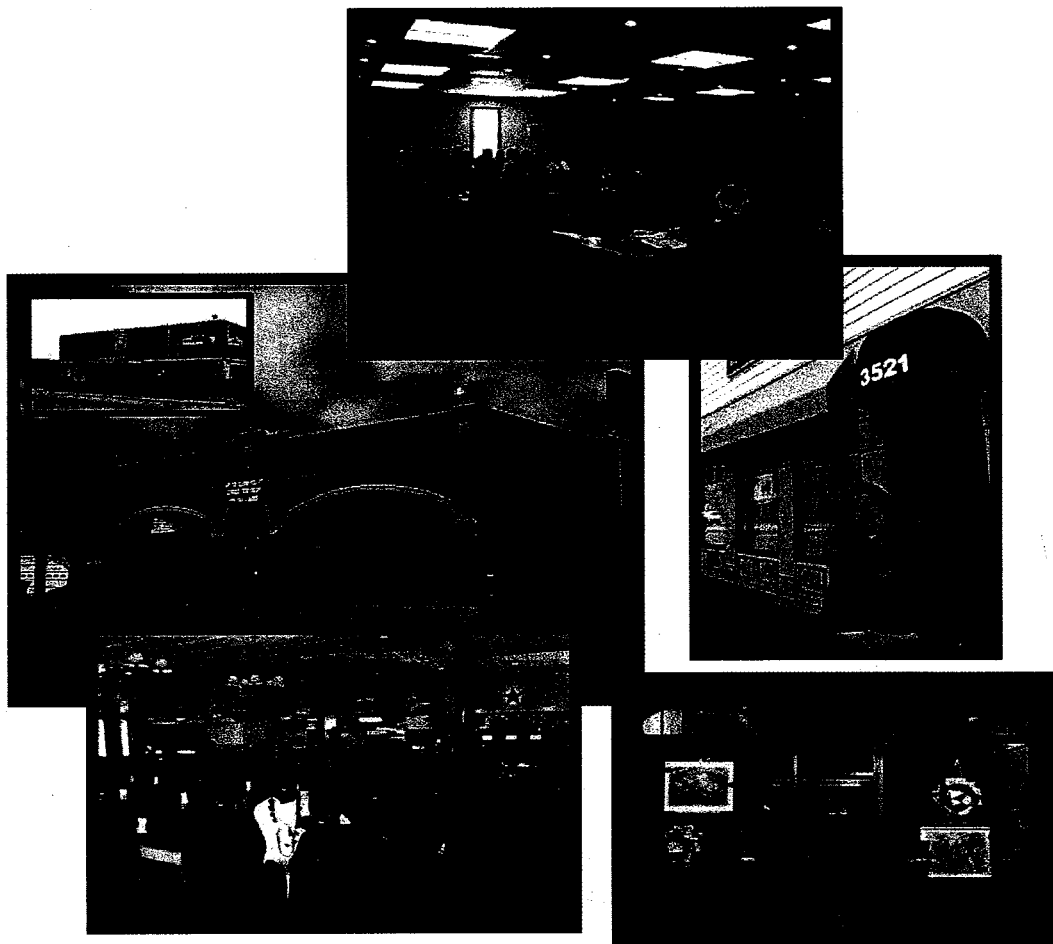


EXHIBIT A

Main Street Milwaukee

Program Concept Summary

December 2003



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Main Street Milwaukee: The Concept

The Main Street Milwaukee Program is a collaborative effort between the City of Milwaukee's Department of City Development (DCD) and the Local Initiatives Support Corporation (LISC) to revitalize Milwaukee's older, traditional neighborhood business districts. Milwaukee has taken a proven national model and crafted a unique program that will help build sustainable, walkable, thriving commercial districts as anchors to our city's residential neighborhoods.

Throughout the spring and summer of 2003, DCD and LISC undertook a comprehensive planning effort to design the Main Street Milwaukee program. DCD and LISC engaged more than 100 volunteers in more than *thirty* public and work-group meetings to research citywide commercial district revitalization efforts throughout the country and to evaluate current services and resources offered in Milwaukee. The Main Street Milwaukee plan draws on the best practices available nationally and is customized for Milwaukee's environment and economic development resources.

Main Street Milwaukee key characteristics

After extensive research and thoughtful analysis, the working group of volunteers, DCD, and LISC created the critical components of the Main Street Milwaukee program:

- ◆ Establish a public and private partnership that provides designated areas with multi-year funding
- ◆ Designate areas through a competitive process
- ◆ Assemble and target resources to maximize success in district revitalization
- ◆ Build neighborhood capacity and hold districts accountable
- ◆ Require designated areas to follow the Main Street 4-point approach

The Main Street 4-Point approach™

The Main Street 4-point approach is a community-driven model to commercial district revitalization that is designed to make and sustain incremental and common sense changes in the revitalization and management of traditional commercial districts. This is achieved through the efforts of a full-time Main Street manager and the participation of community stakeholders. Together staff and volunteers work to address the variety of problems that urban neighborhood business districts face by concentrating their efforts in the four points of the Main Street model:

- ◆ **Organization** – development of human and financial resources to accomplish revitalization
- ◆ **Economic restructuring** – economic development that strengthens existing businesses, fills vacancies, manages the business mix, and develops underused real estate
- ◆ **Design** – visual improvements to buildings, storefronts, signs, public spaces, traffic and parking, and merchandising
- ◆ **Promotion** – marketing to build a district’s identity and brand through special events and business promotions to attract customers and investors

The Main Street 4-point approach yields important, direct results for neighborhoods, including: improved community cooperation, an improved physical environment, more goods and services available to neighborhood residents, increased employment and entrepreneurial opportunities, and an ongoing structure and method to solve problems in the business district.

This systematic, comprehensive approach has lead to tangible long-lasting results in more than 1,700 communities throughout the country. Within the first three years of their program, Baltimore’s seven designated districts, had the following results:

- 21,304 volunteer hours
- 237 façade improvement projects that received \$450,000 in public investment which leveraged \$1.4 million in private investment
- 170 net new businesses that have opened, expanded or relocated
- 304 net new full-time jobs; 188 net new part-time jobs
- 92 commercial buildings sold; \$14.5 million in real estate transactions

Main Street Milwaukee Program Overview

In Milwaukee, DCD and LISC will be the organizations responsible for implementing the Main Street Milwaukee program with their roles and responsibilities outlined in a Memorandum of Understanding (MOU). These project partners envision a multi-year program with four districts designated in the summer of 2004 and one-two districts designated in each subsequent year. Designated districts must have a non-profit organization leading their Main Street program. The nonprofit will be responsible for hiring and housing the full-time Main Street manager and coordinating all program activities. Once selected, districts will have a Main Street Milwaukee designation for at least six years. To retain this designation, districts will be required to develop annual work plans with concrete goals and will be evaluated on their revitalization activities.

DCD and LISC will work closely with the Community Block Grant Administration, the Common Council and the private sector to retain necessary funding to hire a citywide coordinator, provide funding for designated districts to hire Main Street managers, and supply a necessary level of pertinent Main Street services to designated neighborhoods. A governing body representing the various public and private funding partners will make the selection of districts and guide the implementation of the program.

Governance and staffing at citywide level

The program will be housed in DCD with LISC operating as the fiscal agent for monies contributed from the private sector.

A new entity, the Main Street Milwaukee Partners Board, will be created and oversee the administration of Main Street Milwaukee. In that capacity, it will formally approve the Main Street Milwaukee Program Proposal, nominate a Main Street district selection Review Panel, select participant districts based on Review Panel recommendations, monitor program progress, plan for program sustainability, and advocate for public policies and programs that support neighborhood business districts.

The Partners Board will be made up of 9 members with possible representation of the following: two City Council members, two Mayor designees, three funder representatives nominated by LISC, and two ad hoc community members appointed by the DCD Commissioner.

Selection of districts

To be considered for the Main Street Milwaukee program, neighborhood commercial districts will have to go through a competitive application process. Only nonprofit 501c3 organizations will be considered.

- ◆ *How many?* Based on the quality of the applications and funding availability, the Partners Board will select up to four districts in the first year and one-two each subsequent year. Throughout the first six years, the Partners Board could designate up to 10 – 12 districts, depending on interest and funding availability.
- ◆ *Who selects and using what criteria?* Applications to Main Street Milwaukee will be evaluated by an independent Review Panel and approved by the Partners Board. The Review Panel will include DCD and LISC staff, funders, and national Main Street experts. This panel and the Partners Board will base their evaluation on selection criteria in three areas: organizational capacity, district compatibility with Main Street approach and level of neighborhood commitment to this program.

Services provided

Based on the needs identified during the program design phase, Main Street Milwaukee will provide technical and financial assistance to competitively selected districts.

Participant organizations will receive:

- ◆ *Technical assistance from Main Street Milwaukee* in the form of trainings, workshops and consultant services. Through this technical assistance, staff and volunteers will learn the tools for successful commercial district revitalization; will develop concrete annual work plans with specific goals; and will have access to an

array of consulting services such as architectural services, small business development assistance, and market research analysis.

- ◆ **Operating funds** will be allocated annually to DCD by the Common Council to be distributed to Main Street areas, contingent upon satisfactory performance of the local Main Street organization and district. These funds will support the cost of hiring a full-time Main Street manager for the district.
- ◆ **Citywide promotional effort** will be made by the staff of the Main Street Milwaukee program to market all Main Street districts on a citywide basis and encourage residents and tourists throughout Metropolitan Milwaukee to visit Milwaukee's "main streets."

Funding and budget

The Main Street Milwaukee program will be funded by a collaborative arrangement among public and private sector partners. Funding sources will include: the City of Milwaukee's CDBG appropriation; HUD Section 4 Funds; and private sector resources raised by LISC.

On an annual basis and based upon funding availability, the Common Council will provide CDBG funds to DCD to be allocated to the designated areas as operating support and administrative funding for the implementation of the Main Street Milwaukee program.

As instructed by a Memorandum of Understanding between LISC and DCD, LISC will be responsible to raise funds to provide the necessary services to the designated areas over the 6-year period. Private funds will be used to provide services such as trainings, workshops, planning services, architectural services, small business development assistance, consulting services, and limited grants.

Once a district is designated a Main Street, the level of CDBG funding for that designated district will decrease over the six-year period and technical assistance will be allocated in a bell-curve fashion. The following table illustrates the funding of a typical district over the six-year period.

Sample Funding Support for Designated District.						
	1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year
CDBG funding	\$70,000	\$70,000	\$50,000	\$50,000	\$40,000	\$40,000
LISC services	\$80,000	\$90,000	\$100,000	\$100,000	\$90,000	\$80,000
Min. District fundraising	\$20,000	\$20,000	\$40,000	\$40,000	\$50,000	\$50,000

Designated districts will be required to raise money over the 6-year period and demonstrate an ability to become self-sufficient. During the course of the program, each district could potentially raise funds from such sources as an existing Business Improvement District (BID), the creation of a BID, business owners, property owners, residents, developers, local corporations, foundations, and earned income.

Local program budget

The following chart illustrates the estimated sources and uses of funds in the first year of the Main Street program for an individual district. Actual uses of funds may vary by neighborhood according to priorities and resources.

Expenses		Revenue	
Director salary (minimum)	\$35,000	CDBG Grant	\$70,000
Benefits	12,000	Earned income	20,000
Rent/utilities	9,000		
Overhead/Administrative	8,000		
Promotion/marketing materials	4,000		
Professional development	2,000		
Project implementation fund	20,000		
Total Expenses	\$90,000	Total Revenue	\$90,000

Accountability: reporting and evaluation of districts

Designated Main Street districts will be required to provide regular progress reports, including: economic development and investment statistics, data on volunteer involvement, and rental and retail sales rates. Also, each local program will be regularly evaluated to determine progress in achieving goals, project completion, efficient program administration, broad community involvement, and other key benchmarks.

Typical activities for districts

Given the nature of the Main Street program as a community-driven, grass-roots effort, it is expected and understood that the first year of designation involves extensive organizing, training, and work plan development. Based on results in more than 1,700 Main Street communities, typical first-year projects include:

Organization

- ◆ Train the Organization committee and develop annual work plan
- ◆ Hire Main Street Manager
- ◆ Raise funds to match citywide program funding
- ◆ Establish the Main Street governing board and four committees
- ◆ Recruit 60 board and committee members
- ◆ Establish a website
- ◆ Develop printed informational pieces about the program
- ◆ Design and publish a quarterly newsletter
- ◆ Hold six educational events about the Main Street program

Economic Restructuring

- ◆ Train the Economic Restructuring committee and develop an annual work plan
- ◆ Analyze existing market data
- ◆ Gather baseline statistics about jobs, income, businesses, and sales
- ◆ Collect new data on customer perceptions through surveys
- ◆ Define the district's trade area and primary customers
- ◆ Survey 100 percent of business operators in the district to determine their needs
- ◆ Provide 2 to 4 educational seminars for business operators
- ◆ Market existing business development technical and financial resources to business operators

Promotion

- ◆ Train the Promotion committee and develop an annual work plan
- ◆ Produce one new special event
- ◆ Produce 3 to 4 new retail/business promotions
- ◆ Produce one image-enhancing event
- ◆ Involve 50 percent of businesses in promotional activities
- ◆ Target specific markets to attract through promotions

Design

- ◆ Train the Design committee and develop an annual work plan
- ◆ Hold 1 to 2 clean up events in the commercial district
- ◆ Coordinate design assistance to 6 to 8 property owners
- ◆ Facilitate 2 to 4 simple design improvements, such as storefront painting/awnings or flower planting
- ◆ Inventory the buildings in the district
- ◆ Evaluate condition of public amenities and streetscape
- ◆ Educate property owners about appropriate building maintenance practices
- ◆ Develop a plan for design improvements