

BUSINESS IMPROVEMENT DISTRICT NO. 26

MENOMONEE VALLEY BID

PROPOSED 2017-18 OPERATING PLAN



August 15, 2017

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## **I. INTRODUCTION**

### **A. Background**

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

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

### **B. Physical Setting**

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

### **C. District Boundaries**

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

## **II. OPERATING PLAN OBJECTIVES**

### **A. 2017-18 Plan Objectives**

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

- B. Large-scale activities to be engaged in by the district during its 2017-18 fiscal year of operation will include:**
- a. Implement the Menomonee Valley’s First Valley Week which will include an impressive list of events that will engage employees and help the community experience much of what our great business district has to offer.
  - b. Collaborate with the City of Milwaukee to begin the development plan for the Menomonee Valley RiverWalk. The RiverWalk will be a great amenity that adds additional walkable and pedestrian friendly access to connect sites in the Valley.
  - c. Facilitate redevelopment of vacant parcels by conducting a Valley Design Charrette that will focus on 6 development areas (We Energies, St. Mary’s Cement, Kneeland Properties, City Lights area, Guiffre Properties and W. St.Paul Ave.). The goals of the Charrette are to ensure that future development of more than 40 acres of land follows the concepts envisioned in the Menomonee Valley 2.0 Plan and encourages development for steam users. Our project partner

is UWM, along with several local architecture firms. We are slated to host the charrette in the Fall.

- d. Finalize the St. Paul Industrial Historic District Nomination and begin the fundraising campaign to cover the costs for the nomination, streetscaping, the design charrette, and other work on the street.
- e. MVP will continue to partner with MetroGo, MCTS, SEWPC and Employ Milwaukee to conduct workforce and transportation planning to aid in providing solutions and resources for transit issues that exist in the Menomonee Valley. Our project partners will aid us analyzing data, map employers, job creation, and help in determining if transit solutions exist.
- f. Grow the Menomonee Valley brand by placing emphasis on the creation of gateway signage, a new website, streetscaping, co-marketing between Valley businesses, and spreading information to employees that help to shape the overall Valley image.
- g. Facilitate and create awareness of existing and new transportation options throughout the Menomonee Valley that optimizes vehicle, public transit, bicycle and pedestrian access, thus ensuring that Valley businesses are accessible to the surrounding workforce.
- h. The Sustainable Design Guidelines are being updated for the first time since they were adopted in 2004, to ensure they are in keeping with current design standards and work with the goals for development sites in the Valley 2.0 Plan. They will also be updated to reflect plans for Riverwalk development, encourage use of steam at the east end of the Valley, and anticipate needs of food and beverage manufacturing.
- i. Develop a case study of Standard Electric's site to truth cost related to redevelopment of sites such as soil conditions, piles and so on. This will aid us in understanding the types of subsidies needed to make vacant parcels marketable on the Valley's east end.
- j. Market the Menomonee Valley to the surrounding community by conducting year-round events such as the Urban Candlelight Hike to engage Valley employees, area residents and visitors to discover and explore the opportunities directly in the Valley year round.
- k. Support the 100+ employers of the Menomonee Valley by developing workforce strategies to help employers build a pipeline to new workers, retain current workers and gain better connections to the local workforce surrounding the Menomonee Valley.
- l. Expand Menomonee Valley Career Days Program to not only include manufacturing and engineering programming but to include various sectors that are found in the Menomonee Valley like trades, I.T. and culinary.
- m. Facilitate conversations amongst Bruce, Virginia and Pierce businesses to ensure that we are meeting their needs as set forth in the Menomonee Valley 2.0 plan.
- n. Facilitate streetscapeing and create solutions to parking issues along the Valley's West end and St. Paul Ave. corridor.

C. Routine activities to be engaged in by the district during its 2017-18 fiscal year of operation will include:

- a. Recruit quality tenants to the District with a focus on St. Paul Ave. and Reed Street Yards that will provide family supporting jobs and contribute to the Milwaukee economy.
- b. Maintain effective, ongoing communication and coordination with Valley stakeholders, the real estate and development community and other government officials and business leaders involved in business recruitment and retention activities.
- c. Promote the construction of catalytic infrastructure projects to allow access to priority redevelopment areas and underutilized development sites.
- d. Facilitate the development of business resources for companies operating throughout the district.

- e. Provide improvements, resources and services for improving the aesthetic appearance of St. Paul Ave through the St. Paul Exterior Enhancements Grant.
- f. Continue to update and implement the Menomonee Valley 2.0 Plan and the Menomonee Valley Strategic Plan.
- g. Negotiate on behalf of the District with the City of Milwaukee, Wisconsin Department of Natural Resources, Department of Transportation, and other local, state and federal agencies with jurisdiction to the Menomonee Valley.
- h. Implement the ongoing Graffiti Removal Program in the District whereby properties within the District boundary will be eligible to have graffiti removed at a minimal cost.
- i. Develop new strategies to develop safety ways to communicate safety needs throughout the Menomonee Valley by improving the overall safety and neighborhood relations for all areas of the Menomonee Valley.
- j. Collaborate with Valley businesses to develop and provide exceptional business services to companies through resource provision, training, and direct programming along the Hank Aaron State Trail.
- k. Organize and provide support to the “Stew Crew” teams of volunteers from Valley companies in their efforts to keep Valley public areas well maintained and remove invasive species along the Hank Aaron State Trail.
- l. Administrative activities including, but not limited to, securing an independent certified audit, securing insurance for the activities of the District Board, and complying with the open meeting law, Subchapter V of Chapter 19 of the Wisconsin Statutes.

**III. PROPOSED DISTRICT BUDGET**

INCOME

2017 Special Assessments.....	\$ 175,784.45
Menomonee Valley Business Association dues.....	\$500.00
<b>Total Income.....</b>	<b>\$176,284.45</b>

EXPENSES

Annual contract with Menomonee Valley Partners, Inc., a 501 (c)(3) organization, to assist in staffing and implementation of activities outlined above .....	\$125,000.00
St. Paul Enhancement Grant.....	\$25,000.00
Workforce Development Programming.....	\$3,000.00
Marketing/Website Development.....	\$2,500.00
Friends of the Hank Aaron State Trail Run/Walk.....	\$2,000.00
Valley Week.....	\$2,500.00
Design Consultant Services (Riverwalk and Gateway Signage).....	\$5,000.00

End of Year Meeting.....	\$1,500.00
Graffiti Removal.....	\$2,000.00
Valley Maintenance.....	\$2,000.00
Insurance.....	\$1,300.00
Milwaukee Road Monument.....	\$5,000.00
Audit .....	\$2,000.00
<b>Total Expenses.....</b>	<b>\$ 178,800.00</b>
 NET ASSETS at June 30, 2017 .....	 <b>\$149,435.95</b>

It is proposed to raise \$176,284.45 through BID assessments and fees collected (see Appendix B). The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

**IV. ORGANIZATION OF DISTRICT BOARD**

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

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

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

1. Board Size – Nine
2. Composition – The majority of members shall be owners or occupants of property within the district. Any non-owner or non-occupant appointed to the board shall be a resident of the City of Milwaukee. The board shall elect its Chairperson from among its members.
3. Term - Appointments to the board shall be for a period of three years.
4. Compensation – None
5. Meetings - All meetings of the board shall be governed by the Wisconsin Open Meetings Law.
6. Record Keeping - Files and records of the board's affairs shall be kept pursuant to public record requirements.

7. Staffing - The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings - The board shall meet regularly, at least twice each year. The board shall follow rules of order (“by laws”) to govern the conduct of its meetings.

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

The primary responsibility of the BID will be the implementation of the operating plan in accordance to the needs of the district. The current 2017-18 BID Board is represented by the following members:

***Chairman:***

John Brennan  
J.M. Brennan, Inc.  
johnb@jmbrennan.com

David Brien  
Potawatomi Hotel & Casino  
dbrien@paysbig.com

***Vice-Chair:***

Larry Stern  
Standard Electric Supply Company  
lstern@standardelectricsupply.com

Art Downey  
Taylor Dynamometer  
artd@taylordyno.com

***Treasurer:***

Jeff Morgan  
Allied Insulation Supply Co.  
jmorgan@alliedinsulation.com

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

Dan Sterk  
Rexnord Industries  
Dan.Sterk@rexnord.com

## V. METHOD OF ASSESMENT

### A. Assessment Rate and Method

To support the District Board’s budget for calendar year 2017, the City of Milwaukee shall levy in 2016 and carry into the tax rolls for inclusion in tax bills to be sent out in December 2017 special assessments on all properties in the District subject to special assessment. Property that is not tax-exempt shall be included in the property subject to special assessment. The District Board uses a special assessment formula, whereby each tax key number parcel is assessed the rate of \$1.65 per \$1,000 in assessed property value, subject to a minimum assessment per tax key number parcel of \$400 and a maximum assessment per tax key number parcel of \$4,000.

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID.

Therefore, a fixed assessment rate based on the assessed value of the property was selected as the basic assessment methodology for this BID.

However, maintaining an equitable relationship between the BID assessment and the expected benefits requires an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$4,000 per parcel will be applied, and a minimum assessment of \$400 per parcel will be applied.

As of January 1, 2017, the property in the proposed district had a total assessed value of more than \$215.5 million. This plan proposed to assess the property in the district at a rate of \$1.65 per \$1,000.00 of assessed value, subject to the maximum and minimum assessments, for the purposes of the BID.

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

#### B. Excluded and Exempt Property

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

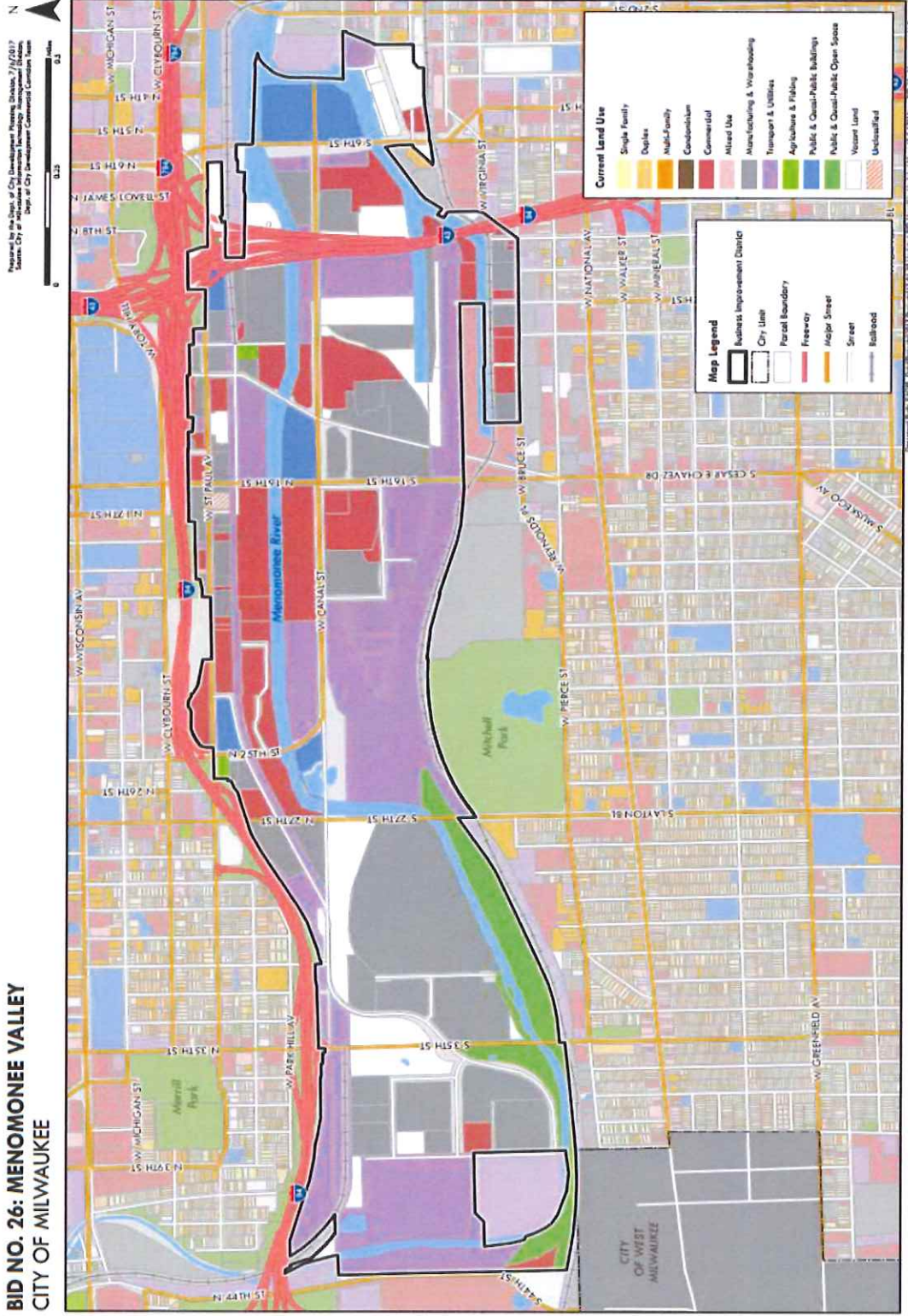
1. State Statute 66.1109(1) (f) Im: The district will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this plan because it is assumed that they will benefit from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



APPENDICES

- A. DISTRICT BOUNDARIES
- B. 2017 PROJECTED ASSESSMENTS
- C. 2016 AUDIT

APPENDIX A: DISTRICT BOUNDARIES



**APPENDIX B: 2017 PROJECTED ASSESSMENTS, SORTED BY TAX KEY**

<b>Taxkey</b>	<b>Property Class</b>	<b>Address</b>	<b>Owner 1</b>	<b>Total ASMT</b>	<b>BID #26 ASMT</b>
3611587116	Exempt	701 W ST PAUL	STATE OF WISCONSIN	0	0
3611611110	Exempt	809 W ST PAUL	MILWAUKEE COUNTY	0	0
3611617200	Exempt	651 W ST PAUL	CITY OF MILWAUKEE	0	0
3612141000	Exempt	260 N 12TH	CITY OF MILW REDEV AUTH	0	0
3612142000	Exempt	907 W HINMAN	STATE OF WISCONSIN	0	0
3612143000	Exempt	825 W HINMAN	CITY OF MILW REDEV AUTH	0	0
3970001113	Local Commercial	126 N 6TH	HD MILW LLC	12005000	4000
3978006000	Exempt	216 N 6TH	CITY OF MILWAUKEE	0	0
3980181100	Manufacturing	1118 W ST PAUL	JRB VIII LLC	64100	400
3980184100	Exempt	940 W ST PAUL	STATE OF WISCONSIN DEPT OF	0	0
3980303110	Special Mercantile	712 W CANAL	ST MARY'S CEMENT INC	1632000	2692.8
3980305112	Local Commercial	880 W CANAL	ST MARY'S CEMENT	117000	400
3980403100	Manufacturing	324 N 12TH	JRB VIII LLC	1718900	2836.19
3980405112	Exempt	1027 W ST PAUL	STATE OF WISCONSIN	0	0
3980406200	Exempt	825 W ST PAUL	MILWAUKEE COUNTY	0	0
3980410100	Exempt	270 N 12TH	SOO LINE RAILROAD COMPANY	0	0
3980411111	Exempt	1056 W CANAL	WISCONSIN ELECTRIC POWER CO	0	0
3980698100	Local Commercial	1505 W ST PAUL	CREAM CITY YARDS LLC	353700	583.61
3980700100	Local Commercial	1601 W ST PAUL	CREAM CITY YARDS LLC	107000	400
3980702000	Local Commercial	1635 W ST PAUL	CALEDONIA PROPS 1635 LLC	672700	1109.96
3980705110	Manufacturing	1701 W ST PAUL	STONE PROPERTIES LLC	435200	718.08
3980705120	Local Commercial	1719 W ST PAUL	GARNET ABRASIVE & WATER	191000	400
3980707000	Local Commercial	1739 W ST PAUL	PATRICIA J OLIVOTTI TRUSTEE	318000	524.7
3980713000	Local Commercial	1925 W ST PAUL	HENRY ALBERT & SANDRA ALBERT	256000	422.4

3980803112	Manufacturing	405 N 12TH	CR INTERNATIONAL INC	1136000	1874.4
3980803210	Exempt	404 N 13TH	MILWAUKEE COUNTY	0	0
3980805000	Special Mercantile	315 N 12TH	ANCHOR ENTERPRISES II	689400	1137.51
3980903100	Exempt	1313 W MT VERNON	CITY OF MILWAUKEE	0	0
3980904000	Exempt	1301 W MT VERNON	CITY OF MILWAUKEE	0	0
3980906111	Local Commercial	1601 W MT VERNON	GIUFFRE I LLC	1373100	2265.62
3980917110	Exempt	1540 W CANAL	CITY OF MILWAUKEE	0	0
3980920110	Exempt	1818 W CANAL	MARQUETTE UNIVERSITY	0	0
3981211000	Local Commercial	1108 W CANAL	WISCONSIN ELECTRIC POWER CO	37900	400
3981212110	Local Commercial	1200 W CANAL	CANAL STREET YACHT CLUB LLC	806000	1329.9
3981221100	Local Commercial	131 N 6TH	H D MILW LLC	677282	1117.52
3981231000	Special Mercantile	222 N EMMER	STANDARD ELECTRIC SUPPLY CO	965000	1592.25
3981232100	Manufacturing	254 N EMMER	481DA LLC	672200	1109.13
3981241000	Local Commercial	272 N 12TH	MYRIAD PROPERTY GROUP LLC	654000	1079.1
3981242000	Special Mercantile	250 N 12TH	ASTOR APTS LTD PTN	3578000	4000
3981261000	Local Commercial	1205 W MT VERNON	MV3, LLC	620000	1023
3990013110	Manufacturing	1610 W ST PAUL	WISC INVESTMENT CO LLC	892300	1472.3
3990026000	Manufacturing	1500 W ST PAUL	MONITOR CORP	485100	800.42
3990213111	Local Commercial	1922 W ST PAUL	1922 WEST ST PAUL LLC	70300	400
3990215110	Manufacturing	1906 W ST PAUL	RML HOLDINGS LLC	131000	400
3990229110	Local Commercial	1816 W ST PAUL	PAIN ENTERPRISES INC	217000	400
3990231111	Local Commercial	1800 W ST PAUL	LCM FUNDS 30 ST PAUL LLC	34000	400
3990271000	Local Commercial	1900 W ST PAUL	SOBELMANS 1900 LLC	291000	480.15
3990272000	Local Commercial	1902 W ST PAUL	YVONNE M ZAFFIRO IRR	22000	400
3990281100	Local Commercial	1300 W CANAL	CANAL ST LLC	1621000	2674.65
3990291000	Special Mercantile	1741 W ST PAUL	LCM FUNDS 30 ST PAUL LLC	750000	1237.5
3990292000	Special Mercantile	1907 W ST PAUL	HENRY ALBERT &	271000	447.15

3990311000	Local Commercial	422 N 15TH	CCK PROPERTIES III LLC	301000	496.65
3990312000	Local Commercial	1418 W ST PAUL	PRUNE LLC	647400	1068.21
3998001000	Exempt	144 N EMMBER	CITY OF MILWAUKEE	0	0
3998002000	Exempt	150 N 16TH	CITY OF MILWAUKEE	0	0
3999984000	Exempt	1719 W ST PAUL	SOO LINE RAILROAD COMPANY	0	0
3999988200	Exempt	1418 W ST PAUL	MILWAUKEE COUNTY	0	0
3999990100	Manufacturing	1410 W ST PAUL	CR INTERNATIONAL INC	88100	400
3999991100	Manufacturing	407 N 13TH	CR INTERNATIONAL INC	1101500	1817.48
3999991200	Exempt	421 N 13TH	MILWAUKEE COUNTY	0	0
3999996000	Exempt	301 N 13TH	SOO LINE RAILROAD COMPANY	0	0
3999997100	Local Commercial	1357 W ST PAUL	1435 CORPORATION	198800	400
3999997200	Special Mercantile	324 N 15TH	READCO	553000	912.45
3999999110	Local Commercial	313 N 13TH	MARQUETTE UNIVERSITY	2472000	4000
4000401110	Local Commercial	2501 W ST PAUL	DOGS WORLD LLC	347000	572.55
4000774110	Special Mercantile	2326 W ST PAUL	2326 LLC	1189200	1962.18
4000784110	Local Commercial	2015 W ST PAUL	HENRY ALBERT & SANDRA ALBERT	541000	892.65
4000786110	Local Commercial	2033 W ST PAUL	RET PROPERTY DEVELOPEMENT LL	454000	749.1
4000788100	Local Commercial	2045 W ST PAUL	KI 2045 W. ST PAUL AVE LLC	338000	557.7
4000789110	Local Commercial	2101 W ST PAUL	BRENNAN FAMILY	2454000	4000
4000931000	Exempt	2142 W CANAL	CITY OF MILWAUKEE	0	0
4000971000	Local Commercial	2122 W MT VERNON	GIUFFRE VIII LLC	5171000	4000
4000972000	Local Commercial	2215 W MT VERNON	GIUFFRE VIII LLC	965000	1592.25
4009990000	Local Commercial	321 N 25TH	ALMACEN DEVELOPMENT LLC	262000	432.3
4009991110	Local Commercial	305 N 25TH	ALMACEN DEVELOPMENT LLC	404000	666.6
4009991213	Exempt	2612 W GREVES	CITY OF MILWAUKEE	0	0
4009991215	Special Mercantile	2612 W GREVES	2612 GREVES LLC	1070000	1765.5
4009992000	Exempt	2401 W ST PAUL	SOO LINE RAILROAD COMPANY	0	0
4009995115	Exempt	2401 W ST PAUL	WIS DEPT OF	0	0

			TRANSPORTATION		
4009995118	Special Mercantile	2001 W MT VERNON	GIUFFRE I LLC	640000	1056
4009998111	Manufacturing	2615 W GREVES	DIEDRICH ACQUISITIONS LLC	1094800	1806.42
4009999221	Exempt	199 N 25TH	MILWAUKEE METROPOLITAN	0	0
4010403120	Exempt	3200 W CANAL	WISCONSIN ELECTRIC POWER CO	0	0
4010406100	Exempt	104 N 32ND	WISCONSIN ELECTRIC POWER CO	0	0
4010407200	Exempt	100 N 32ND	MILWAUKEE COUNTY	0	0
4010409111	Exempt	3002 W CANAL	CITY OF MILWAUKEE	0	0
4011238000	Exempt	218 N 29TH	WISCONSIN ELECTRIC POWER CO	0	0
4011249110	Exempt	2928 W GREVES	WISCONSIN ELECTRIC POWER CO	0	0
4011401113	Exempt	2702 W GREVES	STATE OF WISCONSIN		0
4011703100	Exempt	3300 W CANAL	WISCONSIN ELECTRIC POWER CO	0	0
4011703200	Exempt	3400 W CANAL	MILWAUKEE COUNTY	0	0
4011705000	Exempt	3429 W STEVENSON	MILWAUKEE COUNTY	0	0
4019998000	Exempt	2615 W GREVES	SOO LINE RAILROAD COMPANY	0	0
4019999110	Manufacturing	123 N 27TH	THIELE TANNING CO	609300	1005.35
4020026000	Exempt	3520 W CANAL	MILWAUKEE COUNTY	0	0
4020718100	Exempt	4000 W CANAL	WISCONSIN ELECTRIC POWER CO	0	0
4020902110	Exempt	200 N 44TH	STATE OF WIS DEPT OF	0	0
4230001000	Local Commercial	600 S 44TH	JOHN F STIMAC JR	514800	849.42
4230012000	Exempt	212 S 36TH	CITY OF MILW REDEV AUTH	0	0
4230014000	Manufacturing	3880 W MILWAUKEE	MULHANEY PROPERTIES LLC	1523000	2512.95
4230016000	Special Mercantile	3883 W MILWAUKEE	CALEFFI NORTH AMERICA INC	2600000	4000
4230021000	Manufacturing	3630 W WHEELHOUSE	VALTAY LLC	2880800	4000
4230031000	Special Mercantile	3800 W CANAL	HSI INDUSTRIAL I LLC	7535000	4000
4230032000	Manufacturing	3757 W MILWAUKEE	INGETEAM INC	7012900	4000
4230041000	Exempt	3889 W WHEELHOUSE	REDEVELOPMENT AUTHORITY	0	0
4230042000	Manufacturing	3754 W	CAM-JWM LLC	10844800	4000

		MILWAUKEE			
4230051000	Manufacturing	3880 W WHEELHOUSE	53RD STREET IP LLC	3453000	4000
4230052000	Exempt	3760 W WHEELHOUSE	CITY OF MILWAUKEE REDEV AUTH	0	0
4230053000	Exempt	3910 W WHEELHOUSE	CITY OF MILWAUKEE REDEV AUTH	0	0
4239999013	Exempt	101 S 35TH	SOO LINE RAILROAD COMPANY	0	0
4239999017	Exempt	400 S 44TH	THE SE WI PROFESSIONAL	0	0
4240311100	Manufacturing	3301 W CANAL	PALERMOS PROPERTIES , LLC	14471400	4000
4240321000	Manufacturing	185 S 33RD	BRIOHN VENTURES III LLC	3227300	4000
4240322000	Special Mercantile	3340 W ROUNDHOUSE	TRIONY MILWAUKEE LLC	5373000	4000
4240331000	Exempt	3711 W CANAL	CITY OF MILWAUKEE REDEV AUTH	0	0
4240332000	Exempt	500 S 33RD	CITY OF MILWAUKEE REDEV AUTH	0	0
4240333000	Exempt	400 S LAYTON	CITY OF MILWAUKEE REDEV AUTH	0	0
4249998111	Manufacturing	3001 W CANAL	REXNORD INDUSTIES LLC	9523600	4000
4249999400	Exempt	3402 W CANAL	CITY OF MILWAUKEE	0	0
4249999410	Exempt	2951 W CANAL	CITY OF MILWAUKEE	0	0
4250001000	Local Commercial	2005 W POTAWATOMI	FOREST COUNTY POTAWATOMI	806300	1330.4
4250002000	Local Commercial	2011 W POTAWATOMI	FOREST COUNTY POTAWATOMI	175800	400
4250003000	Local Commercial	2017 W POTAWATOMI	FOREST COUNTY POTAWATOMI	160000	400
4259981111	Exempt	2601 W CANAL	SOO LINE RAILROAD COMPANY	0	0
4260022100	Manufacturing	210 S EMMBER	ALDRICH CHEMICAL CO INC	1117800	1844.37
4260033120	Manufacturing	219 S EMMBER	EMMPACK FOODS INC	2772400	4000
4260061110	Local Commercial	1513 W CANAL	FOREST COUNTY POTAWATOMI	532000	877.8
4260071113	Local Commercial	1901 W CANAL	FOREST COUNTY POTAWATOMI	2733000	4000
4260072110	Local Commercial	1850 W POTAWATOMI	FOREST COUNTY POTAWATOMI	195000	400
4260111000	Special Mercantile	1611 W CANAL	FOREST COUNTY POTAWATOMI	59500000	4000
4260112000	Exempt	1721 W CANAL	US OF AMERICA IN TRUST FBO	0	0
4260131000	Local Commercial	104 S EMMBER	PFC INC	100000	400

4260132100	Special Mercantile	1207 W CANAL	ZIEGLER BENCE PARTNERS 5 LLC	8467000	4000
4260132200	Special Mercantile	1205 W CANAL	WISCONSIN ELECTRIC POWER CO	467500	771.38
4260133000	Manufacturing	320 S EMMBER	EMMPACK FOODS INC	940700	1552.16
4260141000	Local Commercial	320 S 19TH	FOREST COUNTY POTAWATOMI	35891000	4000
4269934122	Exempt	1702 W BRUCE	SOO LINE RAILROAD COMPANY	0	0
4269958112	Local Commercial	301 S 19TH	FOREST COUNTY POTAWATOMI	386700	638.06
4269958200	Local Commercial	1916 W POTAWATOMI	FOREST COUNTY POTAWATOMI	14900	400
4269965111	Exempt	520 S MUSKEGO	SOO LINE RAILROAD COMPANY	0	0
4269965112	Local Commercial	500 S MUSKEGO	SOO LINE RAILROAD COMPANY	325000	536.25
4269985000	Manufacturing	1400 W BRUCE	MID-CITY FOUNDRY CO	328600	542.19
4269986000	Special Mercantile	1304 W BRUCE	GRAYMONT WESTERN LIME INC	738000	1217.7
4270101100	Local Commercial	754 W VIRGINIA	754 PARKING LLC	211800	400
4270103100	Special Mercantile	800 W VIRGINIA	LCM FUNDS 21 BOTTLING	29900	400
4270103210	Exempt	800 W VIRGINIA	MILWAUKEE COUNTY	0	0
4270103220	Exempt	840 W VIRGINIA	CITY OF MILWAUKEE	0	0
4270104100	Special Mercantile	840 W VIRGINIA	AHMED A KAHIN	302500	499.13
4270203111	Local Commercial	131 S 7TH	WISCONSIN ELECTRIC POWER CO	352800	582.12
4270203120	Exempt	833 W CANAL	STATE OF WI	0	0
4270204000	Exempt	800 W VIRGINIA	SOO LINE RAILROAD COMPANY	0	0
4270207100	Local Commercial	754 W VIRGINIA	BERNARD KLEIN	124200	400
4270210111	Exempt	902 W BRUCE	SOO LINE RAILROAD COMPANY	0	0
4270210112	Local Commercial	904 W BRUCE	SOO LINE RAILROAD COMPANY	57400	400
4270401110	Special Mercantile	920 W BRUCE	ARCHER-DANIELS- MIDLAND CO	625000	1031.25
4270403100	Exempt	1019 W CANAL	WISCONSIN ELECTRIC POWER CO	0	0
4270406110	Special Mercantile	1135 W CANAL	WISCONSIN ELECTRIC POWER CO	40000	400
4270409121	Special Mercantile	1201 W CANAL	RNC CANAL ST PROPERTY LLC	1958000	3230.7



4270411110	Exempt	1102 W BRUCE	SOO LINE RAILROAD COMPANY	0	0
4270411120	Local Commercial	1104 W BRUCE	SOO LINE RAILROAD COMPANY	294300	485.6
4270417110	Local Commercial	450 S 11TH	TRIPLE S AUTO PARTS INC	164500	400
4270418100	Special Mercantile	470 S 11TH	KIN TRUCKING LLC	141300	400
4270422100	Local Commercial	902 W BRUCE	CRUZ M ACOSTA PEDROZA	36800	400
4270422200	Local Commercial	904 W BRUCE	DOMINGO MUNOZ	58000	400
4270425000	Local Commercial	1102 W BRUCE	AKSS, LLC	611000	1008.15
4270426000	Local Commercial	1134 W BRUCE	BERNARD KLEIN	206200	400
4270427000	Special Mercantile	1230 W BRUCE	BRUCE STREET PROPERTIES LLC	604000	996.6
4270531100	Local Commercial	143 S 6TH	H D MILW LLC	761500	1256.48
4270541000	Local Commercial	841 W CANAL	WISCONSIN ELECTRIC POWER CO	412200	680.13
4270542111	Special Mercantile	643 W CANAL	LONE STAR INDUSTRIES AKA	2400000	3960
4270571100	Local Commercial	530 S 11TH	JNA INVESTMENT	367000	605.55
4270581000	Exempt	521 S 9TH	THE COMMUNITY WAREHOUSE INC	0	0
4270582000	Local Commercial	1000 W BRUCE	RIVER FUTURES LLC	299000	493.35
4270591000	Mercantile Apartment	615 W FRESHWATER	BUILDING 41 LLC	423000	697.95
4281021000	Special Mercantile	310 W FRESHWATER	BUILDING 41 LLC	995300	1642.25
4281024000	Special Mercantile	330 W FRESHWATER	BUILDING 41 LLC	55700	400
4281051000	Special Mercantile	360 W FRESHWATER	BUILDING 41 LLC	228900	400
4281052000	Special Mercantile	432 W FRESHWATER	BUILDING 41 LLC	857400	1414.71
4281061000	Special Mercantile	425 W FRESHWATER	BUILDING 41 LLC	1846100	3046.07
4281062000	Special Mercantile	511 W FRESHWATER	C.D. SMITH CONSTRUCTION INC	15863000	4000
4288001000	Exempt	200 S 6TH	CITY OF MILWAUKEE	0	0
4310312000	Exempt	500 S 35TH	CITY OF MILWA REDEV AUTH	0	0
				215547400	175784.45



Appendix C: Certified Audit (attached)



## Annual Report

### Business Improvement District #26 2016-17 Annual Report

The Menomonee Valley Business Improvement District (BID #26) Board of Directors adopted its 2016-17 Operating Plan in July of 2016. The following administrative actions occurred in this program year:

#### **Board of Directors**

In the 2016-17 year, John Brennan, Art Downey and Jeff Morgan were all reappointed to the board for another term. The leadership of BID #26 is as follows; John Brennan – President, Larry Stern – Vice-President, John Jennings – Treasurer, N/A – Secretary, David Brien – Member at Large, Art Downey – Member at Large, Jeffrey Morgan – Member at Large, Joyce Koker – Member at Large and Dan Sterk– Member at Large.

#### **Finances**

- a. The BID contracted with Ritz Hollman to provide an audit. The BID assessment for 2016 totaled \$179,002.95. Per its Operating Plan, the BID paid \$125,000 to Menomonee Valley Partners, Inc. for staffing the BID programs; \$2,000 in audit expenses; \$1463.67 for Workforce Development Programming; \$1112.26 for Annual BID Member Meeting; \$2,500 for St. Paul Enhancement Grants; \$5,000 for transit planning study with Metro Go, \$1174 in graffiti expenses; and, \$1,285.96 for Directors & Officers Insurance. Dues collected from the Menomonee Valley Business Association totaled \$600. The Board voted to make a contribution of \$2,000 to the Friends of the Hank Aaron State Trail in support of the 18<sup>th</sup> Annual Hank Aaron State Trail Run/Walk. The BID completed its 2016-17 fiscal year with **\$149,435.95** in its account. **Total expenses were \$139,535.89.**
- b. The BID has a contract through Menomonee Valley Partners, Inc. with Scribner Cohen for ongoing bookkeeping services.

#### **ACTIVITIES OF MENOMONEE VALLEY PARTNERS, INC. AS STAFF TO THE BID**

In June 2017, BID #26 renewed its annual contract with Menomonee Valley Partners, Inc. (MVP) entering into an agreement through which the BID will contribute \$125,000 in funding towards MVP's programmatic activities benefitting the BID and its members. Through this agreement, MVP will continue to facilitate various programs to improve the district in key ways, including workforce development, safety and maintenance, economic development, transportation, physical improvements and marketing and special events.

Below you will find the accomplishments and highlights of the past year through the lenses of our six strategic goals as defined by the Menomonee Valley 2.0 Plan and the MVP strategic plan.

**Encourage and facilitate high-quality redevelopment of vacant parcels and underutilized properties, with a current focus on the East End of the Valley and the St. Paul Avenue corridor.**

- **Third Space Brewing** opened in late August at 1505 W St. Paul Ave. The building had been vacant for decades and its new visibility has certainly brightened the area. We gladly welcomed the new 13,200-square-foot facility that boasts a tap room, beer garden, and brewing space.
- With 24 historic industrial properties, W St. Paul Ave was identified as a likely candidate for historic district designation. The nomination for the **St. Paul Ave Historic Industrial District** has been completed and is awaiting approval at the State Historic Preservation Office. That designation facilitates the process for property owners to receive historic tax credits to cover a significant share of the construction costs to restore buildings.
- **Christopher Kidd and Associates** will become another tenant to relocate to our growing St. Paul Ave corridor. The company is moving into a building that has been vacant for years. The 9,000-square-foot, three-story building on 15<sup>th</sup> Street and W St. Paul Avenue is undergoing renovations and will become yet another improvement to that corridor.
- **Plum Media**, a video production company, has almost completed the renovation of its 15,000-square-foot historic building. Plum received a \$740,000 construction loan from the Milwaukee Economic Development Corporation (MEDC) through BMO Harris Bank and has been approved for a \$30,000 St. Paul Ave Exterior Enhancements Grant.
- **Riverview Antique Market** has announced plans to move to 2045 W St. Paul Ave in September. This business adds to W St. Paul Ave's growing design showroom district.
- **ProStar Surfaces** has begun renovations on a 10,000-square-foot space in Brass Light Gallery's building at 1101 W St. Paul Ave. With their concentration on athletic and high-end residential flooring, the company fits St. Paul Ave's desired design/showroom theme.
- A historic five-story building at **1635 W St. Paul Ave** is undergoing renovations for an art gallery and art storage related business, in line with the design showroom district.
- **Brew City Crossfit** will move into 10,000-square-feet in the same location as Third Space Brewing. The building, which is situated beneath the 16<sup>th</sup> Street Viaduct has presented development challenges in the past and thus had been vacant for 40 years.
- **Potawatomi Hotel & Casino** announced plans to construct a second hotel tower. The 180,000-square-foot addition will bring the hotel's total room count to 500. Construction may begin in 2017 and is scheduled to be completed in 2019.
- **STAMM Technologies**, a technology consulting firm, recently moved its operations and 40 employees to the Canal Street Commerce Center, 1207 W. Canal Street.
- **Zurn Industries**, a division of Rexnord moved its headquarters from Pennsylvania to Reed Street Yards, becoming the anchor tenant of the water technology park. The facility occupies 52,000-square-feet and will employ 120 professionals earning an average of \$75,000/year.

### **Recruit and retain high-yield, high-quality employers.**

- **JM Brennan**, a family-owned and managed mechanical contractor, added a 35,000-square-foot expansion. The additional space will allow JM Brennan to expand services and add 30-40 jobs to their 375-person workforce. The facility also has a new state of the art metal shop that tremendously cuts down on production times and serves as a great model for area teachers and students to learn about modern welding practices.
- We welcomed the Valley's second brewery, **City Lights Brewing Company** to the West end of the Valley. Its new home was redeveloped from two iconic buildings into a new facility that mixes its historic character with modern charm. The City Lights facility has a 30-barrel brewhouse, canning line, tasting room, and beer garden.
- **Palermo's Pizza** has upgraded the layout of its packaging area. This improvement is being completed in stages and all should be done by the end of 2017. The new layout will provide the equipment needed to remain competitive and retain 92 jobs.
- **Milsco Manufacturing**, which makes seats for Harley-Davidson motorcycles and other equipment, relocated its headquarters to a 57,000-square-foot leased space at the Canal Street Commerce Center (1301 W Canal St.) This location houses Milsco's office, engineering, product development, and testing operations.
- **The St. Paul Avenue businesses** have been collaborating to think through streetscaping and parking strategies for the continued growth of the corridor.
- **Businesses along the Valley's southern board (Bruce, Pierce & Virginia Streets)** have been meeting to discuss challenges that exist in that corridor. It became apparent that the biggest issue for those businesses is the ability to provide a safe environment for employees. We connected the group to both Alderman Perez and Captain Wurth of District 2 to begin to build the relationships needed to mend the challenges that exist.
- The **St Paul Ave Exterior Enhancements Grant Program** has aided businesses located in the St. Paul area by providing the opportunity to receive funds to aid in significant improvement of their facades. This program, a collaboration of MVP, BID #26 and the City of Milwaukee, has assisted Plum Media and Third Space Brewing. The improvements to those buildings have brought a vibrant change on St. Paul Ave, building the perception of an active and thriving district.

### **Connect Valley employers to a regional, job-ready workforce to meet their needs and position local workers to be competitive for upcoming employment opportunities.**

- In partnership with Milwaukee Public Schools, our 2016-17 season of **Menomonee Valley Career Days** was very successful. We worked with five schools to bring in over 150 area high school youth to tour and meet with local manufacturing and engineering professionals. New this year, we paired schools with unique coursework to career pathways that students didn't realize existed.
- The Menomonee Valley created the **Workforce Committee**, an opportunity for human resource managers and business owners to meet monthly as an informal group to share

challenges, strategies, resources, and ideas for workforce attraction and retention. Quarterly, the group invites a presenter to speak on a topic of interest to learn more about the workforce development organizations in the community. Close to 20 businesses have participated in the meetings.

- Valley businesses participated in its first **Construction Trades Tours** in partnership with Milwaukee Public Schools in March. Valley businesses JF Ahern and JM Brennan welcomed Bay View High School students who are studying Professional Trade opportunities. During the 1.5 hour tour at each site, students learned about career pathways to apprenticeships, union opportunities, and what employers are seeking in a skilled workforce.
- Journey House, a local workforce provider mentioned a need for mentorship opportunities for students that participate in its Career Readiness programs. Valley businesses mentioned a desire to share with young adults the soft skills required to be successful in any industry. The unique opportunity, the **Menomonee Valley Lunch & Learn Mentoring Program**, paired a young adult with a professional in their desired career choice in a one-on-one format to give that student the opportunity to learn what it takes to make it in that career. Mentors share their personal stories with the students which help them to see professional careers are not beyond their reach. The students were given a tour to gain career awareness and to show the vital role soft skills play in the workplace.
- The Menomonee Valley hosted its first **Young Women in Manufacturing Day**. Students not only toured companies to understand varying manufacturing fields and the products being produced, but female high school juniors and seniors had the unique opportunity to learn about the advantages and challenges of working in a male-dominated career. An HR panel helped the students understand the need of women in the manufacturing environment and the skillset required that could lead to a great career.
- The industrial BIDs have had ongoing meetings with the **Greater Milwaukee Committee** to discuss common challenges, learn about local resources and think through possible areas of potential collaboration. These meetings will continue as we build our partnership and share best practices on workforce development programming and other projects.
- MVP coordinated tours for Menomonee Valley businesses at the **Milwaukee Area Technical College's Education Center in Walker's Square** to learn more about the types of trainings offered. A significant number of businesses in the Valley hire skilled trades workers, so having a resource such as this so close is a great opportunity for both students and employers. One of MVP's strategic priorities is to connect employers to a strong workforce while positioning local workers to attain Valley jobs. Establishing relationships between businesses and MATC helps to encourage more opportunities for job placements in the Valley.
- The Menomonee Valley partnered with Employ Milwaukee and Discovery World to host, "Valley Day," as a part of the **Discovery World Career Pathways Lecture Series**. This "symposium style" summer enrichment program brought 150 students and young adults



from the City of Milwaukee's Earn and Learn summer jobs program to learn about high skilled careers that can be found in the Valley.

**Maintain a thriving, sustainable, urban district, which is home to manufacturing, entertainment and recreation.**

- MVP produced its annual **Upcoming Events Calendar** which can be found online and in hard copy to provide employees and visitors with a list of what there is to do in and around the Menomonee Valley.
- The Valley hosted our first ever **Food Truck Wednesdays** in the Menomonee Valley Industrial Center as a test run in August 2016. The excitement from employees was overwhelming as trucks sold out several times. As a result, we brought them back for September and October. Employees asked to have the trucks for a longer run in 2017 and thus Valley Food Truck Wednesdays took place May - October 2017.
- The Valley was highlighted in **Doors Open 2016**. Hundreds of people learned about the Valley's history through the historic Milwaukee Gas Light Company, explored the river with Milwaukee Kayak Tours, participated in bike tours with the Department of Natural Resources and visited the Materials Recovery Facility to learn about recyclables. The Harley-Davidson Museum also offered free admission to attendees.
- **Three Brides Park** has installed two new signs and a donor sculpture that add a sense of community that invites all to explore the 24-acre park in the Valley. The donor sculpture celebrates the impact the park has had on the community and is a symbol of what we can do when we come together. Donors names are inscribed on the interior of the arches.
- The Valley partnered with **BublR Bikes**, Milwaukee's bike share system, so that tour participants could use BublR Bikes at no charge for several Valley bike tours. This provided participants the opportunity to explore the Valley, and learn more about its history all while riding a BublR on the Hank Aaron State Trail.
- The Menomonee Valley partnered with Urban Ecology Center and the Friends of Hank Aaron State Trail to host its inaugural **Urban Candlelight Hike in Three Bridges Park**. On a frigid February evening, more than 1800 visitors participated. Activities included 2-mile guided hikes along the Hank Aaron State Trail with candles lighting the path, ice sculpture carving, roasting marshmallows in fire pits, a hot chocolate station and a pizza buffet hosted by Palermo's Pizza. We look forward to making this an annual event.
- The **Menomonee Valley Earth Day Annual Clean-Up was a great success!** Hundreds of volunteers helped to pick up trash and pull weeds while exploring the Valley. More than 10 Bagsters of trash were collected.
- We are extremely grateful of our continued partnership with area businesses that participate in our **Menomonee Valley Stew Crew Program** which keep the areas of the Hank Aaron State Trail beautiful all year long. Team members from ten area businesses each volunteer 2-3 hours a month cleaning, weeding and maintaining their adopted area.
- The Menomonee Valley participated in the **Wisconsin Bike to Work Week** by participating in a commuter stations along the Hank Aaron State Trail at the Valley

Passage near the Urban Ecology Center and Three Bridges Park to welcome bikers and share more information about the trail and the park.

- The BID-sponsored the **18th Annual Hank Aaron State Trail 5K Run/Walk** which drew over 1100 participants. It was a great day and provided the opportunity for many runners and walkers to explore Three Bridges Park and see the revitalization first hand.
- The **Menomonee Valley Business Association** continues to be a valuable networking and resource tool for Valley businesses. These events are held five times a year and provide an opportunity to educate Valley businesses on local services, new businesses, and Valley developments.
- The **Menomonee Valley Public Safety** committee continues to meet quarterly. In 2017 we decided to create two meetings as the Valley along Canal/Pierce and Pierce/Bruce/Virginia area have unique needs. Homelessness continues to be an issue for the area and thus we are thankful for the continued support from our safety partners.
- For another year, the highest concentration of **graffiti** can be found along St. Paul Ave and bridges throughout Three Bridges Park. These two areas are not as well-lit as other areas of the Valley and this presents an opportunity to be targets. Our partnership with the City of Milwaukee helps us to stay on top of the graffiti. We also have a great relationship with the Department of Neighborhood Services which helps us to remove the graffiti in Three Bridges Park in a timely fashion.

#### **Facilitate effective transportation and other infrastructure**

- Construction work to stabilize and restore the failing riverbank across the river from Three Bridges Park, from S 33<sup>rd</sup> Court to the 35<sup>th</sup> Street Viaduct is complete. The **North Bank Trail** now travels along the river and provides public access to the water via two stone staircases that anchor each end of the trail.
- The Valley participated in a study conducted by the **Public Policy Forum** that analyzed the Last Mile Challenges connecting workers to jobs via mass transit. The Valley is not connected to the local street grid and thus experiences commuter challenges of getting employees from the bus line to the door. The report provides potential solutions for the Valley to consider and helps us better understand potential resources that exist.
- To better understand the transportation role in workforce challenges faced by Valley businesses, MVP partnered with MetroGo to develop the **Menomonee Valley Workforce Transit Survey**. The survey has been distributed to all companies in and surrounding the BID that receives our services. The robust survey provides an overview of workforce and transportation challenges businesses face currently as well as a snapshot over the next 5 years. With the data collected we will be in a better position to partner with organizations in the region to best meet the needs of the Valley's growing workforce and transportation issues. MetroGo will: analyze data; map employers, job creation, and wages; and, help determine if transit solutions exist.
- The **City Lights Brewing Company** has made progress to sponsor the Valley's first Bublr Bike station, which will help grow this valuable transportation resource for Valley businesses.

- Efforts are moving forward to transform the **Burnham Canal**, a former 22ft deep shipping canal, into a wetland. Miller Compressing will focus on completing the first leg of cleanup with excavation work at the bottom of the canal. Once that is complete, MMSD will lead the funding and design efforts to construct a wetland.
- The Valley's **Predevelopment Committee**, a group of professional volunteers and the City of Milwaukee, have been working over the last year to prepare 10 acres of riverfront land, known as the Kneeland Properties, for future redevelopment. To date the committee has aided in:
  - The demolition of a vacant building that now provides the opportunity to create access between 6<sup>th</sup> – 25<sup>th</sup> Streets along the river.
  - Development of a case study of Standard Electric's site, which is adjacent to the Kneeland Properties, to estimate extraordinary costs related to soil condition, piles, and so on. This will identify what types of subsidies may be needed to make vacant parcels marketable on the Valley's east end. The committee will work on compiling an informational packet for potential developers and will seek funding to offset extraordinary site costs.
- Discussions were held with riverfront property owners to assess interest in the **Riverwalk Overlay Plan**, a plan that provides public access to river and extends the Milwaukee RiverWalk through the Valley, and received positive support. Common Council approved proposals for a design overlay and design standards for the extension, a major recommendation and catalytic project outlined in the Valley 2.0 Plan. The extension would begin at the existing segment in the Third Ward where the Milwaukee and Menomonee rivers meet and extend about two miles west to Three Bridges Park. We can now enter into the design stage and move forward with a development plan
- MVP attends regular meetings to ensure that Valley businesses understand the progress on the updated FEMA **floodplain maps** and efforts to reduce the floodplain area. The current mapping hinders development in the Valley and overlaps much of the area intended for development in the Valley 2.0 plan.

**Ensure MVP has the organizational capacity to achieve its long-term goals.**

- MVP is a 2017 **NEWaukee Nonprofit Partner** which provides the Valley with a unique opportunity to market programming, services and events to a different market of professionals in the Milwaukee region. MVP and NEWaukee are working together on unique programming to help NEWaukee's community discover the Menomonee Valley.
- **MVP relocated** its offices just one block south of our previous location. We Energies generously provides us with in-kind office space, which allows us to maintain our focus on our mission. We thank them for their continued support and partnership.



**BUSINESS IMPROVEMENT DISTRICT NO. 26**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(With Summarized Totals for the Year Ended June 30, 2015)**

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Independent Auditor's Report

Board of Directors  
Business Improvement District No. 26

We have audited the accompanying financial statements of Business Improvement District No. 26 (a nonprofit organization) which comprise the balance sheet as of June 30, 2016, and the related statements of activities and cash flows for the year 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 Business Improvement District No. 26 as of June 30, 2016, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Ritz Holman LLP  
*Serving businesses, nonprofits, individuals and trusts.*

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Milwaukee, WI 53202 f. 414.271.7464  
ritzholman.com

Board of Directors  
Business Improvement District No. 26

### **Report on Summarized Comparative Information**

We have previously audited Business Improvement District No. 26's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 16, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2015, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **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.



RITZ HOLMAN LLP  
Certified Public Accountants

Milwaukee, Wisconsin  
October 27, 2016



**BUSINESS IMPROVEMENT DISTRICT NO. 26**  
**BALANCE SHEET**  
**JUNE 30, 2016**  
**(With Summarized Totals for June 30, 2015)**

ASSETS	<u>2016</u>	<u>2015</u>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 108,878	\$ 148,488
Prepaid Expenses	<u>2,804</u>	<u>2,801</u>
<b>TOTAL ASSETS</b>	<u>\$ 111,682</u>	<u>\$ 151,289</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Current Portion of Net Grants Payable	\$ ---	\$ 22,500
Total Current Liabilities	<u>\$ ---</u>	<u>\$ 22,500</u>
<b>LONG-TERM LIABILITIES</b>		
Net Grants Payable	\$ ---	\$ 65,647
Less: Current Portion of Net Grants Payable	---	(22,500)
Total Long-Term Liabilities	<u>\$ ---</u>	<u>\$ 43,147</u>
<b>TOTAL LIABILITIES</b>	<u>\$ ---</u>	<u>\$ 65,647</u>
<b>NET ASSETS</b>		
Unrestricted		
Operating	\$ 111,682	\$ 85,642
Total Net Assets	<u>\$ 111,682</u>	<u>\$ 85,642</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 111,682</u>	<u>\$ 151,289</u>

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

**BUSINESS IMPROVEMENT DISTRICT NO. 26**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
(With Summarized Totals for the Year Ended June 30, 2015)

	Unrestricted	
	2016	2015
<b>REVENUE</b>		
Assessment Income	\$ 153,960	\$ 121,246
Program Revenue	---	92
Membership Dues	500	400
Interest Income	---	1
Other Income	12,500	---
Total Revenue	\$ 166,960	\$ 121,739
 <b>EXPENSES</b>		
Transfer to Menomonee Valley Partners, Inc.	\$ 125,000	\$ 80,000
Grants and Sponsorships	8,853	4,293
Other Program Expenses	3,983	7,430
Management and General	3,084	2,948
Total Expenses	\$ 140,920	\$ 94,671
 CHANGE IN NET ASSETS	\$ 26,040	\$ 27,068
Net Assets, Beginning of Year	85,642	58,574
 NET ASSETS, END OF YEAR	\$ 111,682	\$ 85,642

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

**BUSINESS IMPROVEMENT DISTRICT NO. 26**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(With Summarized Totals for the Year Ended June 30, 2015)**

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 26,040	\$ 27,068
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
(Increase) Decrease in Accounts Receivable	---	678
(Increase) Decrease in Prepaid Expenses	(3)	499
Increase (Decrease) in Accounts Payable	---	(3,043)
Increase (Decrease) in Grants Payable	<u>(65,647)</u>	<u>(7,707)</u>
Net Cash (Used) Provided by Operating Activities	<u>\$ (39,610)</u>	<u>\$ 17,495</u>
Net (Decrease) Increase in Cash and Cash Equivalents	\$ (39,610)	\$ 17,495
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>148,488</u>	<u>130,993</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 108,878</u></u>	<u><u>\$ 148,488</u></u>

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

**BUSINESS IMPROVEMENT DISTRICT NO. 26**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2016**

**BUSINESS IMPROVEMENT DISTRICT NO. 26  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE A - Summary of Significant Accounting Policies**

**Organization**

Business Improvement District No. 26 ("BID No. 26") 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. BID No. 26 was organized in 1999 to promote the planned development in the Menomonee Valley area of the city.

BID No. 26 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 BID No. 26 have been prepared on the accrual basis of accounting.

**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.

**Basis of Presentation**

BID No. 26 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 June 30, 2016, the Organization's net assets were all unrestricted.

**MVBA Associates Dues**

In October 2008, the Menomonee Valley Business Association (MVBA) joined BID No. 26 as an advisory committee. BID No. 26 now hosts networking events, a function that was previously performed by the MVBA. Businesses that are not within the boundaries of BID No. 26 can pay membership dues to participate in networking events of BID No. 26.

**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.

**BUSINESS IMPROVEMENT DISTRICT NO. 26  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE B - Comparative Financial Information**

The financial information shown for 2015 in the accompanying financial statements is included to provide a basis for comparison with 2016. The comparative information is summarized by total only, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2015, from which the summarized information was derived.

**NOTE C - Concentration of Revenue**

Business Improvement District No. 26 receives property assessment income and grants from the City of Milwaukee. BID No. 26's operations rely on the availability of these funds. Approximately 92% of the Organization's revenue was from the City of Milwaukee for the year ended June 30, 2016.

**NOTE D - Related Party Transactions**

BID No. 26 has an agreement with Menomonee Valley Partners, Inc. (MVP) to transfer the amount approved annually in the Operating Plan. MVP, in turn, must use the funds in a manner consistent with their stated objectives. The Chairman of the Board and another BID No. 26 director also serve as directors of MVP.

BID No. 26 transferred \$125,000 to MVP as payment for the agreement during the year ended June 30, 2016.

BID No. 26 also reimbursed MVP the following operating expenses during the year ended June 30, 2016:

	<u>Amount</u>
Shared insurance policy	\$1,286
Program events	<u>1,000</u>
Total	<u>\$2,286</u>

The Executive Director of MVP serves as a member of the Board of Directors of Friends of Hank Aaron State Trail (FOHAST). During the fiscal year ended June 30, 2016, BID No. 26 contributed \$2,000 to FOHAST to sponsor the annual Run/Walk event. This payment is recorded under management and general expense on the statement of activities.

**NOTE E - 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 Menomonee Valley. The assessment levied on properties was \$1.65 for every \$1,000 in assessed property value, subject to a minimum assessment per tax key number parcel of \$400 and a maximum assessment per tax key number parcel of \$4,000 for the year ended June 30, 2016.

**BUSINESS IMPROVEMENT DISTRICT NO. 26  
NOTES TO THE FINANCIAL STATEMENTS  
JUNE 30, 2016**

**NOTE F - Subsequent Events**

The Organization has evaluated events and transactions occurring after June 30, 2016, through October 27, 2016, 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.

**BUSINESS IMPROVEMENT DISTRICT NO. 26**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2016**  
**(With Summarized Totals for the Year Ended June 30, 2015)**

	Program Services	Management and General	2016 Total	2015 Total
Transfer to Menomonee Valley Partners, Inc.	\$ 125,000	\$ ---	\$ 125,000	\$ 80,000
Grants and Sponsorship	8,853	---	8,853	4,293
Graffiti Removal	1,485	---	1,485	---
Events	1,456	---	1,456	1,915
Calendar	---	---	---	4,720
Health and Wellness	---	---	---	795
Other Program Expenses	1,042	---	1,042	---
Administrative Expenses	---	3,084	3,084	2,948
Totals	<u>\$ 137,836</u>	<u>\$ 3,084</u>	<u>\$ 140,920</u>	<u>\$ 94,671</u>



### BID #26 (Menomonee Valley) Board Member Sheet

**Board Organization:** 9 members, the majority of members shall be owners or occupants of property within the District. Any non-owner or non-occupant appointed to the Board shall be a resident of the City of Milwaukee. The Board shall elect its Chairperson from among its members. 3 year terms

<u>Board Member</u>	<u>Title</u>	<u>Start Date</u>	<u>End Date</u>
Daniel Sterk	Member	12/21/2015	12/21/2018
David Brien	Member	11/16/2015	11/16/2018
Jeff Morgan	Member	12/01/2016	12/01/2019
John Brennan III	Chair	01/09/2017	01/09/2020
Joyce Koker	Member	10/13/2015	10/13/2018
Larry Stern	Vice-Chair	12/10/2015	12/10/2018
T. Arthur Downey	Member	12/09/2016	12/09/2019
John Jennings	Treasurer	01/29/2015	01/29/2018 (resigned)
Nathaniel Blaz	In the appointment process		
Tracey Heber	In the appointment process		

