

**BUSINESS IMPROVEMENT DISTRICT NO. 21
MILWAUKEE DOWNTOWN
YEAR TEN OPERATING PLAN**

SEPTEMBER 14, 2006

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I. INTRODUCTION

Under Wisconsin Statutes section 66.1109, cities are authorized to create Business Improvement Districts ("BIDs") upon the petition of at least one property owner within the proposed district. The purpose of the BID statute 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 Wis. Act 184, Section 1, legislative declaration. See Appendix A.

On or about July 16, 1997, the City of Milwaukee (the "City") received a petition from property owners which requested creation of a BID known as the Milwaukee Downtown Management District (the "District"). On October 14, 1997, the Common Council of the City of Milwaukee adopted resolution no. 970900, creating the District and approving the initial operating plan for the District (the "Initial Operating Plan"). On November 4, 1997, the Mayor of the City appointed members to the board of the District (the "Board") in accordance with the requirements set forth in Article III.D. of the Initial Operating Plan. The purpose of the District is to sustain the competitiveness of Downtown and ensure a safe, clean environment conducive to business activity. In this regard, the District is authorized to manage and maintain services which supplement those services currently provided by the City to owners and occupants in the District.

Pursuant to the BID statute, this Year Ten Operating Plan (the "Operating Plan") for the District has been prepared to establish the services proposed to be offered by the District, proposed expenditures by the District and the special assessment method applicable to properties within the District for its tenth year of operation. This Plan has been developed by the District Board with technical assistance from the Department of City Development, the Department of Public Works and the Police Department.

II. DISTRICT BOUNDARIES

The District boundaries cover approximately 120 square blocks and encompass the City's Downtown. The District boundaries include North 4th Street and North 10th Street to the west; West St. Paul Avenue, the Menomonee River, and West Clybourn Street to the south; Lake Michigan to the east and Schlitz Park to the north. Boundaries of the BID are shown in Appendix B of this Operating Plan. A narrative listing of the properties included in the District is set forth in Appendix C.

III. PROPOSED OPERATING PLAN

A. Plan Objectives

The objectives of the District are to increase pedestrian traffic Downtown and to better enable Downtown to compete for customers with suburban residential and commercial areas. The District proposes to achieve its objectives by, among other methods, supplementing the maintenance and security services provided by the City in order to increase the safety and cleanliness (and the perceived safety and cleanliness) of Downtown. The City will continue to provide its current level of maintenance and policing services. The City and the District have entered into the cooperation agreement on file in the District's office (the "Cooperation Agreement"). The District also seeks to achieve its objectives by marketing Downtown as a great place to live, work and play and by working with like-minded associates to attract and retain businesses.

B. Proposed Activities

The District offers Downtown owners and occupants additional safety personnel, enhanced sidewalk cleaning, supplemental public space maintenance and integrated marketing and promotional services to complement the base level of services currently being provided by the City. As a supplement to City services, the District retains and manages its own safety and maintenance staff and develops and implements its own marketing initiatives. The District has also hired an executive director, who reports to the Board, to implement and manage the day to day activities of the District and to supervise all District staff and independent contractors. The following are the activities proposed by the District for calendar year 2007. The District may, from time to time and as it deems necessary, adjust the size and scope of the activities and staffing levels described below, but only so long as such adjustments in activities and staff are part of the activities identified in this Operating Plan. The District may not undertake new activities except as included in duly approved operating plans for future years.

1. Public Service Ambassadors Program. The District will continue to sponsor a Public Service Ambassador Program to provide safety and goodwill services to Downtown, supplemental to existing City police services. The aim of the program is to increase the public's comfort and sense of security through a visible, uniformed presence in addition to law enforcement.

The District may implement this program either by hiring staff directly or by hiring independent contractors to provide staff. In either case, a PSA director, who will report to the executive director, will be hired to manage this program, hire and supervise staff and maintain communications with police. Public Service Ambassadors ("PSAs"), including shift supervisors, will be retained to provide up to 45,000 on-duty hours. The District, in cooperation with the City Police Department, the Greater Milwaukee Convention and Visitor's Bureau, the Shops at Grand Avenue and other City departments and resources, will develop an intensive initial training program, as well as on-going in-service and field training, for PSAs. Training will focus on available City services, preventing and reporting crime, dealing with panhandlers and the homeless, applicable sanitation and building codes, radio communications, first aid and CPR, Milwaukee history and local attractions, general retailing (as sponsored by management for the Shops at Grand Avenue), communications skills and interactions with residents and visitors. For a portion of their training PSAs will be paired with police officers or experienced PSAs patrolling their beats. Training will be supplemented by a book of Operating Rules and Procedures serving as a guide for handling both common and unusual incidents.

Following their training, uniformed but unarmed PSAs will be assigned "beats" to patrol on foot. Beat assignments will be based on the amount of foot traffic in the area, hours of business operation, special event schedules, police beat assignments and crime statistics and trends. Generally, PSAs will be deployed on beats to maximize the provision of security services during peak hours like weekday lunch hours, before and after business hours and for special events. During weekday shifts, "beats" will range from 10 to 16 blocks. During evenings and on weekends, PSAs will be deployed in a more concentrated area where people congregate. In addition to the previously described "beats", a beat may include The Shops of Grand Avenue Guest Services Center and/or any other indoor venue, so long as providing PSA services at such venue furthers the purposes outlined in this Operating Plan and any services unique to the indoor venue are provided on a revenue-neutral basis so that the District avoids incurring any costs disproportionately benefiting any individual property owner. A schedule for deploying PSAs on their beats shall be developed by the District's executive director together with the PSA director and altered as appropriate for weather, redeployment for special events and for changing circumstances.

PSAs' primary responsibilities will be to assist and direct workers, shoppers and visitors and to observe and report suspicious behavior. PSAs must familiarize themselves with the businesses and residents in their beats and be able to recognize suspicious behavior. PSAs will be supplied with uniforms to create an official but approachable appearance and will be equipped with two-way radios to report any incidents to a PSA supervisor/dispatcher linked directly to the City Police Department. One PSA supervisor/dispatcher shall be on duty whenever PSAs are on patrol. Using two-way radios and telephones, the PSA supervisor will maintain communications among PSAs, other Downtown security personnel and City police.

The City Police Department shall provide the District with the ability to monitor police calls for service. The District will permit any on-duty police officers assigned to the Downtown area to work out of the District office. The agreement between the District and the City Police Department regarding services to be provided is more fully described in the letter from Chief of Police Arthur L. Jones dated July 17, 1997 on file in the District's office.

The District will pursue partnerships with other service providers. These partnerships may include development of a policy for referring panhandlers and the homeless to appropriate resources and/or working with other Downtown security resources to share information and develop response strategies.

2. Clean Sweep Ambassadors Program. The District will continue to sponsor a Clean Sweep Ambassador Program to provide additional sidewalk cleaning and public space maintenance, to implement special projects and, more generally, to introduce an active, positive force in Downtown.

The District may provide cleaning, maintenance, graffiti removal and landscaping services in any manner deemed reasonable by the District Board, including hiring staff directly or hiring independent contractors to provide staff. In any event, a CSA director will be selected, who will report to the District's executive director, to manage this program, hire and supervise staff and serve as a liaison among City departments and property owners and businesses. During the summer months, a minimum of 12 full-time equivalent Clean Sweep Ambassadors ("CSAs") will report directly to the CSA director. Fewer CSAs may service the District during the winter months. Full-time CSA staff will be trained in maintenance, safety

and informational services and furnished with identifiable uniforms. In addition, the District may retain other staff and/or independent contractors as it deems reasonable to perform the tasks necessary to implement the program.

The maintenance efforts of CSAs, other staff and independent contractors retained, paid and uniformed by the District will complement the efforts of the City Department of Public Works. CSAs will manually sweep sidewalks and riverwalks, pick up litter and remove graffiti each day. Weather permitting, CSAs will mechanically sweep public sidewalks and riverwalks in a rotation consistent with the City's street sweeping schedule--with approximately one fifth of the District being swept each working day. From April through October, CSAs will also power wash and steam clean sidewalks and clean, maintain, water, plant and weed tree wells and planters. CSAs will be assigned "beats" depending on the public use of the area and the need for services. A schedule for deploying CSAs and their tasks, shall be developed by the District's executive director and the CSA director and altered as appropriate for restrictions imposed by weather and redeployment as necessary in the judgment of District staff.

In addition to their daily cleaning and maintenance duties, the District may deploy CSAs to accomplish special projects. These projects may range from the installation and removal of holiday lights to set up and clean up for special events.

In servicing all aspects of the CSA program, CSAs and other staff servicing this program will maintain a friendly and helpful presence Downtown. Working during busy hours in recognizable uniforms, they will create an aura, not only of cleanliness, but also of safety. CSAs will be trained in crime resistance and to furnish helpful information and directions to residents and visitors. CSAs will remain in contact with the District office and its other resources using two-way radios or cellular telephones.

3. Business Recruitment and Retention; Marketing Initiatives. District staff will coordinate and/or contract to implement public relations programming to promote the cleaner, safer, friendlier Downtown being created through District efforts. Marketing and programming will aim to encourage increased use of Downtown, to attract businesses to locate and remain and expand in Downtown and to convince both constituents of the District and potential users that

Downtown is a positive destination with unique qualities and amenities.

District staff will continue the District's marketing efforts commenced in previous years of operation, including utilizing the graphics package developed and materials purchased. District staff will organize an internal communications program to inform members about District activities and benefits. Internal communications may include a semi-annual newsletter, an annual report and various print and e-mail notices. District staff will maintain an umbrella-advertising theme, graphics package and media relations program. District staff will cross sell Downtown's assets with various seasonal promotions, including a Grand Rapids high-speed ferry promotion, if available.

In addition, District staff will develop and/or contract for other marketing initiatives, attractions and/or events promoting Downtown. Among these marketing initiatives, the District will continue the comprehensive marketing campaign targeted at residents in the area including Milwaukee, Waukesha, Ozaukee, Washington, Racine and Kenosha Counties, and upgrade marketing to other target markets such as the Fox Valley and Northern Illinois. The campaign may include public relations and advertising on busboards, billboards, news coverage and in print, television and radio ads to reinforce positive impressions and to encourage businesses, residents and tourists to locate within and use Downtown. The District has purchased and will maintain traveling information kiosks and/or similar devices which may be staffed and deployed at various events (inside and outside of Downtown) to increase District visibility and outreach.

The District may undertake other marketing initiatives and programming reasonably estimated to attract and retain businesses, residents and tourists to Downtown as deemed appropriate by the District Board. Specifically, the District may cooperate and/or contract with other like-minded associates to solicit and collect data about Downtown businesses and the Downtown real estate market and to proactively identify and address property owner concerns. The District may also sponsor or co-sponsor special events such as Downtown Dining Week, Downtown Employee Appreciation Week and Kidz in the Park.

Finally, the District will continue its sponsorship of holiday lighting each November. Each year, the District will cause lighting purchased by the District in previous years and remaining in good condition to be reinstalled. In addition, the District may spend and/or solicit additional money as it deems necessary to purchase additional and/or replacement holiday lighting. For the winter of 2006-2007, the District will sponsor the eighth annual City of Lights Festival in Downtown. This festival will continue previous year's street lighting efforts, encourage private owner roofline lighting and implement intense lighting displays in select Downtown parks such as Pere Marquette Park, Ziedler Union Square and Cathedral Square.

The District may contract with Milwaukee Downtown, Inc. to coordinate and implement the marketing initiatives described above, as well as related activities. In connection with contracting with Milwaukee Downtown, Inc., the District intends to donate \$645,025 to Milwaukee Downtown, Inc. to provide operating funds necessary to implement marketing initiatives and related activities.

C. Proposed Expenditures and Financing Method

The 2007 proposed annual operating budget for the District is \$2,929,711. \$2,693,211 will be the amount received from District assessments. \$236,500 is additional income that is anticipated to come from several sources, including voluntary contributions from tax-exempt properties. See Appendix D. Of these amounts, \$832,000 will finance the Public Service Ambassadors Program, \$803,000 will fund the Clean Sweep Ambassadors Program, \$725,300 will pay for public information, marketing and promotions, \$165,925 will be devoted to business retention and recruitment efforts and \$403,486 will be reserved for administrative expenses and a contingency (including, without limitation, the salaries of a full-time executive director and other District staff, legal fees, insurance costs and office expenses). In the event that the Board reasonably determines that amounts allocated to any particular program are not needed for that program, unneeded amounts for one program may be used for another program. In addition, any funds collected but unspent pursuant to previous years' operating plans and any unanticipated voluntary contributions or other income will be made available in 2007 (for any purpose set forth in this Operating Plan, including without limitation for public information, marketing, promotions and/or business retention and recruitment efforts). The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

The Board shall approve an annual operating budget for the District each year. Prior to approving any annual operating budget, the District will mail a public hearing notice and make available a copy of the proposed annual operating plan and budget to all owners of real property within the District. In addition, a Class 2 notice of the public hearing will be published in a local newspaper of general circulation. The District Board will hold a public hearing and approve the annual operating plan and budget for the District for that year. If any year's annual operating budget exceeds the prior year's annual operating budget by 4% or more, such budget must be approved by a 2/3 majority of the entire District Board. (This Year Ten Operating Plan was unanimously approved by 13 Board members in attendance at the Board meeting of September 14, 2006.) Any capital improvements costing more than \$10,000 each or \$30,000 in the aggregate for any one year must be approved by a 2/3 majority of the entire District Board. For the purposes of this Operating Plan, "capital improvement" means any physical item that is permanently affixed to real estate including, without limitation, street lighting and sidewalk improvements. The term "capital improvement" shall not include, among other things, any maintenance equipment or supply, any communications equipment, any vehicles, any seasonal improvement or any holiday lighting or decorations. After the District Board has approved the annual operating plan and budget, they will be sent to the City for approval, adoption and inclusion in the City's annual budget for that year.

The 2006 assessed valuation of all property subject to assessment within the proposed District boundaries was approximately \$1,914,000,000. The method of assessing annual operating expenses against properties located within the District is set forth in Article IV of this Operating Plan. Any change in the method of assessing annual operating expenses against properties located within the District must be approved by a 3/4 majority of the entire District Board and a majority of the Common Council of the City. Subsequent revisions to this Operating Plan will specify any additional assessment methodologies and amounts for operating expenses. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the aggregate property tax assessed valuation of all property assessed by the District.

The District may not borrow funds without approval of a 2/3 majority of the entire District Board.

D. Organization of the District Board

The Mayor shall appoint members to the District Board. The Board shall be responsible for implementation of this Operating Plan. This requires the Board to negotiate with providers of services and materials to carry out the Operating Plan; to enter into various contracts; to monitor the effectiveness of the District's activities, to ensure compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of District assessments.

Wisconsin Statutes section 66.1109(3)(a) requires that the Board be composed of at least five members and that a majority of the Board members be owners or occupants of property within the District.

The Board shall be structured and operate as follows:

1. Board size - 19 members.
2. Composition -
 - (a) Three members shall be representatives of each of the three largest (as measured by assessed valuation) multi-tenant office buildings in the District. In 2007, U.S. Bank Center (777, 811 and 827 East Wisconsin Avenue), 411 East Wisconsin Avenue and 100 East Wisconsin Avenue are the three largest office buildings.
 - (b) Two members shall be representatives of the fourth through the ninth largest (as measured by assessed valuation) multi-tenant office buildings in the District. In 2007, Plaza East (330 East Kilbourn Avenue), the Milwaukee Center (111 East Kilbourn Avenue), 875 East Wisconsin, Chase Manhattan Bank (111 East Wisconsin Avenue), the M&I Bank Building (778 North Water Street) and Schlitz RiverCenter are the fourth through the ninth largest multi-tenant office buildings.
 - (c) Three members shall be representatives of any multi-tenant office buildings in the District.
 - (d) Three members shall be representatives of owner-occupied or single tenant buildings in the District with assessed valuations

in excess of \$5,000,000. One member from this category shall be a representative of The Northwestern Mutual Life Insurance Company.

- (e) One member will be a designee of The Shops of Grand Avenue or its successors and assigns.
- (f) Two members shall be owners or operators of street-level retail businesses located within the District (which businesses may include, without limitation, restaurants).
- (g) Two members shall be representatives of hotels located within the District. Such hotels shall not be owned or controlled by the same entity or individuals.
- (h) One member shall be a representative of a tax-exempt entity making a voluntary contribution to the District of not less than \$56,477 in the year 2007, which minimum contribution shall increase each year by the proportionate increase in the District operating budget for that year.
- (i) Two members shall be "at large" members who shall not represent any particular constituency but who shall be owners and/or occupants of real property located within the District used for commercial purposes.

For purposes of measuring the assessed valuations of any building or site set forth above, all contiguous buildings and/or sites connected above- or below-ground, separated only by an intervening street and with identical ownership shall be included as one building or site. (For example, the U.S. Bank Center, consisting of property located at 777, 811 and 827 East Wisconsin Avenue, constitutes one site.) Each year, the Board shall reconfirm the assessed valuations, ownerships and occupancies of all properties located within the District. If the assessed valuation, ownership or occupancy of any particular building or site in any year ceases to satisfy the criteria set forth above, the Board shall rearrange such building or site in the appropriate category. In addition to the composition requirements set forth above, one member of the Board shall also be a member of the board of directors of Westtown Association as long as the Westtown Association remains in existence, and one member of the Board shall also be a member of the board of directors of East Town Association as long as the East Town Association remains in

existence. In satisfying the categories for Board members set forth above, the geographic representation of Board members shall be varied to the extent possible.

3. Term - Appointments to the Board shall generally be for a period of three years, except that the "at large" members designated under subparagraph 2(i) above shall be appointed for a period of two years. To the extent possible, the terms of members representing each of the categories set forth in subparagraph (2) above shall be staggered so that the terms of not more than 60% of the representatives of any one category shall expire simultaneously.
4. Compensation - None.
5. Meetings - All meetings of the Board shall be governed by the Wisconsin Open Meetings Law if and as legally required.
6. Record Keeping - Files and records of the Board's affairs shall be kept pursuant to public record requirements.
7. Staffing and Office - The Board may employ staff and/or contract for staffing services pursuant to this Operating Plan and subsequent modifications thereof. In 2007, the Board shall employ, at minimum, a full-time executive director, a full-time administrative assistant and at least one intern. The Board shall maintain an office for the District, which shall be centrally located in Downtown. The District's current office is located at 600 East Wells Street, but such office may be relocated as the District Board deems reasonable. All District staff, including PSAs and CSAs, may work out of the District office.
8. Meetings - The Board shall meet regularly, at least once every three months. The Board has adopted rules of order (by-laws) to govern the conduct of its meetings.
9. Executive Committee - The Board shall elect from its members a chair, a vice-chair, a secretary, a treasurer and an assistant secretary who shall comprise an Executive Committee of the Board. At least one member of the Executive Committee shall be elected from the category of members set forth in subparagraphs (2)(a) or (b) above. Moreover, the member representing The Northwestern Mutual Life Insurance Company under subparagraph (2)(d) above shall be elected to some office on the Executive Committee. The Executive

Committee shall be authorized to oversee the day to day operations of the District, subject to the by-laws adopted by the Board.

10. Non-voting Members - At the option of a majority of the members of the Board, representatives of the Greater Milwaukee Convention and Visitors Bureau, the Milwaukee Development Corporation, the Metropolitan Milwaukee Association of Commerce (and/or similar organizations) may be invited to attend meetings of the Board or Executive Committee as nonvoting members.

E. RELATIONSHIP TO MILWAUKEE DOWNTOWN, INC. AND ALLIANCE FOR DOWNTOWN PARKING AND TRANSPORTATION, INC.

The District is a separate entity from Milwaukee Downtown, Inc., a private, not for profit corporation, exempt from taxation under section 501(c)(3) of the Internal Revenue Code, notwithstanding the fact that some or all of the members, officers and directors of each entity may be shared. Milwaukee Downtown, Inc. shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Board may contract with Milwaukee Downtown, Inc. to provide marketing and promotional services to the District and donate operating funds to Milwaukee Downtown, Inc. to facilitate the provision of such services, all in accordance with this Operating Plan.

The District and Milwaukee Downtown, Inc. are also separate entities from Alliance for Downtown Parking and Transportation, Inc. (the "Alliance"), a private, not for profit corporation, notwithstanding the fact that the District Board appoints all members to the board of directors of the Alliance. The Alliance shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Board may work in tandem with the Alliance and other Downtown commercial organizations to improve and mitigate adverse parking and transportation issues impacting Downtown Milwaukee and to promote positive parking and transportation options within the area, consistent with the purposes of this Operating Plan.

IV. METHOD OF ASSESSMENT

A. Annual Assessment Rate and Method

The annual assessment for District operating expenses will be levied against each property within the District in direct proportion to the current

assessed value of each property for real property tax purposes as of the date the District held the public hearing regarding its Year Ten Operating Plan (September 14, 2006). No owner of property within the District shall be eligible to receive or be subject to any reductions or increases in its assessment as a result of a decrease or increase in the assessed value for their property occurring after such date. In addition, the amount of an assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the District.

Appendix C identifies each property included in the District and shows the proposed BID assessment for each property for the tenth year of operation. Such proposed assessments are based on the assessed value and classification estimated in 2006 pursuant to the foregoing formula.

In addition, any amounts due to the District from a property owner pursuant to a contract between the District and the property owner may, at the option of the District Board, become a special assessment or special charge against that property upon 30 days' prior written notice to the property owner.

B. Excluded and Exempt Property

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

1. Wisconsin Statutes section 66.1109(1)(f)(1m): The District will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this Operating Plan because it is assumed that they will benefit from development in the District.
2. Wisconsin Statutes section 66.1109(5)(a): Property used exclusively for residential purposes will not be assessed. Mixed use properties containing some residential use will be fully assessed by the District.
3. In accordance with the interpretation of the City Attorney regarding Wisconsin Statutes section 66.1109(1)(b), property exempt from general real estate taxes has been excluded from the District. Owners of tax exempt property adjoining the District and expected to benefit from District activities will be asked to make a financial contribution to the District on a voluntary basis. Funds collected in

this manner in any given year may be used in any manner deemed appropriate by the Board. In addition, those tax exempt properties adjoining the District which are later determined no longer to be exempt from general property taxes and whose owners consent in writing shall automatically become included within the District and subject to assessment under any current operating plan without necessity to undertake any other act.

V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY

A. Enhanced Safety and Cleanliness

Under Wisconsin Statutes section 66.1109(1)(f)(4), this Operating Plan is required to specify how the creation of the District promotes the orderly development of the City. The District will enhance the safety and cleanliness of Downtown and, consequently, encourage commerce in the City. Increased business activity in the City will increase sales tax revenues and property tax base.

B. City Role in District Operation

The City has committed to assisting owners and occupants in the District to promote its objectives. To this end, the City has played a significant role in creation of the District and in the implementation of this Operating Plan. In furtherance of its commitment, the City shall:

1. Perform its obligations and covenants under the Cooperation Agreement.
2. Provide technical assistance to the District in the adoption of this and subsequent operating plans and provide such other assistance as may be appropriate.
3. Collect assessments, maintain the same in a segregated account and disburse monies to the Board.
4. Receive annual audits as required per Wisconsin Statutes section 66.1109(3)(c).
5. Provide the Board, through the Office of Assessment, on or before July 1 of each year, and periodically update, with the official City records on the assessed value of each tax key number within the

District as of January 1 of each year for purposes of calculating the District assessments.

VI. PLAN APPROVAL PROCESS

A. Public Review Process

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

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

VII. FUTURE YEAR OPERATING PLANS

A. Changes

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

Wisconsin Statutes section 66.1109(3)(b) requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed activities, information on specific assessed values, budget amounts and assessment amounts are based solely upon current conditions. Greater

detail about subsequent years' activities will be provided in the required annual plan updates, and approval by the Common Council of such plan updates shall be conclusive evidence of compliance with this Operating Plan and the BID statute.

In later years, the District Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. However, the method of assessing shall not be materially altered, except with the approval of a 3/4 majority of the entire District Board and consent of the City of Milwaukee. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the aggregate property tax assessed valuation of all property assessed by the District. Further, as set forth in Article III.C. above, a 2/3 majority of the entire District Board must approve increases in the District operating budget exceeding 4% of the prior year's budget and capital improvement expenditures of over \$10,000 in any one instance or of \$30,000 in the aggregate in any one year.

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.

C. Amendment, Severability and Expansion

This District has been created under authority of Wisconsin Statutes section 66.1109. Except as set forth in the next sentence, should any court find any portion of this statute invalid or unconstitutional its decision will not invalidate or terminate the District and this Operating Plan shall be amended to conform to the law without need of re-establishment. Should any court find invalid or unconstitutional the organization of the entire District Board, any requirement for a 2/3 or 3/4 majority vote of the District Board, the budgeting process or the automatic termination provision of this or any subsequent Operating Plan, the District shall automatically terminate and this Operating Plan shall be of no further force and effect.

Should the legislature amend the statute to narrow or broaden the definition of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this Operating Plan may be amended by a 2/3 majority of the entire District Board and a majority of the Common Council of the City of Milwaukee as and when they conduct their annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under section 66.1109(3)(b).

D. Automatic Termination Unless Affirmatively Extended.

The District Board shall not incur obligations extending beyond ten years from the date on which the District was created. At the end of the tenth

year of the District's existence, the District Board shall prepare an operating plan for the eleventh year that contemplates termination of the District at the commencement of the eleventh year as set forth in Wisconsin Statutes section 66.1109(3)(b), unless the owners of property assessed by the District having a valuation equal to 60% of the valuation of all property assessed by the District affirmatively vote to continue the District.

In addition, the Board may elect by majority vote to terminate the District if the City is in default of any obligation or covenant of the City set forth in the Cooperation Agreement. In such event, the District shall terminate as set forth in Wisconsin Statutes section 66.1109(4m).

APPENDIX A

Wisconsin Statutes section 66.1109

66.1109 Business improvement districts. (1) In this section:

(a) "Board" means a business improvement district board appointed under sub. (3) (a).

(b) "Business improvement district" means an area within a municipality consisting of contiguous parcels and may include railroad rights-of-way, rivers, or highways continuously bounded by the parcels on at least one side, and shall include parcels that are contiguous to the district but that were not included in the original or amended boundaries of the district because the parcels were tax-exempt when the boundaries were determined and such parcels became taxable after the original or amended boundaries of the district were determined.

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

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

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

(f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation and promotion of a business improvement district, including all of the following:

1. The special assessment method applicable to the business improvement district.

1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.

2. The kind, number and location of all proposed expenditures within the business improvement district.

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

4. A description of how the creation of the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

5. A legal opinion that subds. 1. to 4. have been complied with.

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

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

(a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. (b) has petitioned the municipality for creation of a business improvement district.

(b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.

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

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

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

(3) (a) The chief executive officer shall appoint members to a business improvement district board to implement the operating plan. Board members shall be confirmed by the local legislative body and shall serve staggered terms designated by the local legislative body. The board shall have at least 5 members. A majority of board members shall own or occupy real property in the business improvement district.

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the business improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the business improvement district, including expenditures and revenues. The report shall include an independent certified audit of the implementation of the operating plan obtained by the municipality. The municipality shall obtain an additional independent certified audit upon termination of the business improvement district.

(d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all powers necessary or convenient to implement the operating plan, including the power to contract.

(4) All special assessments received from a business improvement district and all other appropriations by the municipality or other moneys received for the benefit of the business improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than special assessments, to pay the costs of audits required under sub. (3) (c) or on order of the board for the purpose of implementing the operating plan. On termination of the business improvement district by the municipality, all moneys collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the business improvement district, in the same proportion as the last collected special assessment.

(4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50% of the valuation of all property assessed under 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 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% 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 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.

APPENDIX B
District Boundaries



MILWAUKEE DOWNTOWN

Downtown Milwaukee Management District

Business Improvement District #21

600 West Wisconsin Avenue

Milwaukee, Wisconsin 53203

414.220.4700

Fax: 414.220.4710



APPENDIX C

Listing of Properties Included in the District

**DOWNTOWN MILWAUKEE
CLEAN*SAFE*FRIENDLY**

TAXKEY #	STREET NAME	OWNER	LOT AREA SQ. FT.	BLDG AREA SQ. FT.	ASSESSED VALUE LAND+BLD	BID ASSESSMENT
3610279100	319 W CHERRY ST	MILWAUKEE PLATING COMPANY	15,000	0	\$107,100	\$161
3610317100	1345 N MARTIN L KING JR DR	BREWERY WORKERS CREDIT UNION	22,275	5,138	\$563,000	\$847
3610326000	1333 N MARTIN L KING JR DR	BRIAN L MOSEHART	3,750	5,178	\$196,000	\$295
3610327000	1331 N MARTIN L KING JR DR	MATHEW WEGLARZ	3,975	5,286	\$251,000	\$378
3610328111	1301 N MARTIN L KING JR DR	JAMES L WIECHMANN			\$2,005,800	\$3,017
3610412114	201 W JUNEAU AV	RIVERFRONT PLAZA JOINT	36,186	36,186	\$723,500	\$1,088
3610415100	1141 N OLD WORLD THIRD ST	GAROT HOSPITALITY INC	15,150	15,150	\$606,000	\$912
3610421000	1137 N OLD WORLD THIRD ST	RUSSELL DAVIS	2,850	5,909	\$343,000	\$516
3610425000	1129 N OLD WORLD THIRD ST	RIVERFRONT PLAZA JOINT	7,500	7,500	\$261,000	\$393
3610426000	1125 N OLD WORLD THIRD ST	CARMELINO CAPATI JR &	4,500	9,105	\$256,000	\$385
3610427000	1121 N OLD WORLD THIRD ST	FRED USINGER INC	3,000	3,000	\$63,700	\$96
3610429000	1117 N OLD WORLD THIRD ST	FRED USINGER, INC	3,750	3,750	\$80,500	\$121
3610430000	1113 N OLD WORLD THIRD ST	HIGHLAND BEACH SURFERS INC	3,750	1,038	\$100,000	\$150
3610431000	1109 N OLD WORLD THIRD ST	CHARLES E OR AILEEN ALBERT	3,750	6,750	\$240,000	\$361
3610432000	1105 N OLD WORLD THIRD ST	CARMELINO R CAPATI &	3,750	3,550	\$238,000	\$358
3610437000	1103 N OLD WORLD THIRD ST	OLD WORLD DEV LLC	4,950	15,000	\$949,000	\$1,428
3610438000	316 W HIGHLAND AV	FRED USINGER, INC	2,550	2,550	\$59,600	\$90
3610515100	1048 N 4TH ST	THE MILWAUKEE TURNERS	15,000	15,000	\$884,000	\$1,330
3610519100	1037 N OLD WORLD THIRD ST	G VICTOR MADER	22,500	11,946	\$1,583,000	\$2,381
3610521000	1033 N OLD WORLD THIRD ST	1033 OLD WORLD 3RD LLC	4,425	17,464	\$396,000	\$596
3610522000	1029 N OLD WORLD THIRD ST	TOM AND PATTY LLC	3,075	7,134	\$451,000	\$678
3610523000	1023 N OLD WORLD THIRD ST	MADERS GERMAN RESTAURANT INC	5,824	9,360	\$271,000	\$408
3610524000	1021 N OLD WORLD THIRD ST	RICHARD WAGNER	2,996	5,576	\$163,000	\$245
3610527000	1015 N OLD WORLD THIRD ST	BUCK BRADLEY LLC	6,300	15,301	\$1,302,000	\$1,959

3610528000	1013 N OLD WORLD THIRD ST	THOMAS P EHR REVOCABLE	3,000	3,920	\$215,000	\$323
3610529000	1009 N OLD WORLD THIRD ST	LENRAK LLC	3,000	7,000	\$331,000	\$498
3610530000	1005 N OLD WORLD THIRD ST	CHARLOTTE M BOUCHARD	1,980	3,600	\$222,000	\$334
3610531110	332 W STATE ST	THE JOURNAL COMPANY	25,000	25,000	\$512,000	\$770
3610534000	324 W STATE ST	BRIAN E O'LEARY	2,500	1,976	\$61,900	\$93
3610535000	322 W STATE ST	SANDRA STONE RUFFALO	2,500	7,470	\$635,000	\$955
3610536000	316 W STATE ST	JOHN HINKEL BUILDING LLC	2,400	2,400	\$50,400	\$76
3610537000	1001 N OLD WORLD THIRD ST	JOHN HINKEL BUILDING LLC	2,400	6,666	\$856,200	\$1,288
3610538000	1003 N OLD WORLD THIRD ST	JOHN HINKEL BUILDING LLC	2,420	1,800	\$260,000	\$391
3610539110	1044 N OLD WORLD THIRD ST	ROBERT A BOUCHARD &	2,200	76,904	\$2,411,000	\$3,627
3610540111	1030 N OLD WORLD THIRD ST	HIGHLAND BEACH SURFER INC	15,531		\$2,410,900	\$3,627
3610559111	333 W STATE ST	FRED USINGER INC			\$11,301,500	\$17,000
3610571100	330 W KILBOURN AV	JOURNAL/SENTINEL INC	6,600	6,466	\$1,120,000	\$1,685
3610603116	333 W KILBOURN AV	THE JOURNAL COMPANY	73,740	356,540	\$32,000,000	\$48,136
3610616111	340 W WELLS ST	MILWAUKEE MECCA HOTEL	29,210	232,960	\$6,250,000	\$9,402
3610618115	302 W WELLS ST	THE ISAACS FAMILY LIMITED	15,652	15,652	\$626,100	\$942
3610619000	836 N OLD WORLD THIRD ST	MILWAUKEE MECCA HOTEL	3,750	3,606	\$278,000	\$418
3610620000	830 N OLD WORLD THIRD ST	ANANT CHONGVATANABANDIT	7,900	15,000	\$921,000	\$1,385
3610621100	822 N OLD WORLD THIRD ST	ANANT PHOUNGPHOL	11,250	11,250	\$462,000	\$695
3610622000	823 N 2ND ST	ANANT PHOUNGPHOL	15,000	150,000	\$5,461,000	\$8,215
3610624000	808 N OLD WORLD THIRD ST	CHALET AT THE RIVER LLC	18,750	111,894	\$2,892,000	\$4,350
3610625000	206 W WELLS ST	SIXTH PROPERTY LLC	15,000	15,000	\$658,000	\$990
3610627100	111 W KILBOURN AV	LOTS OF LUCK LLC	9,283	12,594	\$1,013,000	\$1,524
3610629000	840 N PLANKINTON AV	KILBOURN BRIDGE ASSOCIATES	7,800	12,864	\$686,000	\$1,032
3610630000	834 N PLANKINTON AV	KILBOURN TOWN LLC	4,800	18,560	\$431,000	\$648
3610631000	830 N PLANKINTON AV	ROBERT E JOHN	2,440	3,976	\$138,000	\$208
3610632000	826 N PLANKINTON AV	ROBERT E JOHN	4,880	24,000	\$1,171,000	\$1,761
3610633000	814 N PLANKINTON AV	BARTELS LIMITED PARTNERSHIP	7,440	24,000	\$960,000	\$1,444
3610634000	810 N PLANKINTON AV	BARTELS LTD PTN	2,520	12,550	\$365,000	\$549
3610635000	808 N PLANKINTON AV	PLANKINTON PROFESSIONAL	2,560	12,800	\$405,000	\$609
3610642111	710 N PLANKINTON AV	ROBERT E JOHN	29,707	121,612	\$6,498,000	\$9,775
3610647000	725 N PLANKINTON AV	TOWNE REALTY INC	3,425	26,350	\$506,000	\$761
3610648000	152 W WISCONSIN AV	MOSTREET LLC	16,843	108,334	\$2,900,000	\$4,362
3610649100	174 W WISCONSIN AV	MOSTREET LLC	18,000	107,754	\$6,857,000	\$10,315
3610652100	215 W WELLS ST	HCP OBG MILWAUKEE	16,143	16,143	\$653,772	\$983
3610652200	749 N 2ND ST	FB PROP JOINT VENTURE	6,598	6,598	\$263,900	\$397
3610653000	746 N OLD WORLD THIRD ST	FB PROP JOINT VENTURE	11,250	11,250	\$455,625	\$685
3610655100	735 N 2ND ST	FB PROP JOINT VENTURE	7,269	7,269	\$290,800	\$437
3610657000	730 N OLD WORLD THIRD ST	FB PROP JOINT VENTURE	0	0	\$2,009,000	\$3,022
3610658000	212 W WISCONSIN AV	DAVID A WEIR	21,600	104,955	\$1,556,000	\$2,341
3610659000	720 N OLD WORLD THIRD ST	IRON BUTTERFLY LLC	15,000	0	\$2,492,000	\$3,749
3610660000	200 W WISCONSIN AV	WISCONSIN HOTEL COMPANY LLC	8,400	20,450	\$689,000	\$1,036
		PLANKINTON LLC				

3610661000	224 W WISCONSIN AV	JAEDONG "DENNY" KIM	4,900	4,875	\$394,000	\$593
3610662000	234 W WISCONSIN AV	230 WISCONSIN GROUP LTD	6,025	16,410	\$770,000	\$1,158
3610663000	236 W WISCONSIN AV	HOTEL INVESTMENT PROPERTY	4,075	32,255	\$2,050,000	\$3,084
3610664113	310 W WISCONSIN AV	FEDERAL PLAZA ASSOCIATES	97,000	693,953	\$20,000,000	\$30,085
3610665100	736 N 4TH ST	TOWNE REALTY INC	22,200	120,444	\$3,575,000	\$5,378
3610701000	825 W WISCONSIN AV	ST JAMES COURT HISTORIC	9,360	37,800	\$1,728,000	\$2,599
3610702000	815 W WISCONSIN AV	TOWNE PETERSON LLC	4,576	4,576	\$99,100	\$149
3610703000	801 W WISCONSIN AV	TOWNE PETERSON LLC	22,057	22,057	\$390,000	\$587
3610707110	735 W WISCONSIN AV	TOWNE -PETERSON LLC	63,000	111,109	\$3,161,000	\$4,755
3610709100	625 N JAMES LOVELL ST	TOWNE PETERSON LLC	7,275	7,275	\$98,700	\$148
3610711000	712 W MICHIGAN ST	LIBERTY HOLDING CO LTD	7,500	29,869	\$790,920	\$1,190
3610712000	700 W MICHIGAN ST	LIBERTY HOLDING CO LTD	15,000	27,802	\$730,080	\$1,098
3610713111	633 W WISCONSIN AV	THE CLARK BUILDING	71,400	424,295	\$8,942,000	\$13,451
3610714111	611 W WISCONSIN AV	DOWNTOWN VENTURES LLP	41,955	172,609	\$7,700,000	\$11,583
3610739120	615 N 4TH ST	BOSTCO LLC	48,000	280,872	\$2,786,000	\$4,191
3610750100	211 W WISCONSIN AV	211 W WISCONSIN OWNER LLC	24,000	105,078	\$11,385,000	\$17,126
3610776114	105 W MICHIGAN ST	105/111 LLC	93,989	357,660	\$15,519,000	\$23,345
3610781000	555 N PLANKINTON AV	IVORY RETAIL OFFICE	40,000	152,463	\$2,445,000	\$3,678
3610785100	503 N PLANKINTON AV	WISPARK LLC	40,000	40,000	\$853,000	\$1,283
3610786110	522 N 2ND ST	WISPARK LLC	40,000	0	\$922,000	\$1,387
3610799110	401 W MICHIGAN ST	ISTAR CTL I LP	40,000	236,218	\$9,445,000	\$14,208
3610814122	501 W MICHIGAN ST	TIME INSURANCE COMPANY	127,718	370,160	\$26,177,000	\$39,377
3610822110	633 W MICHIGAN ST	DONALD R DREISKE	80,311	96,022	\$4,000,000	\$6,017
3610825120	525 N 6TH ST	S & R PROPERTY LLC	29,752	19,779	\$1,076,000	\$1,619
3610834210	545 N JAMES LOVELL ST	LIBERTY HOLDING CO LTD	5,625	5,625	\$113,000	\$170
3610835000	555 N JAMES LOVELL ST	THE SCHELLER JOINT REVOCABLE	5,000	5,046	\$383,000	\$576
3610840111	803 W MICHIGAN ST	TOWN REALTY INC	60,260	132,334	\$3,350,000	\$5,039
3610849100	531 N 8TH ST	TOWN REALTY INC	9,600	9,600	\$87,000	\$131
3610850110	521 N 8TH ST	TOWN REALTY INC	9,146	7,200	\$342,000	\$514
3610876100	404 W ST PAUL AV	CULLEN OAKLAND INC	30,000	30,000	\$620,000	\$933
3610877000	422 N 5TH ST	CAFFEINE FACTORY LLC	7,500	15,000	\$305,000	\$459
3610878100	420 W ST PAUL AV	FRANK G O'CONNOR JR	22,500	124,245	\$882,000	\$1,327
3610886000	423 N 3RD ST	DF INVESTMENT II	7,500	10,692	\$576,800	\$868
3610889100	411 N 3RD ST	D F INVESTMENTS	7,500	10,692	\$139,000	\$209
3611713100	601 W WELLS ST	ALLRIGHT CORPORATION	36,750	158,916	\$4,000,000	\$6,017
3611715000	738 N JAMES LOVELL ST	SHADED DOG VENTURES LLC	2,000	2,612	\$254,000	\$382
3611716000	746 N JAMES LOVELL ST	STEVEN M LECHTER &	1,750	1,986	\$157,000	\$236
3611717000	728 N JAMES LOVELL ST	METROPOLITAN-LOVELL	15,000	45,000	\$500,000	\$752
3611718100	723 N 6TH ST	ALLRIGHT REALTY COMPANY	12,000	12,000	\$379,000	\$570
3611721000	626 W WISCONSIN AV	THE CENTRAL MARKET PLACE CO	16,312	16,312	\$398,000	\$599
3611722000	612 W WISCONSIN AV	WISCONSIN AVENUE PROPERTY	0	0	\$1,970,000	\$2,963

3611723000	606 W WISCONSIN AV	CITY REAL ESTATE DEVELOPMENT	10,500	97,133	\$2,250,000	\$3,385
3611801100	1104 N OLD WORLD THIRD ST	RIVERFRONT PLAZA JOINT	31,137	105,328	\$8,799,000	\$13,236
3611842000	111 W PLEASANT ST	SCHLITZ PARK ASSOCIATES I	31,879	45,479	\$811,000	\$1,220
3611891000	1407 N MARTIN L KING JR DR	PARK EAST ENTERPRISE LOFTS I	48,000	0	\$775,300	\$1,166
3611901000	730 N PLANKINTON AV	MOSTREET III LLC	405	3,375	\$245,000	\$369
3910101000	900 W WISCONSIN AV	WISCONSIN CLUB	118,250	46,398	\$4,258,000	\$6,405
3920001111	751 N PLANKINTON AV	MOSTREET II, LLC	15,604	9,155	\$528,000	\$794
3920001121	135 W WELLS ST	GERMANIA LTD LIABILITY CO	14,682	79,188	\$2,557,000	\$3,846
3920202000	843 N PLANKINTON AV	THANKS A-LOT LLC	22,771	22,771	\$798,000	\$1,200
3920203000	840 N OLD WORLD THIRD ST	JOANNE L CHARLTON	3,431	15,230	\$733,000	\$1,103
3920302000	104 E MASON ST	CITY HALL SQUARE LLC	16,306	123,920	\$6,096,000	\$9,170
3920411000	753 N WATER ST	DERMOND ASSOCIATES LLC	4,325	10,025	\$950,000	\$1,429
3920601110	733 N WATER ST	COMPASS PROPERTIES	25,205	300,871	\$11,000,000	\$16,547
3920601120	731 N WATER ST	COMPASS PROPERTIES 731	10,925	81,039	\$1,000,000	\$1,504
3920604110	100 E WISCONSIN AV	100 EAST WISCONSIN AVENUE	27,526	422,865	\$54,501,000	\$81,984
3920605111	111 E WISCONSIN AV	PLAZA BLDG MANAGEMENT CORP	41,186	472,507	\$34,007,000	\$51,156
3920614111	543 N WATER ST	BANC ONE BUILDING	46,800	286,884	\$6,354,000	\$9,558
3920651000	225 E MICHIGAN ST	MACKIE LLC	14,400	45,975	\$2,129,000	\$3,203
3920652100	525 N BROADWAY	EPA LLC	14,400	14,400	\$632,000	\$951
3920656000	511 N BROADWAY	EPA LLC	7,200	7,200	\$324,000	\$487
3920657000	503 N BROADWAY	UIHLEIN PROP LLC	7,200	7,200	\$291,000	\$438
3920659000	510 N WATER ST	BUTTON BLOCK LLC	4,800	4,800	\$135,000	\$203
3920660100	514 N WATER ST	C-SYSTEMS INC	2,400	7,200	\$289,000	\$435
3920660200	518 N WATER ST	GEORGE V ALEX	4,800	16,616	\$550,000	\$827
3920661000	524 N WATER ST	BASE STATION LLC	2,400	8,800	\$284,000	\$427
3920663000	532 N WATER ST	HEZ MO PROPERTIES LLC	4,800	16,800	\$340,000	\$511
3920664000	207 E MICHIGAN ST	MITCHELL BUILDING CORP	9,600	42,600	\$1,836,000	\$2,762
3920665000	229 E WISCONSIN AV	RAILWAY EXCHANGE BUILDING	3,977	48,000	\$1,297,000	\$1,951

3920666000	219 E WISCONSIN AV	MILWAUKEE BUILDING CORP	8,000	13,000	\$582,000	\$875
3920667000	631 N BROADWAY	MILWAUKEE BUILDING CORP	4,800	5,740	\$205,000	\$308
3920668000	627 N BROADWAY	MILWAUKEE BUILDING CORP	2,400	4,800	\$169,000	\$254
3920669000	625 N BROADWAY	JOSEPH IANNELLI & GRACE HW &	2,400	3,776	\$270,000	\$406
3920670000	611 N BROADWAY	LOYALTY BUILDING CORP	21,600	79,609	\$3,401,000	\$5,116
3920672100	610 N WATER ST	TOON CITY II LLC	6,000	18,000	\$430,000	\$647
3920674000	622 N WATER ST	TOON CITY INC	8,400	42,000	\$1,622,000	\$2,440
3920675000	624 N WATER ST	ELK VI LLC	2,400	8,300	\$765,000	\$1,151
3920676000	628 N WATER ST	ELK VI LLC	4,740	14,400	\$734,000	\$1,104
3920677110	632 N WATER ST	TOON CITY INC	6,120	6,120	\$291,000	\$438
3920681100	205 E WISCONSIN AV	WISCONSIN 205 LLC	8,400	40,670	\$2,307,000	\$3,470
3920683000	225 E MASON ST	225 EAST MASON PROPERTY	3,900	30,848	\$1,830,000	\$2,753
3920689113	200 E WISCONSIN AV	700 NORTH WATER LLC	15,800	153,201	\$7,476,000	\$11,246
3920696100	718 N WATER ST	100 E WISCONSIN AV JT VNTR	16,800	0	\$4,415,000	\$6,641
3920697000	734 N WATER ST	COMPASS PROPERTIES	12,000	96,000	\$1,959,000	\$2,947
3920700100	769 N BROADWAY	MARSHALL & ILSLEY BANK	14,400	14,080	\$669,000	\$1,006
3920702000	751 N BROADWAY	NEW 757 LLC	9,600	67,200	\$3,018,000	\$4,540
3920703000	226 E MASON ST	PENTA LLC	1,260	3,282	\$350,000	\$526
3920704000	224 E MASON ST	PENTA LLC	1,140	2,862	\$350,000	\$526
3920705100	216 E MASON ST	GRAY MAIDEN LLC	2,400	9,410	\$410,000	\$617
3920707111	778 N WATER ST	M & I MARSHALL & ILSLEY	63,600	492,954	\$30,040,000	\$45,188
3920714110	777 N MILWAUKEE ST	MILWAUKEE ATHLETIC CLUB	21,600	64,890	\$1,617,000	\$2,432
3920715000	767 N MILWAUKEE ST	COLBY ABBOT BLDG LLP	7,200	21,600	\$565,000	\$850
3920716000	763 N MILWAUKEE ST	COLBY ABBOT BLDG LLP	2,400	3,268	\$172,000	\$259
3920717000	753 N MILWAUKEE ST	COLBY ABBOT BLDG LLP	12,000	52,544	\$2,270,000	\$3,415
3920723000	792 N BROADWAY	MILWAUKEE ATHLETIC CLUB	7,200	7,200	\$344,000	\$517
3920728000	324 E WISCONSIN AV	TOWNE REALTY INC	12,000	117,166	\$6,328,000	\$9,519
3920729000	312 E WISCONSIN AV	D & K MANAGEMENT V LLC	14,400	68,655	\$4,345,000	\$6,536
3920733000	329 E WISCONSIN AV	JOHNSON BANK	3,400	17,000	\$1,525,000	\$2,294
3920734000	327 E WISCONSIN AV	HOWARD D SPECTOR	3,800	13,846	\$424,000	\$638
3920735000	319 E WISCONSIN AV	HOWARD D SPECTOR	7,200	28,800	\$692,000	\$1,041
3920736000	629 N MILWAUKEE ST	HOWARD D SPECTOR	3,000	9,000	\$239,000	\$360
3920737000	627 N MILWAUKEE ST	HOWARD D SPECTOR	2,400	6,400	\$185,000	\$278
3920738000	625 N MILWAUKEE ST	FRANK J ANDREWS	16,200	65,106	\$2,063,000	\$3,103
3920739000	322 E MICHIGAN ST	MC GEOCH BUILDING LLC	7,200	39,423	\$1,790,000	\$2,693
3920740000	602 N BROADWAY	600 NORTH BROADWAY	7,200	25,966	\$2,155,000	\$3,242
3920741000	608 N BROADWAY	A & K REAL ESTATE	3,600	13,480	\$369,000	\$555
3920742000	612 N BROADWAY	A & K REAL ESTATE	3,600	13,440	\$405,000	\$609

3920743000	618 N BROADWAY	SGG 618 BROADWAY LLC	9,000	30,000	\$510,000	\$767
3920745000	301 E WISCONSIN AV	MARSHALL BLOCK, INC	16,200	51,914	\$840,000	\$1,264
3920748000	322 E CLYBOURN ST	MICHAEL A IANNELLI & KAREN	10,320	10,320	\$500,000	\$752
3920749000	320 E CLYBOURN ST	LORETTE RUSSENBERGER	4,080	11,730	\$454,000	\$683
3920785000	501 N JEFFERSON ST	PETERS & FRISCH INV CO INC	7,200	10,760	\$768,000	\$1,155
3920786000	412 E CLYBOURN ST	MARIETTA SCHIELD	2,400	2,400	\$126,000	\$190
3920787000	500 N MILWAUKEE ST	UNIVERSAL FOODS CORPORATION	14,400	14,400	\$459,000	\$690
3920803100	400 E WISCONSIN AV	CURRY-PIERCE LTD PTRNSHIP	6,560	24,000	\$1,425,000	\$2,144
3920806000	718 N MILWAUKEE ST	PALERMATHEN LLC	4,800	12,000	\$850,000	\$1,279
3920809000	730 N MILWAUKEE ST	730 LLC	2,400	6,000	\$60,000	\$90
3920810000	411 E MASON ST	HOTEL METRO LLC	14,400	62,343	\$5,000,000	\$7,521
3920811000	419 E WELLS ST	DANIEL J HELFER	7,200	7,143	\$686,000	\$1,032
3920812000	787 N JEFFERSON ST	MARVIN A & MARILYN ZETLEY	3,600	3,094	\$278,000	\$418
3920813000	783 N JEFFERSON ST	MARVIN A & MARILYN ZETLEY	3,600	4,182	\$411,000	\$618
3920814000	775 N JEFFERSON ST	SELZER-ORNST COMPANY	7,200	24,684	\$1,260,000	\$1,895
3920815000	771 N JEFFERSON ST	FOX PROPERTIES LLC	2,400	5,900	\$383,000	\$576
3920816000	767 N JEFFERSON ST	CAROL HARTTER	4,800	12,160	\$348,000	\$523
3920817000	751 N JEFFERSON ST	WATTS, GEORGE	8,160	15,360	\$894,000	\$1,345
3920818000	416 E MASON ST	M&I MARSHALL & ILSLEY BANK	6,240	578	\$341,000	\$513
3920819000	752 N MILWAUKEE ST	FILLMORE BUILDING LLC	17,880	44,194	\$3,505,000	\$5,272
3920820000	770 N MILWAUKEE ST	770 N MILWAUKEE ST LLC	4,920	7,834	\$796,000	\$1,197
3920821000	776 N MILWAUKEE ST	GREGORY POULOS	6,000	10,716	\$633,000	\$952
3920829110	770 N JEFFERSON ST	WASHINGTON SQUARE ASSN III	30,480	277,439	\$5,508,000	\$8,285
3920833110	788 N JEFFERSON ST	788 BUILDING LTD PARTNERSHIP	15,240	160,432	\$5,742,000	\$8,637
3920835110	741 N JACKSON ST	WASHINGTON SQUARE ASSOC I	38,100	38,100	\$2,234,000	\$3,361
3920838100	731 N JACKSON ST	JACKSON STREET REAL_ESTATE	15,240	108,214	\$5,468,000	\$8,225
3920839000	526 E WISCONSIN AV	PALMOLIVE BLDG CO LTD PTSHP	7,200	18,000	\$1,862,000	\$2,801
3920840100	522 E WISCONSIN AV	MUTUAL S & L ASSN	8,040	8,040	\$593,000	\$892
3920841100	510 E WISCONSIN AV	MUTUAL S & L ASSN	8,040	16,370	\$1,004,000	\$1,510
3920842110	706 N JEFFERSON ST	THE MILWAUKEE CLUB	9,600	18,483	\$657,000	\$1,289
3920844100	720 N JEFFERSON ST	MUTUAL S & L ASSN	4,800	4,800	\$256,500	\$386
3920848100	507 E MICHIGAN ST	JOHNSON CONTROLS INC			\$22,508,100	\$33,858
3920886113	615 E MICHIGAN ST	LEWIS CENTER LLC	89,200	92,026	\$8,491,000	\$12,773
3920908111	617 E WISCONSIN AV	NORTHWESTERN MUTUAL	91,440	149,760	\$12,179,000	\$18,320
3920919111	727 N VAN BUREN ST	VAN BUREN BUILDING COMPANY,	21,600	142,748	\$8,219,000	\$12,364
3920924000	600 E WISCONSIN AV	600 WISCONSIN LLC	7,200	19,272	\$1,064,000	\$1,601
3920930100	732 N JACKSON ST	JACKSON BUILDING COMPANY	16,500	80,950	\$3,038,000	\$4,570
3920934000	771 N VAN BUREN ST	THOMAS J KUESEL	2,400	4,040	\$304,000	\$457

3920935000	765 N VAN BUREN ST	THOMAS J KUESEL	4,800	9,396	\$583,000	\$877
3920936000	624 E MASON ST	MITCHELL INC D/B/A MITCHELL	14,400	41,705	\$3,548,000	\$5,337
3920938100	604 E MASON ST	JLEW INVESTMENTS LLC	6,225	17,560	\$909,000	\$1,367
3920939000	762 N JACKSON ST	JLEW INVESTMENTS LLC	3,870	3,870	\$187,000	\$281
3920943100	790 N JACKSON ST	EXECUTIVE CLUB LIMITED	14,960	45,089	\$2,569,000	\$3,864
3921178100	1005 N EDISON ST	ROJAHN & MALANEY CO	18,640	18,784	\$531,000	\$799
3921179100	100 E STATE ST	ROJAHN & MALANEY CO	5,875	5,875	\$219,000	\$329
3921183100	113 E JUNEAU AV	ZILBER FAMILY PARTNERSHIP	3,590	1,938	\$351,000	\$528
3921186110	1147 N EDISON ST	ZILBER FAMILY PTN LLP	5,000	5,000	\$197,000	\$296
3921189100	145 E JUNEAU AV	D & D REALTY ON WATER LLC	2,124	0	\$35,108	\$53
3921192000	1139 N WATER ST	D & D REALTY ON WATER LLC	1,080	2,448	\$243,000	\$366
3921194100	1135 N WATER ST	D & D REALTY ON WATER LLC	6,037	5,560	\$999,000	\$1,503
3921196000	1129 N WATER ST	WATER STREET INVESTMENTS	2,653	4,302	\$583,000	\$877
3921197000	1127 N WATER ST	MARLENE W GOLDBERG	2,700	2,194	\$371,000	\$558
3921200000	1119 N WATER ST	HARVEY PRESTON GROUP LLC	8,100	30,304	\$1,901,000	\$2,860
3921202000	1115 N WATER ST	HARVEY PRESTON GROUP LLC	5,400	5,400	\$182,000	\$274
3921204000	1113 N WATER ST	PRETZEL BOYS INC	2,700	2,700	\$119,000	\$179
3921206000	1109 N WATER ST	PRETZEL BOYS INC	2,700	2,240	\$301,000	\$453
3921304110	270 E HIGHLAND AV	BLATZ CONDO JOINT VENTURE	71,693	360,000	\$21,500,000	\$32,342
3921304210	252 E HIGHLAND AV	GG 252 HIGHLAND LLC	14,744	54,104	\$1,620,000	\$2,437
3921304220	250 E HIGHLAND AV	BLATZ CONDO JOINT VENTURE	3,494	3,494	\$95,000	\$143
3921305111	1000 N MARKET ST	MILW SCHOOL OF ENGINEERING	91,440	261,315	\$3,878,000	\$5,834
3921335000	828 N BROADWAY	828 NORTH BROADWAY LLC	7,200	43,632	\$1,172,000	\$1,763
3921353110	1008 N BROADWAY	MILW SCHOOL OF ENGINEERING	13,100	37,833	\$2,141,000	\$3,221
3921361000	311 E JUNEAU AV	HISTORIC HOLDINGS LLC	15,792	15,180	\$427,000	\$642
3921388100	839 N JEFFERSON ST	839 N JEFFERSON ST PTRNSHP	12,000	54,260	\$5,607,000	\$8,434
3921389000	831 N JEFFERSON ST	833 N JEFFERSON LLC	4,800	9,240	\$458,000	\$689
3921390100	825 N JEFFERSON ST	NORTHBRIDGE COMPANY	11,400	57,000	\$3,843,000	\$5,781
3921391210	811 N JEFFERSON ST	CATHEDRAL SQUARE LIMITED	6,540	13,265	\$843,000	\$1,268
3921391220	418 E WELLS ST	CATHEDRAL SQUARE LIMITED	8,400	16,640	\$1,076,000	\$1,619
3921395000	840 N MILWAUKEE ST	D & K MANAGEMENT LLC	14,400	46,607	\$4,175,000	\$6,280
3921410111	1029 N JACKSON ST	JBC 59 LLC, TAH 59 LLC	168,910	535,904	\$40,933,000	\$61,574
3921546000	720 E WISCONSIN AV	NORTHWESTERN MUTUAL LIFE	91,440	322,007	\$29,124,000	\$43,810

3921558000	711 E KILBOURN AV	SR BODIES LLC	14,290	14,290	\$285,800	\$430
3921559000	835 N CASS ST	LANCASTER APARTMENTS LLP	7,620	26,296	\$1,849,000	\$2,781
3921560000	829 N CASS ST	829 CASS LLC	6,820	19,300	\$1,204,000	\$1,811
3921562000	819 N CASS ST	S & D RIEDEL LLC	3,600	3,250	\$396,000	\$596
3921563000	815 N CASS ST	MARGALETTE M DEMET	4,200	5,710	\$428,000	\$644
3921565000	801 N CASS ST	BENJAMIN'S TOO, INC	2,400	4,022	\$362,000	\$545
3921566000	724 E WELLS ST	CLARK-WELLS LLC	2,400	2,014	\$255,000	\$384
3921567000	718 E WELLS ST	CLARK-WELLS LLC	3,400	5,129	\$397,000	\$597
3921569000	802 N VAN BUREN ST	LAUREL CANYON PROPERTIES LLC	2,310	5,256	\$429,000	\$645
3921574100	822 N VAN BUREN ST	WIS SCOTTISH RITE BODIES	22,965	22,965	\$832,000	\$1,252
3921620000	829 N MARSHALL ST	DANIEL R MC CORMICK,	7,219	4,195	\$443,000	\$666
3921621000	817 N MARSHALL ST	MARSHALL STREET LLC	9,000	9,086	\$770,000	\$1,158
3921622100	807 N MARSHALL ST	MARSHALL & WELLS LLC	12,000	12,000	\$398,000	\$599
3921636110	818 E MASON ST	NORTHWESTERN MUTUAL LIFE	95,832	542,005	\$48,282,000	\$72,629
3921656112	800 E WISCONSIN AV	NORTHWESTERN MUTUAL LIFE	164,546	451,964	\$49,563,000	\$74,556
3921700000	900 E WELLS ST	ESG PROPERTIES LLC	5,040	3,232	\$472,000	\$710
3921704000	903 E KILBOURN AV	CAPITAL 45 LLC	0	33,780	\$2,318,000	\$3,487
3921809111	404 E LYON ST	USL LAND LLC	17,950	0	\$98,800	\$149
3921941130	310 E KNAPP ST	1300 BROADWAY LLC	31,438	57,025	\$10,318,000	\$15,521
3921948000	1303 N MILWAUKEE ST	BTS2 LLC			\$692,000	\$1,041
3921953000	1241 N MILWAUKEE ST	ROBERT S STEMBERGER			\$757,600	\$1,140
3921955000	1227 N MILWAUKEE ST	MILWAUKEE 1227 LLC			\$1,004,700	\$1,511
3922061100	1433 N WATER ST	BROOKWATER LTD PARTNERSHIP	51,277	71,057	\$2,269,000	\$3,413
3922062100	1421 N WATER ST	PECK FAMILY LTD LIAB CO	23,380	12,536	\$789,000	\$1,187
3922077000	1301 N EDISON ST	PARKING MANAGEMENT OF	45,618	45,618	\$8,553,400	\$12,867
3922096112	1303 N BROADWAY	M & I MARSHALL & ILSLEY BANK	70,854	70,854	\$1,091,000	\$1,641
3922127100	1214 N WATER ST	M & I MARSHALL & ILSLEY BANK	77,400	77,400	\$2,097,000	\$3,154
3922131000	1245 N WATER ST	PAGET ON WATER LLC	4,821	16,324	\$846,000	\$1,273
3922132000	1241 N WATER ST	DOUGLAS J WIED & SHIRLEY M	2,410	1,998	\$141,000	\$212
3922133100	1233 N WATER ST	PAGET ON WATER LLC	9,642	9,642	\$340,000	\$511
3922136000	1221 N WATER ST	WARD & KENNEDY CO	8,437	10,535	\$1,101,000	\$1,656
3922137000	1217 N WATER ST	THOMAS DEER	3,616	3,616	\$93,900	\$141
3922138000	1215 N WATER ST	THOMAS DEER	2,230	4,420	\$165,000	\$248
3922139000	1213 N WATER ST	FORTNEY FORTNEY & FORTNEY	2,642	3,608	\$398,000	\$599
3922140000	1209 N WATER ST	FORTNEY FORTNEY & FORTNEY	2,410	2,510	\$328,000	\$493

3922141000	1207 N WATER ST	BARBARA L SHAFTON TRUSTEE	4,200	12,144	\$691,000	\$1,039
3922142000	146 E JUNEAU AV	CHARLOTTE D VOLK TRUST U/A	1,200	3,420	\$204,000	\$307
3922143000	144 E JUNEAU AV	CHARLOTTE D VOLK TRUST	1,800	1,800	\$232,000	\$349
3922146100	134 E JUNEAU AV	DOUGLAS A ROSSI	7,259	3,592	\$396,000	\$596
3922149110	1232 N EDISON ST	1232 NORTH EDISON LLC	23,513	17,112	\$666,000	\$1,002
3922301100	250 E KILBOURN AV	MORTGAGE GUARANTY INSURANCE	105,851	210,552	\$23,718,000	\$35,678
3922352000	135 E KILBOURN AV	MARCUS W LLC	29,229	214,710	\$19,000,000	\$28,581
3922401000	815 N WATER ST	HALES CORNERS DEV CORP	15,936	30,793	\$3,392,000	\$5,102
3922423000	1010 N WATER ST	BEVERLY HILLS PROPERTIES I	2,593	11,860	\$1,282,000	\$1,928
3922424000	1000 N WATER ST	AAP PROPERTIES LLC	59,645	283,450	\$22,900,000	\$34,448
3922431000	740 N PLANKINTON AV	RIVER BANK PLAZA BLDG	34,627	65,635	\$3,390,000	\$5,099
3922441000	123 E WELLS ST	CITY HALL SQUARE LLC	35,032	94,167	\$3,429,000	\$5,158
3922442000	107 E WELLS ST	ROYAL TAXMAN	5,923	8,014	\$363,000	\$546
3922511000	767 N WATER ST	PACHEFSKY PROP LLC	2,001	4,000	\$240,000	\$361
3922512000	765 N WATER ST	DAVID D VOIGHT	2,001	4,000	\$196,000	\$295
3922513000	761 N WATER ST	TAP PROPERTIES LLC	1,801	4,617	\$439,000	\$660
3922514000	759 N WATER ST	DEAN N JENSEN	1,751	3,340	\$327,000	\$492
3922531000	771 N WATER ST	WATER STREET ASSOCIATES LLC	2,666	7,983	\$745,000	\$1,121
3922561000	223 E JUNEAU AV	1101 N MARKET ST PARTNERS	13,873	13,873	\$252,000	\$379
3922562000	1101 N MARKET ST	SSG PROPERTIES LLC	30,803	60,069	\$4,692,000	\$7,058
3922571000	1124 N WATER ST	MARKET STREET PARTNERS II	2,353	2,353	\$28,200	\$42
3922572000	1114 N WATER ST	SSG PROP LLC	15,345	12,778	\$1,016,000	\$1,528
3930412000	1020 N BROADWAY	HISTORIC HOLDINGS LLC	12,492	37,673	\$2,425,000	\$3,648
3930451000	925 E WELLS ST	CUDAHY TOWER APTS LLC	33,682	122,724	\$8,672,000	\$13,045
3930462000	777 N CASS ST	NORTHWESTERN LIFE INS CO	71,751	0	\$7,914,000	\$11,905
3930471100	920 E MASON ST	BRUCE M PECKERMAN	467	5,635	\$544,000	\$818
3930532000	906 E MASON ST	BRUCE M PECKERMAN &	7,956	7,956	\$199,000	\$299
3930541000	741 N MILWAUKEE ST	BRIAN C ZARLETTI	470	2,300	\$563,000	\$847
3930581000	714 N MILWAUKEE ST	SAKE II LLC	2,379	9,468	\$594,000	\$894
3930582000	710 N MILWAUKEE ST	PLANET DEVELOPMENT LLC	2,330	6,522	\$380,000	\$572
3930601000	555 E WELLS ST	CATHEDRAL PLACE LLC	17,442	200,000	\$23,901,000	\$35,953
3930602000	535 E WELLS ST	CATHEDRAL PLACE LLC	1,957	19,000	\$2,945,000	\$4,430
3930611000	715 N MILWAUKEE ST	G/S PARTNERSHIP	475	21,240	\$41,900	\$63
3930612000	717 N MILWAUKEE ST	G/S PARTNERSHIP	1,491	21,240	\$111,000	\$167
3930613000	719 N MILWAUKEE ST	G/S PARTNERSHIP	1,490	21,240	\$154,000	\$232
3930614000	723 N MILWAUKEE ST	G/S PARTNERSHIP	1,440	21,240	\$106,000	\$159
3930631000	924 E WELLS ST	UNIVERSITY CLUB OF MILWAUKEE	18,326	53,220	\$2,282,000	\$3,433
3930632000	825 N PROSPECT AV	UNIVERSITY CLUB TOWER LLC	41,242	41,242	\$19,574,900	\$29,446
3930791000	724 N MILWAUKEE ST	PALERMATHEN LLC	4,791	9,200	\$399,000	\$600

3930792000	722 N MILWAUKEE ST	PALERMATHEN LLC	2,524	6,080	\$294,000	\$442
3960252100	827 E WISCONSIN AV	GRAND VIEW DEV PARTNERS LLC	61,954	209,000	\$39,440,000	\$59,328
3970108111	333 N PLANKINTON AV	PRITZLAFF REDEVELOPMENT LLC	90,700	302,506	\$3,001,500	\$4,515
3970141100	223 W WISCONSIN AV	GRAND AVE CITY MALL LLC	1,878	18,572	\$1,729,000	\$2,601
3970152100	304 W MICHIGAN ST	MILWAUKEE HOTEL VENTURE LTD	44,457	112,472	\$13,900,000	\$20,909
3970162120	275 W WISCONSIN AV	NEW ARCADE LLC	62,869	79,981	\$9,761,000	\$14,683
3970181110	301 W WISCONSIN AV	BOSTCO LLC	10,714	30,927	\$457,000	\$687
3970181111	321 W WISCONSIN AV	GRAND AVE CITY MALL LLC	5,090	14,650	\$585,000	\$880
3970185000	301 W WISCONSIN AV	BOSTCO LLC	14,167	40,924	\$2,057,000	\$3,094
3970192100	360 W ST PAUL AV	PALMOLIVE BUILDING COMPANY	378	866	\$71,600	\$108
3970193100	350 W ST PAUL AV	PALMOLIVE BUILDING COMPANY	4,284	11,097	\$633,000	\$952
3970194100	350 W ST PAUL AV	PALMOLIVE BUILDING COMPANY	4,927	11,719	\$648,000	\$975
3970195100	350 W ST PAUL AV	PALMOLIVE BUILDING COMPANY	4,927	11,330	\$633,000	\$952
3970196100	350 W ST PAUL AV	PALMOLIVE BUILDING COMPANY	4,927	11,680	\$633,000	\$952
3970197100	350 W ST PAUL AV	PALMOLIVE BUILDING COMPANY	4,890	11,254	\$653,000	\$982
3970201000	161 W WISCONSIN AV	GRAND AVE CITY MALL LLC	9,345	49,262	\$593,000	\$892
3970202000	161 W WISCONSIN AV	GRAND AVE CITY MALL LLC	4,856	25,350	\$1,909,000	\$2,872
3970204000	161 W WISCONSIN AV	GRAND AVE CITY MALL LLC	11,636	61,145	\$7,128,000	\$10,722
3970205000	161 W WISCONSIN AV	GRAND AVE CITY MALL LLC	11,269	59,470	\$3,760,000	\$5,656
3970206000	161 W WISCONSIN AV	GRAND AVE CITY MALL LLC	9,345	49,465	\$1,127,000	\$1,695
3970208100	161 W WISCONSIN AV	YOUNG MENS CHRISTIAN ASSOC	4,487	29,419	\$1,072,000	\$1,613
3970331000	101 W WISCONSIN AV	IVORY RETAIL OFFICE	7,890	89,639	\$500,000	\$752
3970334000	101 W WISCONSIN AV	AMERICAN SOCIETY FOR	18,937	106,202	\$9,920,000	\$14,922
3970421000	331 W WISCONSIN AV	BOSTCO LLC	19,277	129,798	\$3,491,000	\$5,251
3970531000	176 W MICHIGAN ST	GRAND AVE CITY MALL LLC	75,600	0	\$5,488,000	\$8,255
3981202100	635 N JAMES LOVELL ST	BADGER COACHES INC	12,000	8,750	\$407,000	\$612
3981203000	641 N JAMES LOVELL ST	SHAFTON FAMILY LTD	4,500	3,000	\$181,000	\$272
3981204000	701 W WISCONSIN AV	SHAFTON FAMILY LTD	13,500	27,236	\$916,000	\$1,378
TOTAL					\$1,790,384,305	\$2,693,211
\$0.001504						

APPENDIX D
Proposed 2007 Budget (Subject to Change)

BUSINESS IMPROVEMENT DISTRICT #21
CLEAN*SAFE*FRIENDLY
2007 BUDGET

INCOME

2007 BID #21 Assessments	\$2,693,211
Additional Income	<u>\$ 236,500</u>
TOTAL INCOME	\$2,929,711

EXPENSES

Clean Sweep Ambassador Program	
Sidewalk Cleaning	\$ 527,000
Landscaping	\$ 265,000
Graffiti Removal	<u>\$ 11,000</u>
	\$ 803,000 (27.4% of total)
Public Service Ambassador Program	\$ 832,000 (28.4% of total)
Administrative	\$ 403,486 (13.8% of total)
Public Information/Marketing	\$ 725,300 (24.8% of total)
Business Retention/Recruitment	<u>\$ 165,925</u> (5.7% of total)
TOTAL EXPENSES	\$2,929,711

APPENDIX E

Cooperation Agreement between District Board and City

COOPERATION AGREEMENT

This COOPERATION AGREEMENT (the "Agreement") is made as of the 4th day of November, 1997, by and between the BOARD (the "Board") of BUSINESS IMPROVEMENT DISTRICT NO. 21, a business improvement district created pursuant to Wisconsin Statutes section 66.608 (the "District"), and the CITY OF MILWAUKEE, a municipal corporation (the "City").

RECITALS

The Board and the City acknowledge the following:

A. On October 14, 1997, the Common Council of the City adopted resolution no. 970900, creating the District and approving the initial operating plan for the District (the "Initial Operating Plan"). On November 4, 1997, the Mayor of the City appointed members to the Board in accordance with the requirements set forth in Article III.D. of the Initial Operating Plan.

B. The owners and occupants of the District have supported the creation of the District and members have accepted appointments to the Board in reliance on the City's representation that, throughout the existence of the District, the City will maintain that level of services being provided by the City to the owners and occupants of the District as of the date hereof and that the City will not reduce its services to the District as a result of the services provided by the Board to the District.

C. It is not the intent of the City to reduce that level of services being provided by the City to the owners and occupants of the District as of the date hereof. Further, the City desires to assure the owners and occupants of the District and, specifically, members of the Board, that it shall continue to furnish to owners and occupants of the District services of the same class and to the same extent as are furnished from time to time without cost or charge to other commercial and residential dwellings and inhabitants in the City.

AGREEMENTS

In consideration of the Recitals and mutual covenants contained herein, the Board and the City agree as follows:

1. Obligations of the City Department of Public Works ("DPW").

(a) Throughout the existence of the District, the City shall cause DPW to continue to furnish or cause to be furnished to owners and occupants of the District services of the same class and to the same extent as are furnished from time to time without cost or charge to other commercial and residential dwellings and inhabitants in the City out of the City portion of real and personal property taxes. The City acknowledges that it will strive to maintain the current level of maintenance services being provided by DPW, including, without limitation:

(i) Street sweeping of all streets in the District on a five-day cycle between the months of May and September, on an "as often as possible" basis in April and on an "as possible" basis between the months of October and March;

(ii) Maintenance of approximately 200 street trash receptacles within the District, of which approximately 120 will be emptied twice each week, with the remainder emptied weekly;

(iii) Pruning of trees in planters and tree wells within the District as necessary and tree replacement as necessary for street trees planted in tree lawns and tree wells;

(iv) Consider providing sufficient flowers and other plantings for planters and tree wells within the District at the beginning of each growing season; at minimum, DPW shall make such flowers and plantings available to the District for purchase at the City's cost;

(v) Street lighting maintenance for streets within the District as needed; and

(vi) Street repair and maintenance for streets within the District as needed.

(b) Within 30 days of execution of this Agreement and in accordance with Article III.B.2 of the Initial Operating Plan, DPW shall donate to the District, for the District's exclusive use and at no cost to the District, a pick-up truck with a watering tank. Following its donation to the District, the pick-up truck shall be maintained and insured by the District.

2. Obligations of City Police Department ("MPD").

(a) Throughout the existence of the District, the City shall continue to furnish or cause to be furnished to owners and occupants of the District, fire and police protection services of the same class and to the same extent as are furnished from time to time without cost or charge to other commercial or residential dwellings and inhabitants in the City out of the City portion of real and personal property taxes.

(b) In addition, commencing on the date of this Agreement, MPD shall, at no cost to the District, cooperate with the District in implementing Article III.B.1 of the Initial Operating Plan.

(c) As set forth in Article III.B.1 of the Initial Operating Plan, MPD shall provide the District with the ability to monitor police calls for service.

3. City Donations and Contributions to the District. In addition to those obligations described in paragraphs 1 and 2 above (including, without limitation, the donation of the pick-up truck with a watering tank by DPW to the District), the City shall contribute the following goods and services to the District, all at no cost to the District:

(a) As set forth in Article V.B.2 of the Initial Operating Plan, the City and its various departments, including, without limitation, DPW, MPD and the Department of City Development, shall provide technical assistance to the District in the adoption of any District operating plans and provide such other assistance as may be appropriate.

(b) In accordance with Article IV.B.3 of the Initial Operating Plan, the City shall pay to the District in calendar year 1998 a voluntary contribution of \$35,000 to be matched by approximately \$115,000 from the District and to be used for holiday lighting. Such voluntary contribution shall be in lieu of an assessment due to the District for property owned and/or occupied by the City within the District, which property is exempt from real estate taxes but

will be benefited by the activities of the District. Each subsequent year of the District's existence, the City shall reconsider making a similar voluntary contribution to the District and may include any agreed upon voluntary contribution in the City's annual budget for that year.

(c) As the terms of members of the Board expire, the Mayor shall appoint successor members to the Board in accordance with Article III.D. of the Initial Operating Plan or any successor provision.

4. Standard of Performance. The City shall perform, or cause performance of, all of its obligations and covenants set forth in this Agreement, in compliance with any and all applicable federal, state and local laws, statutes, codes and ordinances. The City also shall perform or cause performance of all of its obligations and covenants set forth in this Agreement in a good and workmanlike manner at the same level of quality as the City is providing services to the owners and occupants of the District as of the date of this Agreement. The City expressly covenants that it shall not reduce any or all of the services currently provided to properties located within the District because of any of the activities and/or services provided by the District under any applicable operating plan.

5. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Wisconsin.

6. Severability. The unenforceability or invalidity of any provisions hereof shall not render any other provisions herein contained unenforceable or invalid.

7. No Waiver. No waiver of any party of any breach hereunder shall be deemed a waiver of any other or subsequent breach.

8. Amendment. This Agreement may not be altered, amended, changed, waived or modified in any respect, unless the same shall be in writing signed by or on behalf of both of the parties hereto.

Attest:

Robert L. Shell
Shelton

BOARD OF BUSINESS
IMPROVEMENT DISTRICT NO. 21, a
business improvement district created
pursuant to Wisconsin Statutes section
66.608

BY Thomas Bernacchi
Thomas Bernacchi, Chair

BY Andrew Tilmont
Andrew Tilmont, Secretary

Attest:

Ruth E. Wyttenbach
Carolyn A. Crabb

THE CITY OF MILWAUKEE, a
municipal corporation

BY John O. Norquist
John O. Norquist, Mayor

BY Antonia W. Danneberg
DEPUTY, Comptroller
AWD

State of Wisconsin)
) ss
Milwaukee County)

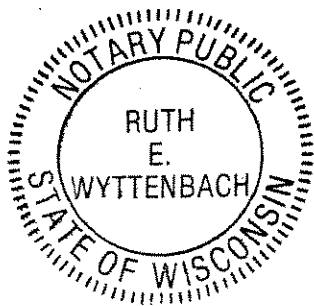
Personally came before me this 2nd day of February, 1998, Thomas Bernacchi and Andrew Tilmont as Chair and Secretary, respectively, of the Board of Business Improvement District No. 21, to me known to be the persons who executed the foregoing instrument and to me known to be such Chair and Secretary of such board, and acknowledged that they executed the foregoing instrument as such officers of said board, by its authority.

Deborah C. Tomczyk
(Deborah C. Tomczyk)
Notary Public, State of Wisconsin
My commission is permanent.

State of Wisconsin)
) ss
Milwaukee County)

Personally came before me this 10th day of Feb., 1998, John O. Norquist and Anita W. Pavetti, as Mayor and deputy Comptroller, respectively, of the City of Milwaukee, to me known to be the persons who executed the foregoing instrument and to me known to be such mayor and comptroller of said municipal corporation, and acknowledged that they executed the foregoing instrument as such officers of said municipality, by its authority.

Ruth E. Wyttenbach 3-4-200
(
Notary Public, State of Wisconsin
My commission _____



APPENDIX F

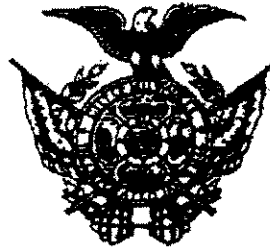
City Attorney's Opinion

CITY OF MILWAUKEE

GRANT F. LANGLEY
City Attorney

RUDOLPH M. KONRAD
Deputy City Attorney

THOMAS E. HAYES
PATRICK B. McDONNELL
CHARLES R. THEIS
Special Deputy City Attorneys



OFFICE OF CITY ATTORNEY
800 CITY HALL
200 EAST WELLS STREET
MILWAUKEE, WISCONSIN 53202-3551
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TDD 286-2025
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BEVERLY A. TI
THOMAS O. G.
LINDA ULISS B.
BRUCE D. SCH
ROXANE L. CR
THOMAS G. GK
SUSAN D. BICH
HAZEL MOSLE
HARRY A. STEI
STUART S. MUI
THOMAS J. BEJ
JOHN J. HEINE
MICHAEL G. TC
DAVID J. STANK
MARY M. KUHN
SUSAN E. LAPP
DAVID R. HALBI
JAN A. SMOKO
PATRICIA A. FR
HEIDI WICK SP
VINCENT J. BOI
KURT A. BEHLB
GREGG C. HAG
ELLEN H. TANG
MELANIE R. SW
TRACY M. JOHN
GREGORY POW
MICHAEL A. VEI
Assistant City Attor

August 6, 1997

Mr. Michael L. Morgan
Commissioner
Department of City Development
809 Building

Attention: Mr. Dan McCarthy

Dear Mr. Morgan:

Re: Proposed Downtown
Business Improvement District

Pursuant to your August 1, 1997 request, we have reviewed the initial operating plan for the proposed Downtown Business Improvement District. Based upon that review, it is our opinion that the plan complies with the provisions of sec. 66.608(1)(f)1-4, Stats. This legal opinion is being offered in accordance with the requirements of sec. 66.608(1)(f)5, Stats.

Finally, we note that the proposed operating plan of sec. III.A. states that "simultaneous with the approval of this Operating Plan by the City's Common Council, the City and the District shall enter into the cooperation agreement attached hereto as Appendix E (the 'Cooperation Agreement')." Because of this provision in the proposed operating plan, we advise that a file should be introduced into the Common Council which would allow the Council to consider and act upon the Cooperation Agreement at the

Mr. Michael L. Morgan


-2-

August 6, 1997

same time that it acts upon the proposed Downtown Business Improvement District initial operating plan.

Very truly yours,


GRANT B. LANGLEY
City Attorney


PATRICK B. McDONNELL
Special Deputy City Attorney

PBMcd:dms

Plm

APPENDIX G

By-Laws for the District Board

**BY-LAWS OF
BUSINESS IMPROVEMENT DISTRICT NO. 21**

Effective: As of October 14, 1997
Amended: As of May 10, 2001

ARTICLE I. NAME AND PURPOSE

Section 1: Name and Purpose

The District was created by the Common Council of the City of Milwaukee on October 14, 1997, by the adoption of ordinance no. 970900 and the approval of an initial operating plan pursuant to Wisconsin Statutes section 66.1109. The name of the District shall be Business Improvement District No. 21. The purpose of the District shall be to sustain the competitiveness of the downtown area in the City of Milwaukee and ensure a safe, clean environment conducive to business activity.

Section 2: Principal Office

The location of the principal office of the District shall be 600 West Wisconsin Avenue, Milwaukee, Wisconsin, or such other place as may be designated by the Board.

ARTICLE II. POWERS

The District shall have all powers permitted under Wisconsin Statutes section 66.1109, as it may be amended from time to time, provided that the District shall exercise its powers only in accordance with any current operating plan and these By-Laws.

ARTICLE III. BOARD

Section 1: Mayoral Appointment

Members shall be appointed to the Board by the Mayor of the City of Milwaukee pursuant to Wisconsin Statutes section 66.1109(3)(a) and the requirements of any current operating plan and these By-Laws.

Section 2: Number

The Board shall consist of seventeen (17) members.

Section 3: Membership

The Board shall be structured and operate as follows:

A. Composition -

(i) Three members shall be representatives of each of the three largest (as measured by assessed valuation) multi-tenant office buildings in the District.

(ii) Two members shall be representatives of the fourth through the ninth largest (as measured by assessed valuation) multi-tenant office buildings in the District.

(iii) Three members shall be representatives of any other multi-tenant office buildings in the District.

(iv) Three members shall be representatives of owner-occupied or single tenant buildings in the District with assessed valuations in excess of \$5,000,000. One member from this category shall be a representative of The Northwestern Mutual Life Insurance Company.

(v) One member will be a designee of The Grand Avenue Corporation or its successors and assigns.

(vi) Two members shall be owners or operators of street-level retail businesses located within the District (which businesses may include, without limitation, restaurants).

(vii) Two members shall be representatives of hotels located within the District. Such hotels shall not be owned or controlled by the same entity or individuals.

(viii) One member shall be a representative of a tax-exempt entity making a voluntary contribution to the District of not less than \$40,885 in the year 2002, which minimum contribution shall increase each year by the proportionate increase in the District operating budget for that year.

For purposes of measuring the assessed valuations of any building or site set forth above, all contiguous buildings and/or sites connected above- or below-ground, separated only by an intervening street and with identical ownership shall be

included as one building or site. (For example, the Firststar Center, consisting of property located at 777, 811 and 827 East Wisconsin Avenue, constitutes one site.) Each year, the Board shall reconfirm the assessed valuations, ownerships and occupancies of all properties located within the District. If the assessed valuation, ownership or occupancy of any particular building or site in any year ceases to satisfy the criteria set forth above, the Board shall rearrange such building or site in the appropriate category. In addition to the composition requirements set forth above, one member of the Board shall also be a member of the board of directors of Westtown Association, as long as the Westtown Association remains in existence, and one member of the Board shall also be a member of the board of directors of East Town Association, as long as the East Town Association remains in existence. In satisfying the categories for Board members set forth above, the geographic representation of Board members shall be varied to the extent possible.

B. Term - Appointments to the Board shall be for a period of three years, except that initially six members shall be appointed for a period of three years, six members shall be appointed for a period of two years, and five members shall be appointed for a period of one year. To the extent possible, the terms of members representing each of the categories set forth in subsection A. above shall be staggered so that the terms of not more than 60% of the representatives of any one category shall expire simultaneously.

C. Compensation - None.

D. Non-voting Members - At the option of a majority of the members of the Board, representatives of the Greater Milwaukee Convention and Visitors Bureau, the Milwaukee Redevelopment Corporation and/or the Metropolitan Milwaukee Association of Commerce may be invited to attend meetings of the Board or Executive Committee as nonvoting members.

Section 4: Resignation and Removal

A member of the Board may resign at any time by filing his or her resignation with the Chair of the Board.

Section 5: Vacancies

When a vacancy occurs on the Board, the Mayor shall appoint a replacement from that category of members set forth in the current operating plan and section 3.A. above from which the former member was appointed.

Section 6: Nominating Committee

The Chair shall appoint five members of the Board (other than members of the Executive Committee) to serve on a Nominating Committee. Within 30 days of the expiration of the term of any Board member or if any Board member resigns or otherwise ceases to be a Board member, the Nominating Committee shall, by majority vote, nominate a replacement for such Board member from that category of members set forth in the current operating plan and section 3.A. above from which such former member was appointed. The nomination of any replacement Board member shall be approved by majority vote of the entire Board and then forwarded to the Mayor for consideration.

ARTICLE IV. FUNCTIONS

The Board shall:

- A. Exercise the powers of the District, and promote the District's overall objectives, purposes and activities enumerated in any current operating plan.
- B. Prepare proposed operating plans and operating budgets each year as set forth in Article VI, section 1.
- C. Implement any current operating plan. In this regard, the Board may negotiate with providers of services and materials to carry out such operating plan, enter into various contracts, monitor the effectiveness of the District's activities, ensure compliance with the provisions of any current operating plan and applicable statutes and regulations and make reimbursements for any overpayments of district assessments.
- D. Manage the affairs of the District and receive and expend funds made available to them in strict accordance with the current operating plan.
- E. Monitor and enforce against the City of Milwaukee its obligations and covenants pursuant to the Cooperation Agreement dated November 4, 1997.
- F. Provide a permanent office, employ a full-time director for the District, employ legal, financial and technical experts, and other staff personnel (including, without limitation, a full-time administrative assistant) as may be necessary to assist in carrying out any current operating plan.

ARTICLE V. OFFICERS

Section 1: Number

The officers of the District Board shall consist of a Chair, a Vice Chair, a Secretary, a Treasurer and an Assistant Secretary.

Section 2: Election and Term

The officers shall be elected by the Board from among its members at its annual meeting. One officer shall be elected from the Board membership category set forth in section III(3)(A)(i) above, and one officer shall be the member representing The Northwestern Mutual Life Insurance Company pursuant to section III(3)(A)(iv) above. The officers shall serve terms concurrent with their terms on the Board.

Section 3: Vacancies

If an officer's seat becomes vacant, the Board shall elect a successor officer from among its members at the next regular meeting or special meeting.

Section 4: Duties of Officers

A. Chair: Shall preside over all meetings of the Board and the District, shall make all appointments to committees and task forces, subject to the approval of the Board, and shall have the general powers and duties usually associated with the office, including, but not limited to, powers allowed pursuant to applicable laws to sign certificates, contracts and other instruments of the District which are authorized by the Board.

B. Vice Chair: Shall serve in the Chair's stead if the Chair is unable to perform his or her duties and shall perform other duties as the Chair and the Board may direct. At such times, the Vice Chair shall have all of the powers of the Chair.

C. Secretary: Shall be responsible for keeping and filing minutes of all meetings of the Board and the District, for compliance with open meetings law and public records requirements, and shall perform other duties as the Chair and Board may direct.

D. Treasurer: Shall be responsible for keeping a record of all funds collected and spent, establishing necessary accounting procedures to assure

accuracy and accountability of the District, and shall perform other duties as the Chair and Board may direct.

E. Assistant Secretary: Shall serve in the stead of the Secretary or Treasurer if any such officer is unable to perform his or her duties and shall perform other duties as the Chair and Board may direct.

ARTICLE VI. MEETINGS

Section 1: Annual Meeting

The annual meeting of the Board shall be held each year during the month of September for the purposes of approving an operating plan and annual budget. Any annual budget which exceeds the prior year's budget by 4% or more must be approved by two-thirds majority of the entire Board without regard to quorum. Any capital improvements costing more than \$10,000 each or \$30,000 in the aggregate in any one year must be approved by two-thirds majority of the entire Board without regard to quorum. A "capital improvement" is any physical item that is permanently affixed to real estate including, without limitation, street lighting and sidewalk improvements. The term shall not include, among other things, any maintenance equipment or supply, any communications equipment, any vehicles, any seasonal improvement or any holiday lighting or decorations. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the property tax assessed valuation of all property assessed by the District.

Section 2: Regular Meetings

The regular meeting of the Board shall be held at least four times per year at a time and place designated by the Chair. The time and place designated shall be during normal business hours of a regular business day and at some office within the District.

Section 3: Special Meetings

Special meetings of the Board may be called at the request of the Chair; or by a member of the Board by petition signed by at least one-third (or six members) of the Board and properly filed with the Secretary.

Section 4: Telephonic Attendance at Meetings

A Board member or members may request to participate in a scheduled Board meeting telephonically, and the Chair shall make reasonable efforts to accommodate such requests. The cost of participating telephonically in a regular or special meeting shall be paid by the District unless otherwise required by the Executive Committee. Any Board member participating in a meeting telephonically shall be counted towards the total number of Board members present for meeting quorum requirements provided for under section 6 below, and shall be permitted to vote on any matter before the Board at that meeting.

Section 5: Notice

Notice of all meetings shall be provided in accordance with the open meetings law if and as legally required. In addition, notice of each meeting shall be given to each member of the Board by written notice delivered through the mail or in person no less than one week prior to the meeting; such notice shall be deemed to be delivered when deposited in the United States mail so addressed with postage thereon prepaid. The failure of any member to receive actual notice shall not invalidate the meeting or any proceedings conducted at the meeting. Notice of special meetings shall be given not less than three days prior to the meeting. The presence of any member shall be deemed a waiver of notice as to such member unless such member objects at the opening of the meeting to the holding of the meeting because of failure to give proper notice. Members may waive notice of any meeting in writing to the Chair.

Section 6: Quorum

For the purposes of any regular or special meeting, nine (9) members of the Board shall constitute a quorum.

Section 7: Voting

At all meetings of the Board, each member shall have one vote. Proxy votes shall be permitted only to extent permitted by law.

Section 8: Minutes

The Board shall keep a correct and complete record of all District proceedings which shall be attested by the signature of the Secretary and made available to the public in accordance with public records requirements.

Section 9: Procedure

All meetings of the Board shall be governed by these By-Laws or Robert's Rules of Order in all matters not covered therein.

ARTICLE VII. AMENDMENTS

Except as set forth in the next sentence, these By-Laws may be amended by the affirmative vote of two-thirds of the entire Board without regard to quorum at a duly called meeting, provided the proposed amendment shall have been submitted in writing to all members at least ten days in advance of such meeting and made available to the public in accordance with requirements of the open meetings law if and as legally required. This Article VII, Article III, section 3 and Article VI, section 1 of these By-Laws may be amended only by the affirmative vote of three-fourths of the entire Board without regard to quorum at a duly-called meeting.

ARTICLE VIII. EXECUTIVE COMMITTEE

Section 1: Duties and Powers

The Executive Committee shall have full authority to implement decisions of Board and implement any current operating plan on behalf of the Board and the District between meetings of the Board.

Section 2: Composition

The Executive Committee shall consist of the elected officers of the Board, namely the Chair, Vice Chair, Secretary, Treasurer and Assistant Secretary.

Section 3: Term

The term of the members of the Executive Committee shall be coterminous with their term as elected officers of the Board.

Section 4: Vacancies

Vacancies in Executive Committee positions held by officers shall be filled by successor officers elected by the Board under Article V, section 3.

Section 5: Meetings

Meetings of the Executive Committee shall be held at a time and place selected by the Chair, provided that they shall be during normal business hours of a regular business day and in some office within the District. Special meetings of the Executive Committee shall be called by the Chair as needed.

Notice of all meetings shall be provided in accordance with the open meetings law if and as legally required. In addition, notice of any special meetings shall be given at least 48 hours prior to said meeting by written notice delivered personally or mailed to each Executive Committee member. Said notice may be waived with the consent of all Executive Committee members. Written notice of all regular meetings shall be given five (5) days in advance indicating time, place and agenda. Said notice may be waived by consent of all Executive Committee members.

A simple majority of the filled seats of the Executive Committee, but not less than three officers of the Board, shall constitute a quorum at any regular or special meeting of the Executive Committee.

Section 6: Telephone Attendance at Meetings

An Executive Committee member or members may request to participate in a scheduled Executive Committee meeting telephonically, and the Chair shall make reasonable efforts to accommodate such requests. The cost of participating telephonically in a regular or special meeting shall be paid by the District unless otherwise required by the Executive Committee. Any Executive Committee member participating in a meeting telephonically shall be counted towards the total number of Executive Committee members present for meeting quorum requirements provided for under section 5 above, and shall be permitted to vote on any matter before the Executive Committee at that meeting.

ARTICLE IX. INDEMNIFICATION, LIMITED LIABILITY AND INSURANCE

Section 1: Liability of Board Members and Officers

The members and officers of the Board shall not be liable to owners or occupants of property within the District arising out of or related to the creation or existence of the District or the Board or for any mistake of judgment, failure to adhere to the provisions of any operating plan or these By-Laws, negligence or otherwise, except for their own individual willful misconduct or bad faith. The District shall indemnify, defend and hold harmless each member and officer of the Board against all contractual liability (including, without limitation, reasonable

attorneys' fees and court costs) to others arising out of contracts made by the Board on behalf of the District unless any such contract shall have been made in bad faith. It is intended that the members of the Board shall have no personal liability with respect to any contract made by them on behalf of the District. Anything herein to the contrary notwithstanding, the liability of the owners and occupants of property located within the District arising out of any contract made by the Board or out of the indemnity in favor of the members of the Board shall be shared by all owners and occupants of property subject to assessment by the District in proportion to the assessed valuation of their property relative to the total assessed valuation of property within the District, and the liability of any single owner or occupant shall be limited to such proportionate share of the total liability.

Section 2: Allowance of Expenses as Incurred

The Board may, upon written request by a Board member or officer, pay or reimburse his or her reasonable expenses as incurred in connection with the performance of his or her official duties as a Board member or officer.

Section 3: Severability of Provisions

The provisions of this Article and the several rights to indemnification, advancement of expenses and limitation of liability created hereby are independent and severable and, in the event that any such provision and/or right shall be held by a court of competent jurisdiction in which a proceeding relating to such provisions and/or right is brought to be against public policy or otherwise to be unenforceable, the other provisions of this Article shall remain enforceable and in full effect.

Section 4: Purchase of Insurance

The Board shall use its best efforts to purchase and maintain insurance on behalf of any person who is or was a Board member or officer of the District, to the extent that such Board member or officer is insurable and such insurance coverage can be secured by the Board at rates, and in amounts and subject to such terms and conditions as shall be determined in good faith to be reasonable and appropriate by the Board, and whose determination shall be conclusive, against liability asserted against or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the District would have the power to indemnify him or her against such liability under the provisions of this Article.

Section 5: Benefit

The rights to indemnification and advancement of expenses provided by, or granted pursuant to, this Article shall continue as to a person who has ceased to be a Board member or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 6: Amendment

No amendment or repeal of this Article shall be effective to reduce the obligations under this Article with respect to any proceeding based upon occurrences which take place prior to such amendment or repeal.

ARTICLE X. AUTOMATIC TERMINATION
UNLESS AFFIRMATIVELY EXTENDED

The District Board shall not incur obligations extending beyond ten years from the date on which the District was created. At the end of the tenth year of the District's existence, the District Board shall prepare an operating plan for the eleventh year that contemplates termination of the District at the commencement of the eleventh year as set forth in Wisconsin Statutes section 66.1109(3)(b), unless the owners of property assessed by the District having a valuation equal to 60% of the valuation of all property assessed by the District affirmatively vote to continue the District.

In addition, the Board may elect by majority vote to terminate the District if the City is in default of any obligation or covenant of the City set forth in the Cooperation Agreement. In such event, the District shall terminate as set forth in Wisconsin Statutes section 66.1109(4)(m).

APPENDIX H

Letter dated July 17, 1997 from Chief of Police Arthur L. Jones



Police Department

Arthur L. Jones
Chief of Police

July 17, 1997

Mr. Thomas G. Bernacchi, CPM
Vice President
Towne Realty, Inc.
710 North Plankinton Avenue
Milwaukee, WI 53203

Dear Mr. Bernacchi:

I am in receipt of your letter dated July 16, wherein you discuss the level of services that the Milwaukee Police Department will provide to the new Downtown Management Business Improvement District. The Milwaukee Police Department is proud to provide a high level of service to the people who work, live, and recreate in the downtown area. We look forward to working with this new partnership and providing services that will enhance the quality of life in the city of Milwaukee.

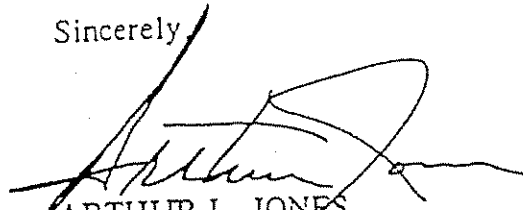
I have prepared a list of services that the Department will provide to the District to keep the downtown area safe. The list includes, but is not limited to, the following:

1. The Milwaukee Police Department will provide the level of staffing needed to meet the demand for service in the proposed new District. We will meet with members of the District to determine the need and types of services necessary to meet the demand on an as needed basis.
2. We will establish a point of contact and maintain a line of communication to assist the District in coordinating security efforts. This will include developing and conducting an intense training curriculum that will address crime prevention, crime analysis, personal safety, basic first responder, community relations, and other related issues.
3. We will make the District part of our cellular patrol that will provide it with direct access to police services. In addition, we will provide the District with the ability to monitor police calls for service.
4. The Milwaukee Police Department will ensure that the District's outreach office is used by the crime prevention officer and other officers patrolling in the District for the purpose of conducting police business.

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I am excited by the prospects for this new District. I extend my support and the cooperation of the entire Milwaukee Police Department in making this partnership successful for the parties involved and the citizens of the city of Milwaukee. If I can be of further assistance, please feel free to contact my office.

Sincerely



ARTHUR L. JONES
CHIEF OF POLICE

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