

**BUSINESS IMPROVEMENT DISTRICT NO. 16
UPTOWN CROSSING BUSINESS DISTRICT
2019 PROPOSED OPERATING PLAN**

August 14, 2018

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WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT

2019 OPERATING PLAN

I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created Sec. 66.1109 (formerly S. 66.608) of the Statutes (See Appendix A) enabling cities to establish Business Improvement Districts (BID) upon the petition of at least one property owner within the proposed District. The purpose of the law is “. . . to allow businesses within those Districts to develop, manage and promote the Districts and to establish an assessment method to fund these activities.”

Upon petition from property owners within the West North Avenue Business District, the Common Council of the City of Milwaukee on September 27, 1995, by Resolution File Number 95078 created BID No. 16 (West North Avenue) and adopted its initial Operating Plan.

Section 66.1109 (formerly 66.608) (3) (b), Wis. Stats., requires that a BID Board “shall annually consider and make changes to the Operating Plan . . . The Board shall then submit the Operating Plan to the local legislative body for approval.” The Board of BID No. 16 (Uptown Crossing Business District) submits this 2019 BID Operating Plan with technical assistance from the City of Milwaukee Department of City Development in fulfillment of the statutory requirement.

This plan proposes a continuation and expansion of the activities described in the initial July, 1995, BID Operating Plan. Therefore, it incorporates by reference the earlier plan as adopted by the Common Council. In the interest of brevity, this plan emphasizes the elements which are required by Sec. 66.608, Wis. Stats., and the proposed changes for 2019. This plan does not repeat the background information, which is contained in the initial Operating Plan.

B. Physical Setting

No changes in District planning or zoning have occurred since adoption of the initial Operating Plan. The BID District is now part of the City of Milwaukee's Comprehensive West Side Plan. (<http://city.milwaukee.gov/Plansandstudies/West.htm>)

II. DISTRICT BOUNDARIES

Boundaries of the District are put forth in Appendix B of this plan. A listing of the properties included in the District is provided in Appendix C.

III PROPOSED OPERATING PLAN

A. Plan Objectives

The BID will be used to finance the business property owners' share of the cost and ongoing maintenance of streetscape improvements. The objectives of this ongoing streetscaping project are as follows:

- A. To improve the overall appearance and image of the street.
- B. To enhance safety and security by increasing the amount of street and pedestrian level lighting.
- C. To attract new businesses and increase private investment in the District.
- D. To create an environment which will attract new customers and increase the economic viability of the area.

The streetscaping may include, but is not limited to, improvements such as; installation of pedestrian level “harp” lighting; replacing portions of the curb, gutter, and sidewalk; distinctive painting of pedestrian street crossings in the District; replacing portions of the sidewalk with paving brick; planting of street trees; and installation of bollards, benches, waste containers, information kiosks, banners, landscaping, public art and other streetscape amenities.

B. Proposed Activities

Principal activities to be undertaken by the BID during 2019 will include, but are not limited to the following:

- A. Maintaining communication with the property owners and business operators in the District regarding the design and implementation of the project via quarterly newsletters to the District and our updated website (www.uptowncrossing.com).

- B. Via involvement with other community resources and/or private developers, the BID will investigate avenues to facilitate economic development, real estate acquisition and redevelopment opportunities, and activities including management of BID functions. In the 2011 plan the board authorized expenditures for field measuring and preparing architectural drawings for two properties in the district which were listed for sale, were vacant and in need of major repairs. The renovation plans were completed and the BID issued an RFP aimed at a small developer or investor with the intent of creating a redevelopment partnership to improve one or both of these target properties. Both properties that were identified have been

sold to new owners. The BID board will continue to be proactive in seeking development partners and/or planning on forming a separate entity or partnership to acquire and rehab other properties in the District. We will work with the City's Department of City Development personnel in obtaining funding to maximize the positive impact that a building redevelopment can have on the entire BID District.

- C. Monitoring the ongoing maintenance of streetscape improvements, including maintenance to the public art projects at the French Immersion School and West Triangle.
- D. Negotiating and entering into a landscape maintenance agreement to provide installation and ongoing maintenance of plants, street banners including five (5) seasonal changes, and weekly portering services.
- E. Provide matching funds to City of Milwaukee Façade Grant Program. We plan to give up to \$2,500 to business owners that apply for and receive façade funding from The City. Example: \$10,000 Façade Improvement, City Funds \$5,000, BID 16 Funds \$2,500, Cost to Owner: \$2,500.
- F. Provide a contribution to BID business owners who participate in the Cities Surveillance Camera Program, up to \$600 per qualified participant per business address.
- G. Investigate ways to increase off street parking in the District where possible.
- H. Maintain the BID#16 small urban orchard and park at N. 56th Street and W. North Ave.

- I. Art installations throughout the BID's boundaries.

C. Proposed Expenditures

PROJECT BUDGET 2019

Expenses

Repairs and Maintenance (street/sidewalk cleaning; refuse container repair/replacement; electrical maintenance, maintenance to the public art sculptures; electric usage for holiday décor, etc.)	\$48,800.00
Grounds (landscaping; crosswalk striping; holiday light pole decorations)	\$30,000
Administrative (management fee; postage; street banners; District newsletter; website updates; accounting for annual audit; special events; façade program)	\$70,570.00
Insurance	\$3,000.00
Total Operating Expenses	\$152,370.00
R.E. Development/Rehab/Lisbon Ave	\$30,000.00
Debt Expense* (Repayment to City of Milwaukee)	\$6,000.00
Total BID Expenses for 2019	\$188,370.00

* The streetscaping project was initiated in September 1996. In 2010, the BID completed this major project which was nearly completed in 2009, including the changing out of all cobra street lighting to match the pedestrian level lighting; adding holiday lighting and other street amenities (i.e., street furniture, bus shelter

amenities, etc.). Project costs were initially approved for approximately \$250,000. This is a matching grant project with 50% paid by the BID and 50% paid by the City.

The District will expend funds for maintenance of the streetscape amenities and the direct operation of the District. As City of Milwaukee resources get stretched by increasingly limited available funds, greater levels of private (BID) activity become necessary to keep the District clean, well maintained and attractive to new business prospects and people frequenting retail establishments in the area. Visitors to West North Avenue and West Lisbon Avenue expect an environment that makes them feel comfortable and safe as they conduct business in the area.

The BID Board will have the authority and responsibility to prioritize expenditures and to revise the District budget as necessary to match the funds actually available. Any funds unspent at the end of 2018 shall be carried over to 2019 and applied against future expenses.

D. Financing Method

It is proposed to raise \$87,264.45 through BID assessments (see Appendix D).

The City of Milwaukee and the District jointly and cooperatively fund the streetscaping. The District's share of the cost of the streetscaping and the operating expenses of the District have been funded by BID assessments on taxable properties within the District

The District entered into a Public Improvement Development and Maintenance Agreement, identified as Contract No. 96-239 (CM), dated April 2, 1997, with the City of Milwaukee.

The Public Improvement Development and Maintenance Agreement constitutes a long-term commitment and the District will not be terminated until all repayments to the City have been made and adequate provision is made for the operation and management of the improvements financed through the District.

The Public Improvement Development and Maintenance Agreement are in addition to this Operating Plan.

E. Organization of BID Board

The Board's primary responsibility is the implementation of this Operating Plan. The current BID No. 16 Board of Directors is comprised as follows:

- Gordon Steimle
Neighborhood resident, Washington Heights location
- Chris Hau
Neighborhood resident, Architect Quorum Architects
- Robert Gustafson
Property owner, business owner, North Avenue location
- Matthew O'Neill
Neighborhood resident, Washington Heights location
- Jason Rae
Associate at Nation Consulting, area business
- John Mueller
A Washington Heights neighbor property owner, North Ave
- Ranell Washington
Area business, Town Bank, a Wintrust Community Bank

The BID Board is currently seeking area property owners and business owners to join the BID Board; there are currently one (1) open leadership positions on the Board.

F. Relationship to Milwaukee West North Avenue Business Association

The BID shall be a separate entity from the Milwaukee West North Avenue Business Association 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 to provide services to the BID. At present, the Business Association is not actively operating.

IV. METHOD OF ASSESSMENT

A. Assessment Rate and Method

As of 2018 the commercial properties in the District had a total assessed value of \$15,832,718.60 This plan proposes to assess the taxable property in the District at a 2017 rate of \$5.50 per \$1,000 of assessed value for the purposes of the BID. Appendix A shows the projected BID assessment for each commercial property included in the District.

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

The variables used to determine the regular BID assessments are:

1. The total assessed value of each tax key parcel within the District;
and
2. The specific dollar amount per \$1,000 of the assessed value of each tax key parcel.

The assessment methodology is as follows: For each of the taxable tax key parcels within the BID boundaries, the BID assessment is calculated by applying a \$5.50 per \$1,000 charge against the assessed value of the parcel.

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. Sec. 66.608 (1) (f) Im: The District may 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. Sec. 66.608 (5) (a): Property known to be used exclusively for residential purposes will not be assessed. Such properties are identified as BID Exempt Properties in Appendix A, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding Sec. 66.608 (1) (b), Wis. States., property exempt from general real estate taxes have been excluded from the District. Privately owned tax exempt property, which is expected to benefit from District activities, may be asked to make a financial contribution on a voluntary basis.

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

A. City Plans

In February 1978, the Common Council of the City of Milwaukee adopted a Preservation Policy as the policy basis for its Comprehensive Plan and as a guide for its planning, programming and budgeting decisions. The Common Council reaffirmed and expanded the Preservation Policy in Resolution File Number 881978, adopted January 24, 1989.

The Preservation Policy emphasizes maintaining Milwaukee's present housing, jobs, neighborhoods, services, and tax base rather than passively accepting loss of jobs and population, or emphasizing massive new development. In its January 1989 reaffirmation of the policy, the Common Council gave new emphasis to forging new public and private partnerships as a means to accomplish preservation.

The District is a means of formalizing and funding the public-private partnership between the City and property owners in the West North Avenue Bid District #16 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 has

played a significant role in the creation of the BID and in the implementation of its Operating Plan. In particular, the City will continue to:

1. Provide technical assistance to the proponents of the District through adoption of the Operating Plan and provide assistance as appropriate thereafter.
2. Monitor and, when appropriate, apply for outside funds, which could be used in support of the District.
3. Collect BID assessments, maintain the BID assessments in a segregated account, and disburse the BID assessments to the District.
4. Receive annual audits as required per Sec. 66.608 (3) (c) of the BID law.
5. On or before June 1st of each plan year, provide the Board, through the Tax Commissioner's Office, with the official City records on the assessed value of each tax key number within the District as of January 1st of each plan year for the 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 Wisconsin Business Improvement District law establishes a specific process for reviewing and approving proposed districts. Pursuant to the statutory requirements, the following process will be followed:

1. The Milwaukee City Plan Commission will review the proposed district boundaries and proposed operating Plan and will then set a date for a formal public hearing.
2. The City Plan Commission will send, by certified mail, a public hearing notice and a copy of the proposed Operating Plan to all owners of real property within the proposed Operating Plan to all owners of real property within the proposed district. In addition a Class 2 notice of the public hearing will be published in a local newspaper of general circulation.
3. The City Plan Commission will hold a public hearing, will approve or disapprove the Plan, and will report its action to the Common Council.
4. The Economic Development Committee of the Common Council will review the proposed BID Plan at a public meeting and will make a recommendation to the full Common Council.
5. The Common Council will act on the proposed BID Plan.
6. If adopted by the Common Council, the proposed BID Plan is sent to the Mayor for his approval.
7. If approved by the Mayor, the BID is created and the Mayor will appoint members to the District Board established to implement the Plan.

B. Early Termination of the District

The City shall consider terminating the District if the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified

herein, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all property assessed under the Operating Plan, file a petition with the City Plan Commission requesting termination of the District. On or after the date such a petition is filed, neither the Board nor the City may enter into any new obligations by contract or otherwise until the expiration of thirty (30) days after the date a public hearing is held and unless the District is not terminated. Within thirty (30) days after filing of a petition, the City Plan Commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a Class 2 notice. Before publication, a copy of the notice with a copy of the Operating Plan and a copy of the detail map showing the boundaries of the District shall be sent by certified mail to all owners of real property within the District.

Within thirty (30) days after the date of such hearing, every owner of property assessed under the Operating Plan may send a written notice to the City Plan Commission indicating, if the owner signed a petition, that the owner retracts the owner's request to terminate the District or, if the owner did not sign the petition, that the owner requests termination of the District.

If, after the expiration of thirty (30) days after the date of the public hearing, by petition or subsequent notification and after subtracting any retractions, the owners of property assessed under the Operating Plan having a valuation equal to more than 50% 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% of the assessed valuation of all properties assessed under the Operating Plan have requested the termination of the District, the City shall terminate the

District on the date that the obligation with the latest completion date entered into to implement the Operating Plan expires.

VII. FUTURE YEARS' OPERATING PLANS

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 Operating Plan.

Section 66.608 (3) (a) of the BID law requires the BID Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development project, it focuses upon 2019 activities. Information on specific assessed values, budget amounts, and assessment amounts are based on 2018 conditions. Greater detail about subsequent years' activities will be provided in the required annual plan updates. Approval by the Common Council of such Operating Plan updates shall be conclusive evidence of compliance with this Operating Plan and the BID law.

VIII. AMENDMENT, SEVERABILITY, AND EXPANSION

The BID has been created under the authority of Section 66.608 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 Operating Plan shall be amended to conform to the law without need of re-establishment.

Should the legislature amend the statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties of a certain class or classes of properties, then this BID Operating Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual review and approval of the Operating Plan and without

necessity to undertake any other act. This is specifically authorized under Sec. 66.608 (3) (b), Wis. Stats.

APPENDICES

- A. STATUTE
- B. DISTRICT BOUNDARIES
- C. PROPERTY LISTING
- D. 2019 PROJECTED ASSESSMENTS

that must be paid under this subsection. The department shall redetermine the environmental remediation tax incremental base of any parcel of real property for which the environmental remediation tax incremental base was determined under sub. (4) if part of that parcel is annexed under this subsection.

(b) The department may impose a fee of \$1,000 on a political subdivision to determine or redetermine the environmental remediation tax incremental base of an environmental remediation tax incremental district under this subsection or sub. (4).

(15) SUNSET. No district may be created under this section on or after November 29, 2017.

History: 1997 a. 27; 1999 a. 9; 1999 a. 150 ss. 473 to 478; Stats. 1999 s. 66.1106; 1999 a. 185 s. 59; 2003 a. 126; 2005 a. 246, 418; 2009 a. 28, 66, 312; 2011 a. 260; 2013 a. 193; 2015 a. 256, 257; 2017 a. 15, 70; 2017 a. 365 s. 110.

66.1107 Reinvestment neighborhoods. **(1) DEFINITIONS.** In this section:

(a) An “area in need of rehabilitation” is a neighborhood or area in which buildings, by reason of age, obsolescence, inadequate or outmoded design, or physical deterioration have become economic or social liabilities, or both; in which these conditions impair the economic value of the neighborhood or area, infecting it with economic blight, and which is characterized by depreciated values, impaired investments, and reduced capacity to pay taxes; in which the existence of these conditions and the failure to rehabilitate the buildings results in a loss of population from the neighborhood or area and further deterioration, accompanied by added costs for creation of new public facilities and services elsewhere; in which it is difficult and uneconomic for individual owners independently to undertake to remedy the conditions; in which it is necessary to create, with proper safeguards, inducements and opportunities for the employment of private investment and equity capital in the rehabilitation of the buildings; and in which the presence of these buildings and conditions has resulted, among other consequences, in a severe shortage of financial resources available to finance the purchase and rehabilitation of housing and an inability or unwillingness on the part of private lenders to make loans for and an inability or unwillingness on the part of present and prospective owners of housing to invest in the purchase and rehabilitation of housing in the neighborhood or area.

(b) “Local legislative body” means the common council, village board of trustees or town board of supervisors.

(c) “Municipality” means a city, village or town.

(d) “Planning commission” means a plan commission created under s. 62.23 or a plan committee of the local legislative body.

(e) “Reinvestment neighborhood or area” means a geographic area within any municipality not less than one-half of which, by area, meets 3 of the 5 following conditions:

1. It is an area in need of rehabilitation as defined in par. (a).
2. It has a rate of owner-occupancy of residential buildings substantially below the average rate for the municipality as a whole.

3. It is an area within which the market value of residential property, as measured by the rate of change during the preceding 5 years in the average sale price of residential property, has decreased or has increased at a rate substantially less than the rate of increase in average sale price of residential property in the municipality as a whole.

4. It is an area within which the number of persons residing has decreased during the past 5 years, or in which the number of persons residing has increased during that period at a rate substantially less than the rate of population increase in the municipality as a whole.

5. It is an area within which the effect of existing detrimental conditions is to discourage private lenders from making loans for and present or prospective property owners from investing in the purchase and rehabilitation of housing.

(2) DESIGNATION OF REINVESTMENT NEIGHBORHOODS OR AREAS. A municipality may designate reinvestment neighborhoods or areas after complying with the following steps:

(a) Holding of a public hearing by the planning commission or by the local governing body at which interested parties are afforded a reasonable opportunity to express their views on the proposed designation and boundaries of a reinvestment neighborhood or area. Notice of the hearing shall be published as a class 2 notice, under ch. 985. Before publication, a copy of the notice shall be sent by 1st class mail to the Wisconsin Housing and Economic Development Authority, and a copy shall be posted in each school building and in at least 3 other places of public assembly within the reinvestment neighborhood or area proposed to be designated.

(b) Designation by the planning commission of the boundaries of a reinvestment neighborhood or area recommended by it to be designated and submission of the recommendation to the local legislative body.

(c) Adoption by the local legislative body of a resolution which:

1. Describes the boundaries of a reinvestment neighborhood or area with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the neighborhood or area. The boundaries may, but need not, be the same as those recommended by the planning commission.

2. Designates the reinvestment neighborhood or area as of a date provided in the resolution.

3. Contains findings that the area to be designated constitutes a reinvestment neighborhood or area.

History: 1977 c. 418; 1979 c. 361 s. 112; 1985 a. 29 s. 3200 (14); 1999 a. 150 s. 479; Stats. 1999 s. 66.1107; 2001 a. 104.

66.1108 Limitation on weekend work. **(1) DEFINITIONS.** In this section:

(a) “Construction project” means a project involving the erection, construction, repair, remodeling, or demolition, including any alteration, painting, decorating, or grading, of a private facility, including land, a building, or other infrastructure that is directly related to onsite work of a residential or commercial real estate development project.

(b) “Political subdivision” means a city, village, town, or county.

(2) CONSTRUCTION PROJECTS; WEEKEND WORK. (a) A political subdivision may not prohibit a private person from working on the job site of a construction project on a Saturday. A political subdivision may not impose conditions that apply to a private person who works on a construction project on a Saturday that are inapplicable to, or more restrictive than the conditions that apply to, such a person who works on a construction project during weekdays.

(b) If a political subdivision has enacted an ordinance or adopted a resolution before April 5, 2018, that is inconsistent with par. (a), that portion of the ordinance or resolution does not apply and may not be enforced.

History: 2017 a. 243.

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 subsds. 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.

66.1110 Neighborhood improvement districts. (1) In this section:

(a) "Board" means a neighborhood improvement district board elected under sub. (4) (a).

(b) "Chief executive officer" means a mayor, city manager, village president, or town chairperson.

(c) "Local legislative body" means a common council, village board of trustees, or town board of supervisors.

(d) "Municipality" means a city, village, or town.

(e) "Neighborhood improvement district" means an area within a municipality consisting of nearby but not necessarily contiguous parcels, at least some of which are used for residential purposes and are subject to general real estate taxes, and property that is acquired and owned by the board if the local legislative body approved acquisition of the property under sub. (4) (d) as part of its approval of the initial operating plan under sub. (3) (e).

(f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation, and promotion of a neighborhood improvement district.

(g) "Owner" means the owner of real property that is located within the boundaries, or the proposed boundaries, of a neighborhood improvement district.

(h) "Planning commission" means a plan commission under s. 62.23 or, if none exists, a board of public land commissioners or, if none exists, a planning committee of the local legislative body.

(2) An operating plan shall include at least all of the following elements:

(a) The special assessment method applicable to the neighborhood improvement district.

(b) The kind, number, and location of all proposed expenditures within the neighborhood improvement district.

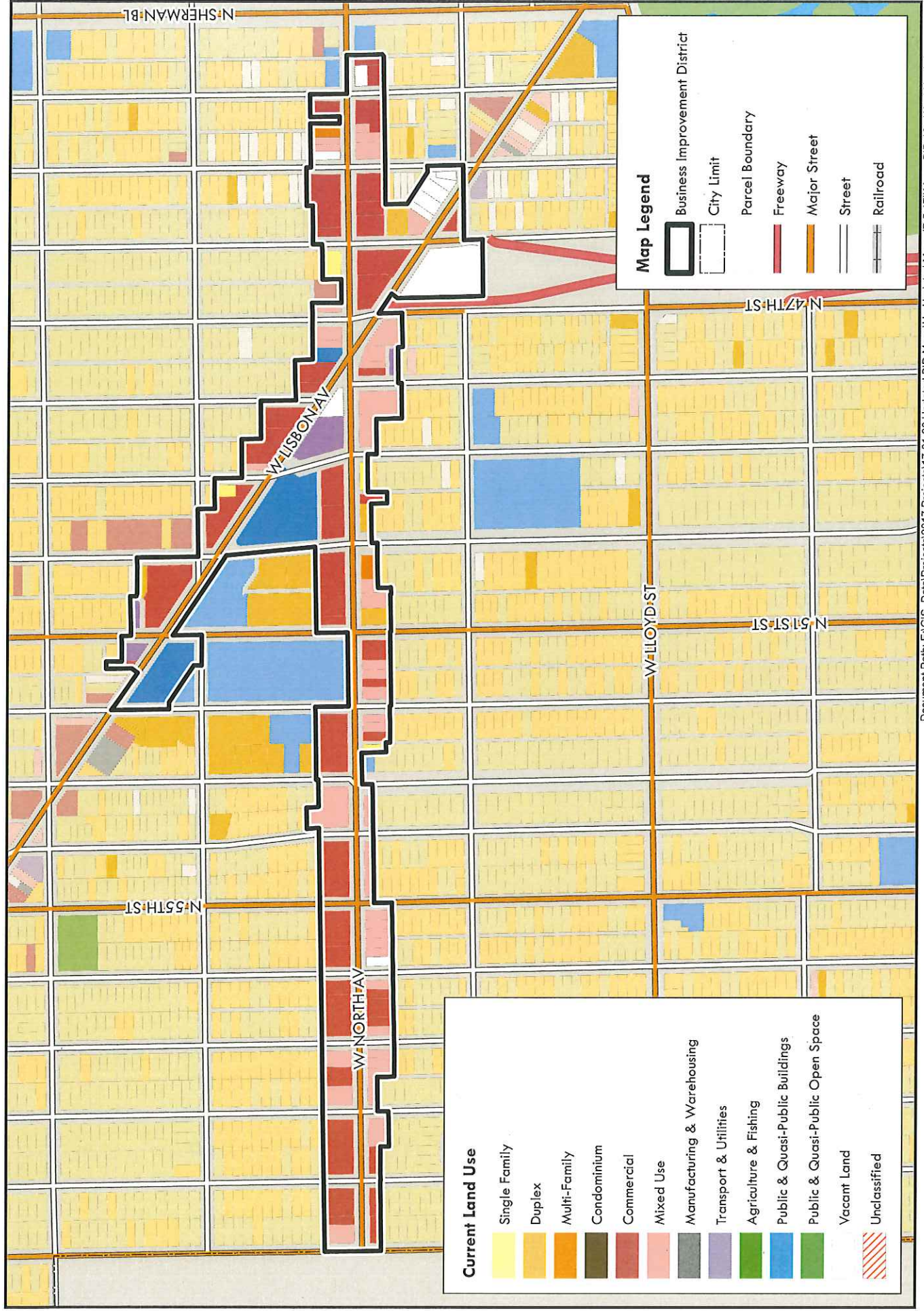
(c) A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

(d) A description of how the creation of the neighborhood improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

BID NO. 16: WEST NORTH AVENUE

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



Current Land Use

Single Family	Public & Quasi-Public Open Space
Duplex	Vacant Land
Multi-Family	Unclassified
Condominium	
Commercial	
Mixed Use	
Manufacturing & Warehousing	
Transport & Utilities	
Agriculture & Fishing	
Public & Quasi-Public Buildings	

Map Legend

Business Improvement District	Freeway
City Limit	Major Street
Parcel Boundary	Street
	Railroad

rem_taxkey	addr	rem_owner1	rem_curr_total	Commercial Percentage	Assessable Total	Total 2019 BID#16 Assessment
3280117000	4906 W LISBON	GEORGE J C FENNINGER JR	\$ 26,300	100%	\$ 26,300	\$ 145
3280631000	4404 W NORTH	DANIEL T DEVALK	\$ 108,000	45%	\$ 48,833	\$ 269
3280633000	4414 W NORTH	BACHAN SINGH	\$ 90,900			
3280634000	4420 W NORTH	NICK R BUTTITTA	\$ 90,500	61%	\$ 55,342	\$ 305
3280635000	4424 W NORTH	DIVERSIFIED EQUITY	\$ 145,000	17%	\$ 24,114	\$ 133
3281207000	4806 W LISBON	AMJAD TUFAIL	\$ 160,300	100%	\$ 160,300	\$ 882
3281210000	4828 W LISBON	JRP ENTERPRISES LLC	\$ 185,000	100%	\$ 185,000	\$ 1,018
3281211000	4842 W LISBON	NICK HUNT	\$ 91,200	28%	\$ 25,549	\$ 141
3281228000	4700 W NORTH	SEON JOO OH	\$ 36,600	66%	\$ 24,158	\$ 133
3281229000	4708 W NORTH	EDGAR JILES	\$ 148,000	50%	\$ 74,000	\$ 407
3281230000	4716 W LISBON	AGAPE LOVE DELIVERANCE	\$ 85,500	100%	\$ 85,500	\$ 470
3281231110	4720 W LISBON	TOWN BANK	\$ 397,000	100%	\$ 397,000	\$ 2,184
3281233000	4734 W LISBON	URBAN UNLIMITED LLC	\$ 224,000	100%	\$ 224,000	\$ 1,232
3281282000	4534 W NORTH	SANDRA A JONES	\$ 74,500	100%	\$ 74,500	\$ 410
3281505100	4900 W NORTH	SAT LE	\$ 704,000	100%	\$ 704,000	\$ 3,872
3281507000	4926 W NORTH	SINCLAIR INVESTMENT LLC	\$ 276,500	100%	\$ 276,500	\$ 1,521
3281910110	5006 W LISBON	WILHELM COMMERCIAL HOLDING	\$ 327,000	100%	\$ 327,000	\$ 1,799
3281911100	2432 N 51ST	WILHELM COMMERCIAL	\$ 12,600	100%	\$ 12,600	\$ 69
3282101100	4930 W LISBON	NORTH SIDE PETROLEUM INC	\$ 736,000	100%	\$ 736,000	\$ 4,048
3282121000	4630 W NORTH	JHH ENTERPRISES LLC	\$ 279,000	46%	\$ 128,696	\$ 708
3289992110	4520 W NORTH	A1 BEAUTY 2 LLC	\$ 495,000	100%	\$ 495,000	\$ 2,723
3290019110	5220 W NORTH	FIRSTAR BANK MILWAUKEE NA	\$ 686,000	100%	\$ 686,000	\$ 3,773
3290026000	5038 W NORTH	AASAP MGMT 5038 LLC	\$ 108,000	68%	\$ 73,303	\$ 403
3290027000	5020 W NORTH	MORTIMER LEVITT FOUNDATION	\$ 2,233,000	100%	\$ 2,233,000	\$ 12,282
3290125110	5814 W NORTH	RIECO INC	\$ 630,000	100%	\$ 630,000	\$ 3,465
3290148000	5900 W NORTH	ASSOCIATED BANK NA	\$ 664,000	100%	\$ 664,000	\$ 3,652
3290149000	5916 W NORTH	MHD KHER HEDER	\$ 279,000	100%	\$ 279,000	\$ 1,535
3290150000	5920 W NORTH	HILBERT COMPANY LLC	\$ 911,500	109%	\$ 991,802	\$ 5,455
3290212000	5700 W NORTH	DIROT PROPERTIES TWO LLC	\$ 773,000	33%	\$ 257,667	\$ 1,417
3290224000	5612 W NORTH	ETD DEVELOPMENT LLC	\$ 712,000	100%	\$ 712,000	\$ 3,916
3290225000	5600 W NORTH	L J NEUMAN & SHARON E LAVIN	\$ 369,000	100%	\$ 369,000	\$ 2,030
3290248000	5522 W NORTH	5522-5528 W NORTH AVE LLC	\$ 446,000	100%	\$ 446,000	\$ 2,453
3290249110	5508 W NORTH	AZ MANAGEMENT SERVICES INC	\$ 528,000	34%	\$ 179,820	\$ 989
3290542000	5114 W LISBON	ILO CORPORATION	\$ 58,200	100%	\$ 58,200	\$ 320
3290911100	5428 W NORTH	COLE FD PORTFOLIO I, LLC	\$ 1,325,000	100%	\$ 1,325,000	\$ 7,288
3291012000	5710 W NORTH	5714 REAL EST HOLDINGS LLC	\$ 414,000	100%	\$ 414,000	\$ 2,277
3291882000	5104 W LISBON	WILHELM COMMERCIAL	\$ 12,800	100%	\$ 12,800	\$ 70
3291901000	5304 W NORTH	NU PARTNERS LLC	\$ 515,000	86%	\$ 444,562	\$ 2,445
3299991100	5722 W NORTH	5722 W NORTH AVE LLC	\$ 375,000	66%	\$ 247,813	\$ 1,363
3460115000	5725 W NORTH	MCD INVESTMENT LLC	\$ 260,200	62%	\$ 162,395	\$ 893
3460126100	5803 W NORTH	PAUL R ORWAL	\$ 260,000	71%	\$ 185,356	\$ 1,019
3460141000	5823 W NORTH	HANI S MATLOUB AND BRENDA S	\$ 60,800	100%	\$ 60,800	\$ 334
3460142100	5901 W NORTH	KEREN PROPERTIES 4 LLC	\$ 89,100	100%	\$ 89,100	\$ 490
3460142200	5909 W NORTH	KEREN PROPERTIES 4 LLC	\$ 58,800	100%	\$ 58,800	\$ 323
3460166000	5919 W NORTH	KEREN PROPERTIES 4 LLC	\$ 242,000	100%	\$ 242,000	\$ 1,331
3460501000	2255 N 54TH	PAULETTE A BLAKE	\$ 62,000	31%	\$ 19,050	\$ 105
3460523000	5419 W NORTH	PRODIGAL PROPERTIES LLC	\$ 110,700	14%	\$ 15,546	\$ 86
3461401000	5501 W NORTH	GARY ETZEL	\$ 305,000	60%	\$ 182,645	\$ 1,005
3461402000	5507 W NORTH	PRODIGAL PROPERTIES LLC	\$ 99,200	50%	\$ 49,600	\$ 273
3461403000	5511 W NORTH	PRODIGAL PROPERTIES LLC	\$ 141,000	50%	\$ 70,500	\$ 388
3461404000	5517 W NORTH	PRODIGAL PROPERTIES LLC	\$ 126,000	44%	\$ 55,816	\$ 307
3461405000	5523 W NORTH	WAYNE AND BETH PRETSCHOLD	\$ 150,000	72%	\$ 108,326	\$ 596
3461423000	5601 W NORTH	MIDWEST AMERICAN PROP LLC	\$ 251,000	40%	\$ 100,413	\$ 552
3461424000	5609 W NORTH	MIDWEST AMERICAN PROP LLC	\$ 188,000	100%	\$ 188,000	\$ 1,034
3461425000	5611 W NORTH	RONALD W BARCHUS	\$ 288,000	100%	\$ 288,000	\$ 1,584
3461426000	5623 W NORTH	PELICARIC GOJO	\$ 113,000	100%	\$ 113,000	\$ 622
3461427000	5629 W NORTH	JAYBIRD PROPERTIES, LLC	\$ 161,000	72%	\$ 116,572	\$ 641
3461444000	5701 W NORTH	JACK RABON	\$ 131,000	100%	\$ 131,000	\$ 721
3461445000	5707 W NORTH	5800 NORTH LLC	\$ 196,000	50%	\$ 98,000	\$ 539
3461446000	5713 W NORTH	5800 NORTH LLC	\$ 175,000	59%	\$ 103,637	\$ 570
3461601100	5101 W NORTH	ROSEMARIE DUNHAM REVOC TRUST	\$ 257,000	100%	\$ 257,000	\$ 1,414
3461604000	5119 W NORTH	SECOND STORY PROPERTY MGMT	\$ 90,200	22%	\$ 19,616	\$ 108
3461605000	5125 W NORTH	B C MANAGEMENT LLC	\$ 163,000	100%	\$ 163,000	\$ 897
3461606000	5129 W NORTH	LUCKY FAN PROPERTY LLP	\$ 205,000	69%	\$ 141,129	\$ 776
3461623000	5211 W NORTH	NORTH HEIGHTS PROPERTIES LLC	\$ 93,500	100%	\$ 93,500	\$ 514
3461624000	5205 W NORTH	BRIAN R SCHNEIDER	\$ 121,000	50%	\$ 60,500	\$ 333
3461625000	5201 W NORTH	BRIAN SCHNEIDER	\$ 85,500	40%	\$ 34,279	\$ 189
3469974000	5311 W NORTH	SQUARE ONE HOLDINGS LLC	\$ 154,000	100%	\$ 154,000	\$ 847
3470207000	4503 W NORTH	ADEL INVESTMENT GROUP LLC	\$ 285,000	100%	\$ 285,000	\$ 1,568
3470208000	4517 W NORTH	MICHAEL W PERRY TRUST	\$ 125,000	100%	\$ 125,000	\$ 688
3470209100	4525 W NORTH	CSC PROPERTIES LLC	\$ 328,000	100%	\$ 328,000	\$ 1,804
3470213000	4538 W LISBON	RALPH E NEELY	\$ 68,600	100%	\$ 68,600	\$ 377

rem_taxkey	addr	rem_owner1	rem_curr_total	Commercial Percentage	Assessable Total	Total 2019 BID#16 Assessment
3470301000	4733 W NORTH	S PRICE REAL ESTATE	\$ 224,000	100%	\$ 224,000	\$ 1,232
3470302000	4729 W NORTH	BERRADA PROPERTIES 16 LLC	\$ 117,000	63%	\$ 74,269	\$ 408
3470303000	4719 W NORTH	BERRADA PROPERTIES 16 LLC	\$ 271,600	45%	\$ 123,399	\$ 679
3470304000	4701 W LISBON	BERRADA PROPERTIES 16 LLC	\$ 385,000	53%	\$ 203,627	\$ 1,120
3470321000	2238 N 48TH	BERRADA PROPERTIES 16 LLC	\$ 16,800	#DNV/OI	\$ 16,800	\$ 93
3470336000	4527 W LISBON	SULEMAN AFZAL	\$ 434,000	100%	\$ 434,000	\$ 2,387
3470709000	4415 W NORTH	31ST ST HOLDINGS LLC	\$ 121,000	50%	\$ 60,500	\$ 333
3470710000	4419 W NORTH	KEITH B TERRY	\$ 145,000	84%	\$ 121,940	\$ 671
3470711000	4425 W NORTH	MICHAEL S WISNIEWSKI	\$ 262,000	50%	\$ 131,000	\$ 721
3470911000	4321 W NORTH	COMMUNITY BAPTIST CHURCH	\$ 40,000	100%	\$ 40,000	\$ 220
3470912000	2246 N 44TH	NORTH AVENUE INVESTMENTS LLC	\$ 81,700	100%	\$ 81,700	\$ 449
3470913000	4319 W NORTH	NORTH AVENUE INVESTMENTS LLC	\$ 69,400	100%	\$ 69,400	\$ 382
3471042000	4919 W NORTH	CHRISTINE MCROBERTS	\$ 146,000	100%	\$ 146,000	\$ 803
3471043000	5009 W NORTH	RICHARD V & MARY JEAN	\$ 126,000			
3471044000	5019 W NORTH	NEIL E & BEVERLY J PETERSON	\$ 203,000	100%	\$ 203,000	\$ 1,117
3471211000	4601 W NORTH	4601 WEST NORTH LLC	\$ 667,000	100%	\$ 667,000	\$ 3,669
3471212000	4625 W NORTH	J & S INV & MGMT INC	\$ 568,000	100%	\$ 568,000	\$ 3,124
3471221000	4401 W NORTH	NEW COVENANT 4401	\$ 165,000	100%	\$ 165,000	\$ 908
3471222000	4407 W NORTH	4401 NORTH AVE LLC	\$ 387,000	8%	\$ 31,858	\$ 175
3471231000	4801 W NORTH	S PRICE REAL ESTATE HOLDINGS	\$ 1,035,000	87%	\$ 903,414	\$ 4,969
3479992000	5027 W NORTH	NATION CONSULTING LLC	\$ 186,000	100%	\$ 186,000	\$ 1,023
					Total	\$ 125,001

ANNUAL REPORT

Uptown Crossing Business Improvement District #16 September 2018

The property owners and merchants within Business Improvement District #16, Uptown Crossing, have been involved with the following activities in the area bounded by West North Avenue from Sherman Boulevard to North 60th Street and West Lisbon Avenue from 45th Street to North 52nd Street.

The procurement, promotion and encouragement of new businesses in the area, including activities specifically designed to create in the Business Area a clean, attractive, safe commercial environment contributing to individuals wanting to visit and patronize businesses in the District.

The continuing distribution of a quarterly newsletter, informing member merchants of activities and events occurring within the District.

The maintenance and upkeep of streetscape improvements including street and sidewalk maintenance, light pole banners, public art piece, tree grates, refuse containers, landscaping amenities, specially painted pedestrian crossings and holiday decorations, all intended to make the District a more attractive area within which to locate a business or to conduct business.

The BID's website last updated in 2018 (www.UptownCrossing.com), allowing members and the general public easy and convenient access to information concerning property events and new businesses in the Uptown Crossing business community with the ability to easily add content.

On-going communication with City of Milwaukee Departments and Aldermen pertaining to the location and creation of new businesses entering the area.

New businesses located in BID #16 includes Vennture Brew Co., 5519 W. North Ave, Scene 1, 5526 W. North Ave, Tammy Baldwin's campaign office, 5040 W. North Ave, and the shared commercial kitchen located at 4919 W. North Ave

The BID Board has teamed with the UWM Community Design Solutions Charette program to develop concepts, preliminary design and planning, which would promote positive change, stimulate funding opportunities, and serve as a catalyst for continued investment within the BID's boundaries.

The BID Board continues to work with the BublR Bike system to insure the station which was installed in 2017 and is owned by the BID is functioning to it full capabilities, and continues to provide bicycle services within the BID's boundaries and surrounding boundaries. The station is located at 56th Street and W. North Ave.

The BID Board completed the redevelopment of the vacant lot located at 56th and W. North Ave which was developed into a community orchard/park and includes corten steel raised planter beds, moveable picnic beaches set in a rail track, gabion benches with wood tops and filled with fieldstones, compacted limestone pathways, concrete trash receptacle, peach trees

and lawn area. The BID Board will continue to maintain the park to persevere the life of the new investment.

In 2018 the BID board continued to provide matching funds to the City of Milwaukee's Façade Grant Program, reserving \$10,000 per year for façade grants.

In addition to the above specific activities, the BID continues to act as a solidifying influence for property owners within its boundaries, providing to them an organization that attempts to maintain the commercial viability of the area and to promote it as a desirable area within which to do business.

**WEST NORTH AVENUE
BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin**

AUDITED FINANCIAL STATEMENTS

Years Ended December 31, 2017 and 2016

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Schedule of Functional Expenses	9

David A. Grotkin
Joel A. Joyce
Brian J. Mechenich
Carrie A. Gindt



Patrick G. Hoffert
Jason J. Wrasse
Joshua T. Bierbach

INDEPENDENT AUDITORS' REPORT

The Board of Directors
West North Avenue Business Improvement District No. 16
Milwaukee, Wisconsin

We have audited the accompanying financial statements of West North Avenue Business Improvement District No. 16 ("District") which comprise the statements of financial position as of December 31, 2017 and 2016, the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 auditors' 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 purpose 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 West North Avenue Business Improvement District No. 16 as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Functional Expenses is presented on page 9 for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Riilly, Penner & Benton LLP

May 25, 2018
Milwaukee, Wisconsin

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin

Statements of Financial Position
December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 241,177	\$ 261,266
Fixed Assets:		
Website	2,500	2,500
Art sculpture	107,667	107,667
Seasonal decorations	56,000	56,000
Subtotal	166,167	166,167
Less accumulated depreciation	(59,506)	(46,937)
Net fixed assets	106,661	119,230
Other Assets:		
Deferred sponsorship costs	60,000	-
Less accumulated amortization	(3,000)	-
Net other assets	57,000	-
Total assets	\$ 404,838	\$ 380,496
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 2,096	\$ 996
Accrued interest	4,145	4,444
Current portion of long-term liabilities	7,218	6,819
Total current liabilities	13,459	12,259
Long-Term Liabilities:		
Notes payable - City of Milwaukee	94,469	101,288
Less current portion of long-term liabilities	(7,218)	(6,819)
Net long-term liabilities	87,251	94,469
Total liabilities	100,710	106,728
Net Assets:		
Unrestricted	304,128	273,768
Total liabilities and net assets	\$ 404,838	\$ 380,496

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

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin

Statements of Activities
Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Support and Other Revenues:		
Support:		
Assessment income	\$ 128,555	\$ 142,688
Donations	-	8,031
Total support	<u>128,555</u>	<u>150,719</u>
Other Revenues:		
Interest income	<u>303</u>	<u>604</u>
Total support and other revenues	128,858	151,323
Expenses:		
Program	67,874	92,807
General and administrative	<u>30,624</u>	<u>39,568</u>
Total expenses	<u>98,498</u>	<u>132,375</u>
Change in net assets	30,360	18,948
Unrestricted net assets, beginning of year	<u>273,768</u>	<u>254,820</u>
Unrestricted net assets, end of year	<u><u>\$ 304,128</u></u>	<u><u>\$ 273,768</u></u>

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

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16

Milwaukee, Wisconsin

Statements of Cash Flows

Years Ended December 31, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities:		
Change in net assets	\$ 30,360	\$ 18,948
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Depreciation expense	12,570	9,086
Amortization expense	3,000	-
Loss on disposal of fixed assets	-	6,000
Bad debt expense	-	830
Changes in Assets and Liabilities:		
Deferred sponsorship costs	(60,000)	-
Accounts payable	1,100	(4,527)
Accrued interest	(300)	(283)
	<hr/>	<hr/>
Net cash provided (used) by operating activities	(13,270)	30,054
Cash Flows from Investing Activities:		
Capital expenditures	-	(41,351)
Principal on notes receivable	-	36,102
	<hr/>	<hr/>
Net cash provided (used) by investing activities	-	(5,249)
Cash Flows from Financing Activities:		
Note repayment	(6,819)	(6,442)
	<hr/>	<hr/>
Net cash increase (decrease) in cash and cash equivalents	(20,089)	18,363
Cash and cash equivalents, beginning of year	261,266	242,903
	<hr/>	<hr/>
Cash and cash equivalents, end of year	<u>\$ 241,177</u>	<u>\$ 261,266</u>
Supplemental Information:		
Interest paid	<u>\$ 5,925</u>	<u>\$ 6,303</u>

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

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2017 and 2016

1. Summary of Significant Accounting Policies

Nature of Activities

The West North Avenue Business Improvement District No. 16 ("District") was established by the City of Milwaukee through petition of the property owners existing in the area. The District collects tax assessments from the commercial property owners in the area to develop and promote the area. The purpose of the District is to sustain the competitiveness of the areas including West North Avenue from Sherman Boulevard westbound to North 60th Street and West Lisbon Avenue and North 45th Street westbound to North 52nd Street of the City of Milwaukee and to ensure a safe, clean environment conducive to business activity.

Basis of Accounting

The financial statements of the District were prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the District and changes therein are classified and reported as follows:

Unrestricted net assets - Net assets that are not subject to donor-imposed stipulations

Temporarily restricted net assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the District and/or the passage of time. The District had no temporarily restricted net assets as of December 31, 2017 and 2016.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the District. The District had no permanently restricted net assets as of December 31, 2017 and 2016.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held in checking, savings, money market accounts and certificates of deposit with original maturities of less than 90 days.

Income Tax Status

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

1. Summary of Significant Accounting Policies (continued)

Fixed Assets

Fixed assets are recorded at cost and are depreciated over the estimated useful lives of the assets using the straight line method. Depreciation expense was \$12,570 and \$9,086 for the years ended December 31, 2017 and 2016, respectively.

Contributions and Donations

The District accounts for contributions in accordance with accounting principles generally accepted in the United States of America. In accordance with these principles, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence or nature of any donor restrictions. Restricted contributions which are received and spent in the same year are presented as unrestricted.

Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure through the date the financial statements were available to be distributed (May 25, 2018). There were no subsequent events that required recognition or disclosure.

2. Concentrations

The District received substantially all of its annual revenue from assessments during 2017 and 2016. Loss of this funding could have a severe impact on the District's ability to continue its operations.

Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed federally insured limits.

3. Notes Payable

The District has entered into a long-term debt commitment with the City of Milwaukee for \$125,000 at 5.85% per annum of the outstanding principal with a final payment on March 30, 2026. The remaining balance outstanding was \$94,469 and \$101,288 at December 31, 2017 and 2016, respectively. Principal payments are due as follows:

<u>Years Ending December 31,</u>	<u>Amount</u>
2018	\$ 7,218
2019	7,640
2020	8,087
2021	8,560
2022	9,061
2023 & Thereafter	<u>53,903</u>
Total	\$ <u>94,469</u>

Interest charged to expense was \$5,626 and \$6,020 for the years ended December 31, 2017 and 2016, respectively.

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin

Notes to Financial Statements
December 31, 2017 and 2016
(Continued)

4. Related Party Transactions

Under an arrangement with Ogden & Company, Inc., the District is provided with office facilities, management, recordkeeping, accounting, storage, and other significant services, plus related overhead costs. The Board President of the District is also an employee at Ogden & Company, Inc. The terms of the contract are automatically renewed if not otherwise designated. Under this contract, the administrative fees were \$11,400 in each of the years ended December 31, 2017 and 2016.

Under an arrangement with Nation Consulting, the District is provided website maintenance and newsletter production services. A Board Member of the District is also an employee at Nation Consulting. During 2017, the total consulting services incurred were \$2,800 in each of the years ended December 31, 2017 and 2016.

5. Deferred Sponsorship Costs

During the year ended December 31, 2017, the District entered into an agreement with the City of Milwaukee and Midwest BikeShare, Inc. d/b/a Bublr Bikes ("Bublr") to sponsor a Bublr Bike Station for a period of five years. If the Bublr Bike Station is removed from the District location within five years from the date the station became operational (October 2017), the District is entitled to a refund of its sponsorship costs, on a pro rata basis, over the five-year term. Therefore, the sponsorship costs are being amortized over this five-year period. Amortization of these costs were \$3,000 and \$0 during the years ended December 31, 2017 and 2016, respectively. The amortization costs are included in community sponsorships which are a program expense.

WEST NORTH AVENUE BUSINESS IMPROVEMENT DISTRICT NO. 16
Milwaukee, Wisconsin

Schedule of Functional Expenses
For the Year Ended December 31, 2017
With Summarized Totals for the Year Ended December 31, 2016

	<u>Program</u>	<u>General and Administrative</u>	<u>2017 Total</u>	<u>2016 Total</u>
Audit fees	\$ -	\$ 3,100	\$ 3,100	\$ 3,000
Community sponsorships	5,151	-	5,151	62
Grounds and landscaping	12,925	-	12,925	16,375
Interest	-	5,626	5,626	6,020
Depreciation	12,570	-	12,570	9,086
Repairs and maintenance	21,848	-	21,848	25,517
Signs, banners and holiday decorations	14,130	-	14,130	16,057
Insurance	-	2,651	2,651	1,853
Administrative	-	19,155	19,155	21,840
Project work in District	-	-	-	25,000
Loss on disposal of fixed assets	-	-	-	6,000
Other	1,250	92	1,342	1,565
	<u>1,250</u>	<u>92</u>	<u>1,342</u>	<u>1,565</u>
Total	<u>\$ 67,874</u>	<u>\$ 30,624</u>	<u>\$ 98,498</u>	<u>\$ 132,375</u>

See independent auditors' report.