mercantile	\$ 67,645.94	34.87%	\$ 6,006.96	676.89	\$ 663.35	\$ 6,670.31
4679992230	1933 S 1ST ST	Special Mercantile	\$ -	0.00%	\$ -	0.00	\$ -	\$ -
			\$ 193,992.51	100.00%	\$ 17,226.53	3,722.07	\$ 3,647.63	\$ 20,874.16

## APPENDIX E – BID 35 LOAN REPAYMENT SCHEDULE

Original Loan Amount:       \$250,000

Interest Rate:               5.5%

### Amortization Schedule

Payment No.	Date	Due	Principal	Interest	Late Fee	Payment	Remaining Balance	Date of Payment
1	4/1/2010	3/31/2011	\$ 5,000.00	\$ 22,244.44		<b>\$ 27,244.44</b>	\$ 245,000.00	10/14/2011
2	4/1/2011	3/31/2012	\$ 15,000.00	\$ 13,062.50		<b>\$ 28,062.50</b>	\$ 230,000.00	7/9/2012
3	4/1/2012	3/31/2013	\$ 15,000.00	\$ 12,237.50		<b>\$ 27,237.50</b>	\$ 215,000.00	4/3/2013
	3/26/2014	3/31/2014	\$ 48,166.45	\$ 2,556.74		<b>\$ 50,723.19</b>	\$ 166,833.55	3/26/2014
4	4/1/2013	3/31/2014	\$ 11,639.55	\$ 8,855.76		<b>\$ 20,495.31</b>	\$ 155,194.00	4/2/2014
5	4/1/2014	3/31/2015	\$ 11,639.55	\$ 8,535.67		<b>\$ 20,175.22</b>	\$ 143,554.45	3/30/2015
6	4/1/2015	3/31/2016	\$ 11,639.55	\$ 7,895.49	\$ 1,245.36	<b>\$ 20,780.40</b>	\$ 131,914.90	6/13/2017
7	4/1/2016	3/31/2017	\$ 11,639.55	\$ 7,255.32	\$ 236.29	<b>\$ 19,131.16</b>	\$ 120,275.35	6/13/2017
8	4/1/2017	3/31/2018	\$ 11,639.55	\$ 6,615.14		<b>\$ 18,254.69</b>	\$ 108,635.80	3/26/2018
9	4/1/2018	3/31/2019	\$ 15,519.40	\$ 5,974.97		<b>\$ 21,494.37</b>	\$ 93,116.40	3/18/2019
10	4/1/2019	3/31/2020	\$ 15,519.40	\$ 5,121.40		<b>\$ 20,640.80</b>	\$ 77,597.00	3/23/2020
11	4/1/2020	3/31/2021	\$ 15,519.40	\$ 4,267.84		<b>\$ 19,787.24</b>	\$ 62,077.60	3/8/2021
12	4/1/2021	3/31/2022	\$ 15,519.40	\$ 3,414.27		<b>\$ 18,933.67</b>	\$ 46,558.20	3/22/2022
13	4/1/2022	3/31/2023	\$ 15,519.40	\$ 2,560.70		<b>\$ 18,080.10</b>	\$ 31,038.80	3/20/2023
14	4/1/2023	3/31/2024	\$ 15,519.40	\$ 1,707.13		<b>\$ 17,226.53</b>	\$ 15,519.40	

**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER**  
**BUSINESS IMPROVEMENT DISTRICT**  
Milwaukee, Wisconsin

**Reviewed Financial Statements**

Years Ended December 31, 2022 and 2021

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## Independent Accountants' Review Report

Board of Directors  
Business Improvement District No. 35  
Kinnickinnic River Business Improvement District  
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of Business Improvement District No. 35 (a nonprofit organization), which comprise the statements of financial position as of December 31, 2022 and 2021, and the related statements of activities and cash flows 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 ("U.S. GAAP"); 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.

### Accountants' 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 U.S. GAAP. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Business Improvement District No. 35 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

### Accountants' Conclusion

Based on our reviews, 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 U.S. GAAP.

*Reilly Penner Benton LLP*

August 25, 2023  
Milwaukee, Wisconsin

**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER BUSINESS IMPROVEMENT DISTRICT**  
Milwaukee, Wisconsin

**Statements of Financial Position**  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and equivalents	\$ 65,344	\$ 63,439
<b>Total assets</b>	<u>\$ 65,344</u>	<u>\$ 63,439</u>
<b>Liabilities and Net Assets (Deficit)</b>		
<b>Current Liabilities:</b>		
Current portion of City of Milwaukee loan	\$ 15,519	\$ 15,519
Accrued interest payable	<u>1,920</u>	<u>2,533</u>
<b>Total current liabilities</b>	<u>17,439</u>	<u>18,052</u>
<b>Noncurrent Liabilities:</b>		
City of Milwaukee loan	<u>31,039</u>	<u>46,558</u>
<b>Total liabilities</b>	<u>48,478</u>	<u>64,610</u>
<b>Net Assets (Deficit):</b>		
Without donor restriction	<u>16,866</u>	<u>(1,171)</u>
<b>Total net assets (deficit)</b>	<u>16,866</u>	<u>(1,171)</u>
<b>Total liabilities and net assets (deficit)</b>	<u>\$ 65,344</u>	<u>\$ 63,439</u>

See Accompanying Notes and  
Independent Accountants' Review Report.

**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER BUSINESS IMPROVEMENT DISTRICT**  
 Milwaukee, Wisconsin

**Statements of Activities**  
 Years Ended December 31, 2022 and 2021

	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Revenues:</b>		
BID operating tax assessment	\$ 22,582	\$ 24,288
Interest income	82	22
<b>Total revenue</b>	<u>22,664</u>	<u>24,310</u>
<b>Expenses:</b>		
<b>Program:</b>		
Interest expense	2,802	3,627
<b>Management and general:</b>		
Dues	25	-
Professional fees	1,800	1,650
<b>Total expenses</b>	<u>4,627</u>	<u>5,277</u>
<b>Change in net assets</b>	18,037	19,033
<b>Net deficit, beginning of year</b>	<u>(1,171)</u>	<u>(20,204)</u>
<b>Net assets (deficit), end of year</b>	<u><u>\$ 16,866</u></u>	<u><u>\$ (1,171)</u></u>

See Accompanying Notes and  
 Independent Accountants' Review Report.

**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER BUSINESS IMPROVEMENT DISTRICT**  
Milwaukee, Wisconsin

**Statements of Cash Flows**  
Years Ended December 31, 2022 and 2021

	<u><b>2022</b></u>	<u><b>2021</b></u>
<b>Cash and Equivalents Provided by Operating Activities:</b>		
Change in net assets	\$ 18,037	\$ 19,033
<b>Adjustments to reconcile change in net assets to net cash and equivalents provided by operating activities:</b>		
<b>Changes in assets and liabilities:</b>		
Accrued interest payable	<u>(613)</u>	<u>(669)</u>
<b>Net cash and equivalents provided by operating activities</b>	<u>17,424</u>	<u>18,364</u>
 <b>Cash and equivalents Used by Financing Activities:</b>		
Payment of City of Milwaukee loan	<u>(15,519)</u>	<u>(15,520)</u>
 <b>Increase in cash and equivalents</b>	<u>1,905</u>	<u>2,844</u>
 <b>Cash and equivalents, beginning of year</b>	<u>63,439</u>	<u>60,595</u>
 <b>Cash and equivalents, end of year</b>	<u><u>\$ 65,344</u></u>	<u><u>\$ 63,439</u></u>
 <b>Supplementary Information:</b>		
Interest paid	<u><u>\$ 3,415</u></u>	<u><u>\$ 4,296</u></u>

See Accompanying Notes and  
Independent Accountants' Review Report.

**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER BUSINESS IMPROVEMENT DISTRICT**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2022 and 2021

**1. Nature of Activities**

The Kinnickinnic River Business Improvement District No. 35 ("BID") was created by the City of Milwaukee pursuant to S. 66.1109 of the Wisconsin State Statutes. The law enables cities to establish Business Improvement Districts for the purpose of allowing businesses within those districts to develop, manage and promote the districts and to establish an assessment method to fund these activities. The BID was created for the purpose of revitalizing and improving the business area on the Kinnickinnic River bordering the 12<sup>th</sup> and the 14<sup>th</sup> Aldermanic Districts on Milwaukee's south side.

**2. Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements for the BID are prepared on the accrual basis; whereby revenues are recognized when earned rather than received and expenses are recognized when incurred rather than when they are paid.

**Basis of Presentation**

Financial statement presentation follows accounting principles generally accepted in the United States of America ("U.S. GAAP"). Under these principles, the BID is required to report information regarding its financial position and activities according to classes of net assets as follows:

**Net assets without donor restrictions** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.

**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 donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. The BID had no net assets with donor restrictions as December 31, 2022 and 2021.

**Cash and Equivalents**

For purposes of the statements of cash flows, the BID considers all demand deposits and other highly liquid investments with an initial maturity of 90 days or less to be cash equivalents.

**Tax-Status**

The BID is considered part of the City of Milwaukee, and as such, is covered under the City of Milwaukee's tax reporting requirements. Therefore, no provision for income taxes has been included in these financial statements.



**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER BUSINESS IMPROVEMENT DISTRICT**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2022 and 2021  
(Continued)

**2. Summary of Significant Accounting Policies (continued)**

**Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Revenue Recognition**

Substantially all of the BID's revenues are derived from a City of Milwaukee assessment charged to property owners within the BID's boundaries. Revenue from these assessments is recognized in the year they are received, which corresponds to the year in which the assessments are expected to be used to support the BID's operations.

**Allocation of Functional Expenses**

Costs have been detailed by function on the statement of activities, and directly allocated among the functions based upon use of those costs.

**Subsequent Events**

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (August 25, 2023). There were no subsequent events that required recognition or disclosure.

**3. River Revitalization Project**

The BID received support from the City of Milwaukee in the form of a \$250,000 grant and a \$250,000 loan to perform a river revitalization project along the Kinnickinnic (KK) River. The KK River Sediment Remediation Project (project) is a major environmental remediation effort providing for the dredging of contaminated solids from the KK River within the boundaries of the BID and includes the construction of shoreline protection on the banks of the KK River. The project was completed in 2009. See note 5 for additional loan information.

**4. Concentrations**

**Revenue**

Substantially all of the BID's revenues are derived from a City of Milwaukee assessment charged to property owners within the BID's boundaries.

**BUSINESS IMPROVEMENT DISTRICT No. 35**  
**KINNICKINNIC RIVER BUSINESS IMPROVEMENT DISTRICT**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2022 and 2021  
(Continued)

**5. City of Milwaukee Loan**

In conjunction with the River Revitalization Project, the BID entered into a loan agreement with the City of Milwaukee for a loan in the amount of \$250,000. The loan bears interest at a rate of 5.50%, and is unsecured. Interest incurred on the loan for the years ended December 31, 2022 and 2021 amounted to \$2,802 and \$3,627, respectively. The loan requires principal and interest payments to occur on March 31 of each year commencing on April 30, 2011, and ending with the final loan repayment on March 31, 2025. The loan balance amounted to \$46,558 and \$62,077 as of December 31, 2022 and 2021, respectively. Future required principal payments under the terms of the loan agreement are due as follows:

<u>Years</u>	<u>Amount</u>
2023	15,519
2024	15,519
2025	15,520
<b>Total</b>	<b>\$ 46,558</b>

**6. Liquidity and Availability**

Financial assets available for general expenditure and current contractual obligations, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following at December 31:

	<u>2022</u>	<u>2021</u>
Cash	\$ 65,344	\$ 63,439
<b>Financial assets available to meet general expenditures and current contractual obligations within one year</b>	<b>\$ 65,344</b>	<b>\$ 63,439</b>

The BID receives a City of Milwaukee assessment in the first quarter of the year which is adequate to cover the expenses and debt payment during the year.