

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

SEPTEMBER 15, 2005

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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 Nine 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 ninth 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 2006. 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 Downtown Trolley Loop promotion and 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.

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 to be reinstalled. In

addition, the District may spend and/or solicit additional money as it deems necessary to purchase additional holiday lighting. For the winter of 2005-2006, the District will sponsor the seventh 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 \$_____ to Milwaukee Downtown, Inc. to provide operating funds necessary to implement marketing initiatives and related activities.

C. Proposed Expenditures and Financing Method

The 2006 proposed annual operating budget for the District is \$2,737,858. \$2,569,858 will be the amount received from District assessments. \$168,000 is additional income that is anticipated to come from several sources, including voluntary contributions from tax-exempt properties. See Appendix D. Of these amounts, \$800,000 will finance the Public Service Ambassadors Program, \$662,600 will fund the Clean Sweep Ambassadors Program, \$652,258 will pay for public information, marketing and promotions, \$223,000 will be devoted to business retention and recruitment efforts and \$400,000 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 2006 (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 Nine Operating Plan was unanimously approved by _____ Board members in attendance at the Board meeting of September 15, 2005.) 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 2005 assessed valuation of all property subject to assessment within the proposed District boundaries was approximately \$1,685,000,000. 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 2006, 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 2006, the Milwaukee Center (111 East Kilbourn Avenue), Plaza East (330 East Kilbourn Avenue), 875 East Wisconsin, Chase Manhattan Bank (111 East Wisconsin Avenue), 1000 North Water Street and the M&I Bank Building (778 North Water Street) 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 \$53,890 in the year 2006, 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 2006, the Board shall employ, at minimum, a full-time executive director and a full-time administrative assistant. 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 Nine Operating Plan (September 15, 2005). 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 ninth year of operation. Such proposed assessments are based on the assessed value and classification estimated in 2005 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 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 Nine 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, 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, 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

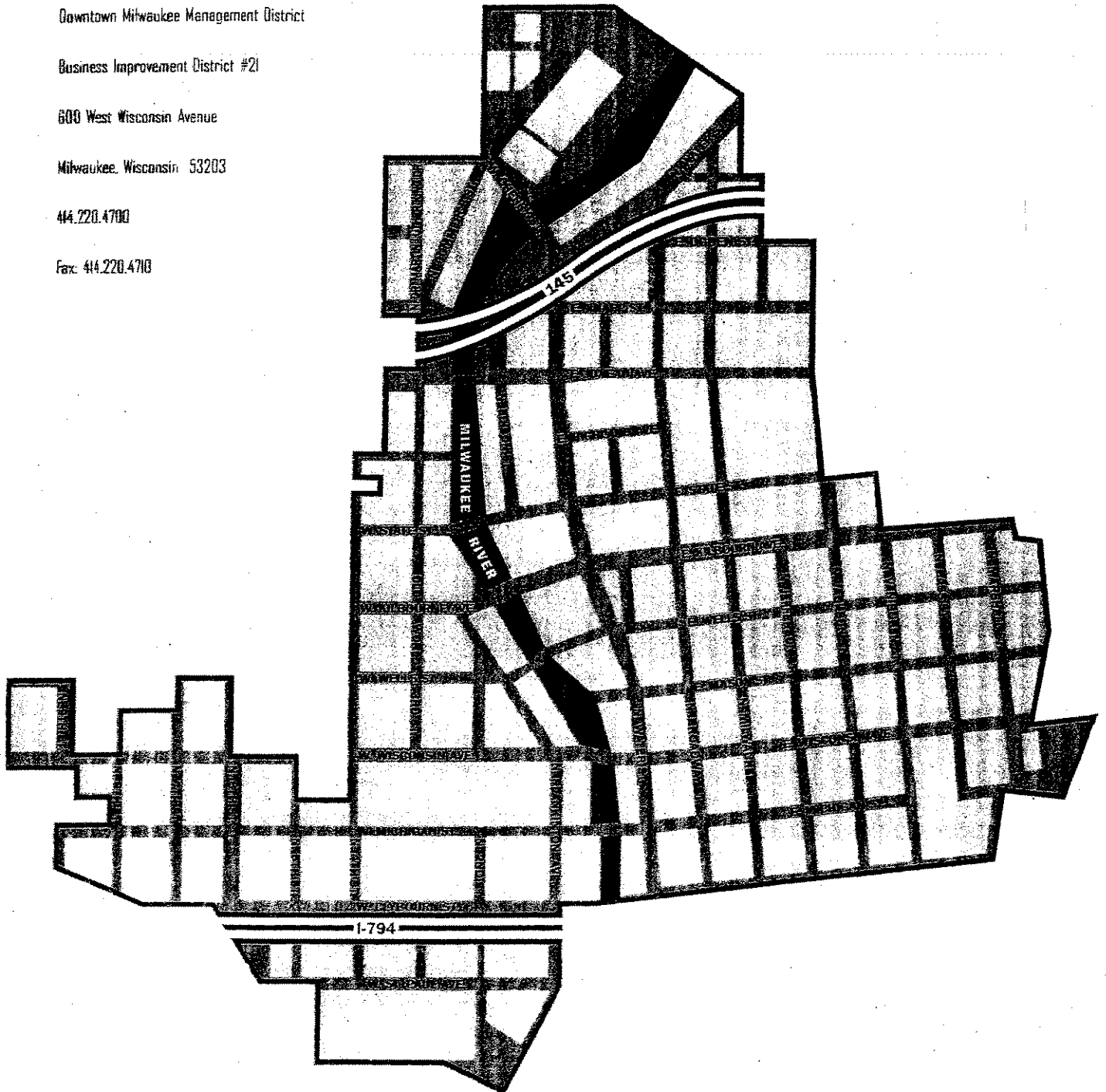
Business Improvement District #21

600 West Wisconsin Avenue

Milwaukee, Wisconsin 53203

44.220.4700

Fax: 44.220.4700



APPENDIX C

Listing of Properties Included in the District

09/14/2005

DOWNTOWN MILWAUKEE
CLEAN*SAFE*FRIENDLY

TAXKEY #	ADD L	ADD H	DIR	STREET NAME	TYPE	OWNER	LOT AREA SQ. FT.	BLDG AREA SQ. FT.	ASSESSED VALUE LAND+BLD	BID ASSESSMENT
3610184112	1505	1555	N	RIVERCENTER	DR	SCHLITZ RIVERCENTER LLC	634,300	551,048	\$26,000,000	\$39,701.38
3610279100	319	319	W	CHERRY	ST	MILWAUKEE PLATING COMPANY	15,000	0	\$98,100	\$149.80
3610304111	201	229	W	CHERRY	ST	COMMERCE POWER LLC	165,667	0	\$1,723,500	\$2,631.74
3610308100	1450	1462	N	COMMERCE	ST	THE BREWERY WORKS, INC	15,520	0	\$13,500	\$20.61
3610309100	1442		N	COMMERCE	ST	RIVERFRONT POWER LLC	22,943	0	\$174,400	\$266.30
3610310110	1430	1430	N	COMMERCE	ST	THE BREWERY WORKS INC	49,296	0	\$98,600	\$150.56
3610314110	1330	1330	N	COMMERCE	ST	RIVERFRONT POWER LLC	108,929	177,090	\$15,740,000	\$24,034.60
3610317100	1345	1345	N	MARTIN L KING JR	DR	BREWERY WORKERS CREDIT UNION	22,275	5,138	\$521,000	\$795.55
3610326000	1333	1335	N	MARTIN L KING JR	DR	BRIAN L MOSEHART	3,750	5,178	\$174,000	\$265.69
3610327000	1331	1331	N	MARTIN L KING JR	DR	MATHEW WEGLARZ	3,975	5,286	\$228,000	\$348.15
3610328111	1301	1325	N	MARTIN L KING JR	DR	NEW LAND INVESTMENTS	34,000	0	\$1,942,400	\$2,966.00
3610409100	300	318	W	JUNEAU	AV	KNAPP STREET REALTY CORP	7,891	25,369	\$922,000	\$1,407.87
3610412114	201	201	W	JUNEAU	AV	RIVERFRONT PLAZA JOINT	36,186	36,186	\$723,500	\$1,104.77
3610415100	1141	1141	N	OLD WORLD THIRD	ST	GAROT HOSPITALITY INC	15,150	15,150	\$606,000	\$925.35
3610421000	1137	1137	N	OLD WORLD THIRD	ST	RUSSELL DAVIS	2,850	5,909	\$333,000	\$508.48
3610425000	1129	1135	N	OLD WORLD THIRD	ST	RIVERFRONT PLAZA JOINT	7,500	7,500	\$196,000	\$299.29
3610426000	1125	1125	N	OLD WORLD THIRD	ST	CARMELINO CAPATI JR &	4,500	9,105	\$253,000	\$386.32
3610427000	1121	1123	N	OLD WORLD THIRD	ST	FRED USINGER INC	3,000	3,000	\$63,700	\$97.27
3610429000	1117	1119	N	OLD WORLD THIRD	ST	FRED USINGER, INC	3,750	3,750	\$80,500	\$122.92
3610430000	1113	1115	N	OLD WORLD THIRD	ST	HIGHLAND BEACH SURFERS INC	3,750	1,038	\$91,100	\$139.11
3610431000	1109	1111	N	OLD WORLD THIRD	ST	CHARLES E & AILEEN M ALBERT	3,750	6,750	\$204,000	\$311.50
3610432000	1105	1107	N	OLD WORLD THIRD	ST	CARMELINO R CAPATI &	3,750	3,550	\$235,000	\$358.84
3610437000	1103	1103	N	OLD WORLD THIRD	ST	OLD WORLD DEV LLC	4,950	15,000	\$824,000	\$1,258.23
3610438000	316	316	W	HIGHLAND	AV	FRED USINGER, INC	2,550	2,550	\$59,600	\$91.01
3610515100	1048	1048	N	4TH	ST	THE MILWAUKEE TURNERS	15,000	15,000	\$884,000	\$1,349.85
3610519100	1037	1037	N	OLD WORLD THIRD	ST	G VICTOR MADER	22,500	11,946	\$1,446,000	\$2,208.01
3610521000	1033	1033	N	OLD WORLD THIRD	ST	MILWAUKEE JEWISH FEDERATION	4,425	17,464	\$391,000	\$597.05
3610522000	1029	1031	N	OLD WORLD THIRD	ST	TOM AND PATTY LLC	3,075	7,134	\$239,000	\$364.95
3610523000	1023	1027	N	OLD WORLD THIRD	ST	MADERS GERMAN RESTAURANT INC	5,824	9,360	\$267,000	\$407.70
3610524000	1021	1021	N	OLD WORLD THIRD	ST	RICHARD WAGNER	2,936	5,576	\$161,000	\$245.84
3610527000	1015	1019	N	OLD WORLD THIRD	ST	BUCK BRADLEY LLC	6,300	15,301	\$1,114,000	\$1,701.05
3610528000	1013	1013	N	OLD WORLD THIRD	ST	THOMAS P EHR	3,000	3,920	\$182,000	\$277.91
3610528000	1009	1011	N	OLD WORLD THIRD	ST	LENRAK LLC	3,000	7,000	\$320,000	\$488.63
3610530000	1005	1007	N	OLD WORLD THIRD	ST	JAMES A BOUCHARD	1,980	3,600	\$219,000	\$334.41
3610531110	332	332	W	STATE	ST	THE JOURNAL COMPANY	25,000	25,000	\$512,000	\$781.81
3610534000	324	326	W	STATE	ST	BRIAN E O'LEARY	2,500	1,976	\$61,100	\$93.30
3610535000	322	322	W	STATE	ST	SANDRA STONE RUFFALO	2,500	7,470	\$557,000	\$850.53
3610536000	316	318	W	STATE	ST	JOHN HINKEL BUILDING LLC	2,400	2,400	\$50,400	\$76.96
3610537000	1001	1001	N	OLD WORLD THIRD	ST	JOHN HINKEL BUILDING LLC	2,420	6,666	\$352,000	\$537.50
3610538000	1003	1003	N	OLD WORLD THIRD	ST	ROBERT A BOUCHARD &	2,200	1,800	\$257,000	\$392.43
3610539110	1044	1054	N	OLD WORLD THIRD	ST	HIGHLAND BEACH SURFER INC	15,531	76,904	\$2,379,000	\$3,632.68
3610540111	1030	1030	N	OLD WORLD THIRD	ST	FRED USINGER INC	48,971	0	\$2,170,900	\$3,314.91
3610559111	333	333	W	STATE	ST	JOURNAL/SENTINEL INC	127,800	0	\$11,192,600	\$17,090.83
3610571100	330	340	W	KILBOURN	AV	THE JOURNAL COMPANY	6,600	6,466	\$1,120,000	\$1,710.21
3610803116	333	333	W	KILBOURN	AV	MILWAUKEE MECCA HOTEL	73,740	356,540	\$30,000,000	\$45,809.28
3610816111	340	340	W	WELLS	ST	THE ISAACS FAMILY LIMITED	29,210	232,960	\$6,169,000	\$9,419.92
3610816115	302	302	W	WELLS	ST	MILWAUKEE MECCA HOTEL	15,652	15,652	\$626,100	\$956.04
3610819000	836	838	N	OLD WORLD THIRD	ST	ANAT CHONGVATANABANDIT	3,750	3,606	\$269,000	\$410.76

3610620000	830	834 N	OLD WORLD THIRD ST	ANANT PHOUNGPHOL	7,500	15,000	\$845,000	\$1,290.29
3610621100	822	822 N	OLD WORLD THIRD ST	ANANT PHOUNGPHOL	11,250	11,250	\$462,000	\$705.46
3610622000	823	823 N	2ND	CHALET AT THE RIVER LLC	15,000	150,000	\$5,312,000	\$8,111.30
3610624000	808	808 N	OLD WORLD THIRD ST	CENTURY BUILDING LLC	18,750	111,894	\$2,200,000	\$3,359.35
3610625000	206	206 W	WELLS	LOTS OF LUCK LLC	15,000	15,000	\$658,000	\$1,004.75
3610627100	111	111	KILBOURN	KILBOURN BRIDGE ASSOCIATES	9,283	12,594	\$833,000	\$1,271.97
3610629000	840	844 N	PLANKINTON	KILBOURN TOWN LLC	7,800	12,864	\$396,000	\$604.68
3610630000	834	834 N	PLANKINTON	ROBERT E JOHN	4,800	18,560	\$426,000	\$650.49
3610631000	830	830 N	PLANKINTON	ROBERT E JOHN	2,440	3,976	\$136,000	\$207.67
3610632000	826	826 N	PLANKINTON	J MICHAEL BARTELS	4,880	24,000	\$1,092,000	\$1,667.46
3610633000	814	820 N	PLANKINTON	J MICHAEL BARTELS	7,440	24,000	\$904,000	\$1,380.39
3610634000	810	810 N	PLANKINTON	PLANKINTON PROFESSIONAL	2,520	12,550	\$360,000	\$549.71
3610635000	808	808 N	PLANKINTON	ROBERT E JOHN	2,560	12,800	\$400,000	\$610.79
3610642111	710	710 N	PLANKINTON	TOWNE REALTY, INC	29,707	121,612	\$5,955,000	\$9,093.14
3610647000	725	725 N	PLANKINTON	CASWELL INVESTMENTS	3,425	26,350	\$500,000	\$763.49
3610648000	152	152 W	WISCONSIN	CASWELL INVESTMENTS	16,843	108,334	\$2,750,000	\$4,199.18
3610652100	215	215 W	WELLS	FB PROPERTIES JOINT VENTURE	16,143	16,143	\$653,772	\$998.29
3610652200	749	749 N	2ND	FB PROPERTIES JOINT VENTURE	6,598	6,598	\$263,900	\$402.97
3610653000	746	752 N	OLD WORLD THIRD ST	FB PROPERTIES JOINT VENTURE	11,250	11,250	\$455,625	\$695.73
3610655100	735	735 N	2ND	FB PROPERTIES JOINT VENTURE	7,269	7,269	\$290,800	\$444.04
3610657000	730	730 N	OLD WORLD THIRD ST	DAVID A WEIR	0	0	\$1,774,000	\$2,708.86
3610658000	212	212 W	WISCONSIN	CENTRE THEATRES CORPORATION	21,600	104,955	\$1,152,000	\$1,759.08
3610659000	720	720 N	OLD WORLD THIRD ST	WISCONSIN HOTEL COMPANY LL	15,000	160,200	\$2,492,000	\$3,805.22
3610660000	200	208 W	WISCONSIN	PLANKINTON LLC	8,400	20,450	\$650,000	\$992.53
3610661000	224	228 W	WISCONSIN	JAEDONG "DENNY" KIM	4,900	4,875	\$389,000	\$593.99
3610662000	234	234 W	WISCONSIN	230 WISCONSIN GROUP LTD	6,025	16,410	\$503,000	\$768.07
3610663000	236	240 W	WISCONSIN	HOTEL INVESTMENT PROPERTY	4,075	32,255	\$2,050,000	\$3,130.30
3610664113	310	310 W	WISCONSIN	FEDERAL PLAZA ASSOCIATES	97,000	693,953	\$20,000,000	\$30,539.52
3610665100	736	748 N	4TH	TOWNE REALTY, INC	22,200	120,444	\$3,575,000	\$5,458.94
3610701000	825	825 W	WISCONSIN	ST JAMES COURT HISTORIC	0	0	\$1,408,000	\$2,149.98
3610702000	815	819 W	WISCONSIN	TOWNE REALTY, INC	4,576	4,576	\$97,800	\$149.34
3610703000	801	813 W	WISCONSIN	TOWNE REALTY, INC	22,057	22,057	\$385,000	\$587.89
3610707110	735	735 W	WISCONSIN	TOWNE PETERSON LLC	63,000	111,109	\$2,976,000	\$4,544.28
3610709100	625	625 N	7TH	TOWNE PETERSON LLC	7,275	7,275	\$97,400	\$148.73
3610711000	712	714 W	MICHIGAN	LIBERTY HOLDING CO LTD	7,500	29,869	\$790,920	\$1,207.72
3610712000	700	700 W	MICHIGAN	LIBERTY HOLDING CO LTD	15,000	27,802	\$730,080	\$1,114.81
3610713111	633	633 W	WISCONSIN	THE CLARK BUILDING	71,400	424,295	\$8,479,000	\$12,947.23
3610714111	611	611 W	WISCONSIN	DOWNTOWN VENTURES LLP	41,955	172,609	\$7,700,000	\$11,757.72
3610719112	509	509 W	WISCONSIN	MILW CITY CENTER LLC	4,125,000	1,113,000	\$43,750,000	\$66,805.20
3610739120	615	615 N	4TH	BOSTCO LLC	48,000	280,872	\$2,754,000	\$4,205.29
3610750100	211	219 W	WISCONSIN	WISPAK LLC	24,000	105,078	\$2,450,000	\$3,741.09
3610776114	105	105 W	MICHIGAN	105 111 LLC	93,989	357,660	\$15,325,000	\$23,400.91
3610785100	503	521 N	PLANKINTON	WISPAK LLC	40,000	40,000	\$842,000	\$1,285.71
3610786100	522	522 N	2ND	WISPAK LLC	32,500	0	\$487,500	\$744.40
3610788000	176	176 W	CLYBOURN	WISPAK LLC	4,800	4,800	\$103,000	\$157.28
3610789100	176	176 W	CLYBOURN	MILWAUKEE & ST PAUL RAILWAY	2,565	2,565	\$56,200	\$85.82
3610790100	500	500 N	2ND	FB PROPERTIES JOINT VENTURE	135	135	\$4,700	\$7.18
3610799110	409	435 W	MICHIGAN	ISTAR CT LLP	64,000	236,218	\$17,733,000	\$27,077.87
3610822110	633	633 W	MICHIGAN	DONALD R DREISKE	80,311	96,022	\$4,000,000	\$6,107.90
3610825120	525	525 N	6TH	S&R PROPERTY LLC	29,752	19,779	\$1,057,000	\$1,614.01

3610834210	545	545 N	JAMES LOVELL	ST	LIBERTY HOLDING CO LTD	5,625	5,625	\$113,000	\$172.55
3610835000	555	555 N	JAMES LOVELL	ST	THE SCHELLER JOINT REVOCABLE	5,046	5,046	\$383,000	\$584.83
3610840111	803	803 W	MICHIGAN	ST	TOWNE REALTY, INC	132,334	132,334	\$3,350,000	\$5,115.37
3610849100	531	533 N	8TH	ST	TOWNE REALTY, INC	9,600	9,600	\$85,900	\$131.17
3610850110	521	521 N	8TH	ST	TOWNE REALTY, INC	9,146	7,200	\$245,000	\$374.11
3610872110	431	431 N	5TH	ST	NATHAN APPLEBAUM, HYMAN A	42,950	159,679	\$1,051,000	\$1,604.85
3610876100	404	404 W	ST PAUL	AV	CULLEN OAKLAND INC.	30,000	30,000	\$612,000	\$934.51
3610877000	422	422 N	5TH	ST	CAFFEINE FACTORY LLC	7,500	15,000	\$305,000	\$465.73
3610878100	420	420 W	ST PAUL	AV	FRANK G O'CONNOR JR	22,500	124,245	\$882,000	\$1,346.79
3610886000	423	423 N	3RD	ST	DETHLOFF REVOCABLE TRUST	7,500	23,760	\$574,500	\$877.25
3610889100	411	411 N	3RD	ST	D.F. INVESTMENTS	7,500	10,692	\$139,000	\$212.25
3611713100	601	601 W	WELLS	ST	ALLRIGHT CORPORATION	36,750	158,916	\$4,000,000	\$6,107.90
3611715000	738	740 N	JAMES LOVELL	ST	SHARED DOG VENTURES LLC	2,000	2,612	\$250,000	\$381.74
3611716000	746	746 N	JAMES LOVELL	ST	STEVEN M LECHTER &	1,750	1,986	\$146,000	\$222.94
3611717000	728	728 N	JAMES LOVELL	ST	LOVELL DEVELOPMENT LLC	15,000	45,000	\$500,000	\$763.49
3611718100	723	723 N	6TH	ST	ALLRIGHT REALTY COMPANY	12,000	12,000	\$374,000	\$571.09
3611721000	626	638 W	WISCONSIN	AV	THE CENTRAL MARKET PLACE CO	16,312	16,312	\$398,000	\$607.74
3611722000	612	624 W	WISCONSIN	AV	WISCONSIN AVENUE PROPERTY	13,688	54,748	\$1,479,000	\$2,258.40
3611723000	608	608 W	WISCONSIN	AV	CITY REAL ESTATE DEVELOPMENT	10,500	97,133	\$1,946,000	\$2,971.50
3611729110	700	700 W	WISCONSIN	AV	WESTOWN INC	0	0	\$7,877,000	\$12,027.99
3611801100	1104	1122 N	OLD WORLD THIRD	ST	RIVERFRONT PLAZA JOINT	31,137	105,328	\$8,688,000	\$13,266.37
3611841110	1610	1610 N	2ND	ST	THE BREWERY WORKS INC	83,191	92,039	\$7,500,000	\$11,452.32
3611842000	111	119 W	PLEASANT	ST	SCHLITZ PARK ASSOCIATES I	31,879	45,479	\$770,000	\$1,175.77
3611844000	101	101 W	PLEASANT	ST	SCHLITZ PARK ASSOCIATES II	36,986	51,181	\$3,169,000	\$4,838.99
3611852110	1542	1542 N	2ND	ST	SCHLITZ PARK ASSOCIATES II	13,690	32,904	\$127,000	\$193.93
3611891000	1407	1441 N	MARTIN L KING JR	DR	GROHMANN INDUSTRIES INC	48,000	14,439	\$775,300	\$1,183.86
3611901000	730	730 N	PLANKINTON	AV	MOSTREET III LLC	405	3,375	\$242,000	\$369.53
3611951000	230	W	CHERRY	ST	THE BREWERY WORKS INC	41,463		\$375,700	\$573.68
3611952000	210	W	CHERRY	ST	THE BREWERY WORKS INC	33,377		\$304,200	\$464.51
3611953000	205	W	GALENA	ST	THE BREWERY WORKS INC	31,134	126,761	\$350,000	\$534.44
3611954000	215	W	PLEASANT	ST	SCHLITZ PARK ASSOC II LTD	109,335	40,670	\$2,866,000	\$4,376.31
3611961000	201	W	PLEASANT	ST	THE BREWERY WORKS INC	73,862		\$811,900	\$1,239.75
3611962000	1500	N	2ND	ST	SCHLITZ PARK ASSOCIATES I	43,627		\$400,000	\$610.79
3611963000	101	E	PLEASANT	ST	SCHLITZ PARK ASSOCIATES I	165,146	46,398	\$1,551,200	\$2,368.65
3910101000	900	900 W	WISCONSIN	AV	WISCONSIN CLUB	118,250		\$4,206,000	\$6,422.46
3920001111	751	751 N	PLANKINTON	AV	MOSTREET III LLC	15,604	9,155	\$520,000	\$794.03
3920001121	135	135 W	WELLS	ST	GERMANIA LTD LIABILITY CO	14,682	79,188	\$2,360,000	\$3,603.66
3920202000	843	863 N	PLANKINTON	AV	THANKS A LOT LLC	22,771	22,771	\$798,000	\$1,218.53
3920203000	840	840 N	OLD WORLD THIRD	ST	JOANNE L CHARLTON	3,431	15,230	\$707,000	\$1,079.57
3920401110	773	773 N	WATER	ST	WATER STREET INVESTMENT	16,000	73,250	\$4,700,000	\$7,176.79
3920411000	753	757 N	WATER	ST	DERMOND ASSOCIATES LLC	4,325	10,025	\$950,000	\$1,450.63
3920601110	733	745 N	WATER	ST	COMPASS PROPERTIES	25,205	300,871	\$13,045,000	\$19,919.40
3920601120	731	731 N	WATER	ST	COMPASS PROPERTIES	10,925	81,039	\$1,135,000	\$1,733.12
3920604110	100	100 E	WISCONSIN	AV	100 EAST WISCONSIN AVENUE	27,526	422,865	\$53,797,000	\$82,146.73
3920605111	111	111 E	WISCONSIN	AV	PLAZA BLDG MANAGEMENT CORP	41,186	472,507	\$33,594,000	\$51,297.23
3920614111	543	543 N	WATER	ST	BANC ONE BUILDING	46,800	286,884	\$6,354,000	\$9,702.41
3920651000	225	225 E	MICHIGAN	ST	MACKIE BUILDING COMPANY	14,400	45,975	\$1,917,000	\$2,927.21
3920652100	525	531 N	BROADWAY	ST	EPA LLC	14,400	14,400	\$514,000	\$784.87
3920656000	511	511 N	BROADWAY	ST	EPA LLC	7,200	7,200	\$264,000	\$403.12
3920657000	503	507 N	BROADWAY	ST	DAVID V UHLEIN JR	7,200	7,200	\$236,000	\$360.37
3920658000	500	500 N	WATER	ST	TAXMAN INVESTMENT CO	9,600	66,913	\$2,020,000	\$3,084.49

3920659000	510	512 N	WATER	ST	TAXMAN INVESTMENT COMPANY	4,800	4,800	\$103,000	\$157.28
3920660100	514	514 N	WATER	ST	C-SYSTEMS INC	2,400	7,200	\$285,000	\$435.19
3920660200	518	522 N	WATER	ST	ST PAUL CROSSING LLP	4,800	16,616	\$481,000	\$734.48
3920661000	524	524 N	WATER	ST	BASE STATION LLC	2,400	8,800	\$272,000	\$415.34
3920662000	530	530 N	WATER	ST	WOMENS HEALTH SERV OF WI INC	4,800	10,000	\$569,000	\$868.85
3920663000	532	534 N	WATER	ST	SUPERIOR OFFICE SERVICE INC	4,800	16,800	\$281,000	\$429.08
3920664000	207	207 E	MICHIGAN	ST	MITCHELL BUILDING CORP	9,600	42,600	\$1,717,000	\$2,621.82
3920665000	229	231 E	WISCONSIN	AV	RAILWAY EXCHANGE BUILDING	3,977	48,000	\$784,000	\$1,197.15
3920666000	219	227 E	WISCONSIN	AV	MILWAUKEE BUILDING CORP	8,000	13,000	\$574,000	\$876.48
3920667000	631	635 N	BROADWAY	AV	MILWAUKEE BUILDING CORP	4,800	5,740	\$185,000	\$282.49
3920668000	627	629 N	BROADWAY	AV	MILWAUKEE BUILDING CORP	2,400	4,800	\$153,000	\$233.63
3920669000	625	625 N	BROADWAY	AV	MILWAUKEE BUILDING CORP	2,400	3,776	\$267,000	\$407.70
3920670000	611	611 N	BROADWAY	AV	JOSEPH IANNELLI & GRACE HW &	2,400	79,609	\$3,123,000	\$4,768.75
3920672100	610	610 N	WATER	ST	LOYALTY BUILDING CORP	21,600	18,000	\$423,000	\$645.91
3920674000	622	622 N	WATER	ST	TOON CITY II LLC	6,000	42,000	\$1,458,000	\$2,226.33
3920675000	624	624 N	WATER	ST	TOON CITY INC	8,400	8,300	\$543,000	\$829.15
3920676000	628	628 N	WATER	ST	ELK VI LLC	2,400	14,400	\$734,000	\$1,120.80
3920677110	632	636 N	WATER	ST	ELK VI LLC	4,740	6,120	\$291,000	\$444.35
3920681100	205	205 E	WISCONSIN	AV	TOON CITY INC	6,120	40,670	\$2,147,000	\$3,278.42
3920683000	225	225 E	MASON	ST	WISCONSIN 205 LLC	8,400	30,848	\$1,785,000	\$2,725.65
3920690113	200	200 E	WISCONSIN	AV	225 EAST MASON PROPERTY	3,900	15,800	\$7,387,000	\$11,279.77
3920696100	718	722 N	WATER	ST	700 NORTH WATER LLC	16,800	0	\$4,359,000	\$6,656.09
3920697000	734	746 N	WATER	ST	100 E WISCONSIN AV J. V.	12,000	96,000	\$1,482,000	\$2,262.98
3920700100	769	769 N	BROADWAY	ST	COMPASS PROPERTIES	14,400	14,080	\$590,000	\$900.92
3920702000	751	765 N	BROADWAY	ST	MARSHALL & ILSLEY BANK	9,600	67,200	\$1,760,000	\$2,687.48
3920703000	226	226 E	MASON	ST	757 N BROADWAY LLC	1,260	3,282	\$350,000	\$534.44
3920704000	224	224 E	MASON	ST	PENTA LLC	1,140	2,862	\$350,000	\$534.44
3920705100	216	222 E	MASON	ST	GRAY MAIDEN LLC	2,400	9,410	\$410,000	\$626.06
3920707111	778	778 N	WATER	ST	M & I BUILDING CORP	63,600	492,954	\$29,682,000	\$45,323.70
3920714110	777	777 N	MILWAUKEE	ST	MILWAUKEE ATHLETIC CLUB	21,600	64,890	\$1,294,000	\$1,975.91
3920715000	767	767 N	MILWAUKEE	ST	COLBY ABBOT BLDG LLP	7,200	21,600	\$407,000	\$621.48
3920716000	763	763 N	MILWAUKEE	ST	COLBY ABBOT BLDG LLP	2,400	3,268	\$164,000	\$250.42
3920717000	753	761 N	MILWAUKEE	ST	COLBY ABBOT BLDG LLP	12,000	52,544	\$2,065,000	\$3,153.21
3920723000	782	792 N	BROADWAY	ST	MILWAUKEE ATHLETIC CLUB	7,200	7,200	\$305,000	\$465.73
3920725000	733	737 N	MILWAUKEE	ST	PETER J KONDOS	5,880	5,878	\$215,000	\$328.30
3920728000	725	728 N	MILWAUKEE	ST	LEO R LICHTER, TRUSTEE OF	7,200	15,708	\$636,000	\$971.16
3920728000	324	324 E	WISCONSIN	AV	TOWNE REALTY INC	12,000	117,166	\$6,251,000	\$9,545.13
3920729000	312	312 E	WISCONSIN	AV	D&K MANAGEMENT LLC	14,400	68,655	\$4,292,000	\$6,553.78
3920733000	329	331 E	WISCONSIN	AV	JOHNSON BANK	3,400	17,000	\$1,506,000	\$2,299.63
3920734000	327	327 E	WISCONSIN	AV	HOWARD D SPECTOR	3,800	13,846	\$418,000	\$638.28
3920735000	319	323 E	WISCONSIN	AV	HOWARD D SPECTOR	7,200	28,800	\$683,000	\$1,042.92
3920736000	629	631 N	MILWAUKEE	ST	HOWARD D SPECTOR	3,000	9,000	\$194,000	\$296.23
3920737000	627	627 N	MILWAUKEE	ST	HOWARD D SPECTOR	2,400	6,400	\$148,000	\$225.99
3920738000	625	625 N	MILWAUKEE	ST	SWITCH & DATA WI ONE LLC	16,200	65,106	\$1,558,000	\$2,379.03
3920739000	322	322 E	MICHIGAN	ST	THE MC GEOCH REALTY GROUP	7,200	39,423	\$1,714,000	\$2,617.24
3920740000	602	606 N	BROADWAY	ST	606 N BROADWAY PARTNERSHIP	7,200	25,966	\$2,057,000	\$3,140.99
3920741000	608	608 N	BROADWAY	ST	A & K ENTERPRISES	3,600	13,480	\$318,000	\$485.58
3920742000	612	612 N	BROADWAY	ST	A & K ENTERPRISES	3,600	13,440	\$353,000	\$539.02
3920745000	301	315 E	WISCONSIN	AV	MARSHALL BLOCK INC	16,200	51,914	\$829,000	\$1,265.86
3920748000	322	330 E	CLYBOURN	ST	MICHAEL A IANNELLI & KAREN	10,320	10,320	\$382,000	\$583.30

3920749000	320	E	CLYBOURN	ST	LORETTE RUSSENBERGER	4,080	11,730	\$448,000	\$684.09
3920783000	433	E	MICHIGAN	ST	SAF CORP NKA	18,240	81,834	\$2,427,600	\$3,706.89
3920784000	517	N	JEFFERSON	ST	SAF CORP NKA	17,760	17,760	\$484,000	\$739.06
3920785000	501	N	JEFFERSON	ST	PETERS & FRISCH INV CO INC	7,200	10,760	\$746,000	\$1,139.12
3920786000	412	E	CLYBOURN	ST	MARIETTA SCHIELD	2,400	2,400	\$99,100	\$151.32
3920787000	500	N	MILWAUKEE	ST	UNIVERSAL FOODS CORPORATION	14,400	14,400	\$351,000	\$535.97
3920797111	411	E	WISCONSIN	AV	TIAA REALTY INC	117,840	654,165	\$91,034,000	\$139,006.74
3920801100	424	E	WISCONSIN	AV	PFISTER CORPORATION	43,200	391,430	\$30,000,000	\$45,809.28
3920803100	400	E	WISCONSIN	AV	CURRY-PIERCE LTD PTRNSHP	6,560	24,000	\$1,425,000	\$2,175.94
3920806000	718	N	MILWAUKEE	ST	PALERMATHEN LLC	4,800	12,000	\$850,000	\$1,297.93
3920807000	722	N	MILWAUKEE	ST	LCD 728 MILW LLC	2,400	6,080	\$290,000	\$442.82
3920808000	724	N	MILWAUKEE	ST	LCD 728 MILW LLC	4,800	9,200	\$381,000	\$581.78
3920809000	730	N	MILWAUKEE	ST	C M SCHMIDT	2,400	6,000	\$60,000	\$91.62
3920811000	419	E	WELLS	ST	DANIEL J HELFER	7,200	7,143	\$677,000	\$1,033.76
3920812000	787	N	JEFFERSON	ST	MARVIN A ZETLEY	3,600	3,094	\$270,000	\$412.28
3920813000	783	N	JEFFERSON	ST	MARVIN A ZETLEY	3,600	4,182	\$278,000	\$424.50
3920814000	775	N	JEFFERSON	ST	SELZER-ORNST COMPANY	7,200	24,684	\$1,247,000	\$1,904.14
3920815000	771	N	JEFFERSON	ST	FOX PROPERTIES LLC	2,400	5,900	\$323,000	\$493.21
3920816000	767	N	JEFFERSON	ST	CAROL HARTTER	4,800	12,160	\$343,000	\$523.75
3920817000	751	N	JEFFERSON	ST	WATTS, GEORGE	8,160	15,360	\$874,000	\$1,334.58
3920818000	416	E	MASON	ST	M&I MARSHALL & ILSLEY BANK	6,240	578	\$323,000	\$493.21
3920819000	752	N	MILWAUKEE	ST	FILLMORE BUILDING LLC	17,880	44,194	\$3,121,000	\$4,765.69
3920820000	770	N	MILWAUKEE	ST	MICHAEL LORD	4,920	7,834	\$493,000	\$752.80
3920821000	776	N	MILWAUKEE	ST	PAPPAS ENTERPRISES INC	6,000	10,716	\$624,000	\$952.83
3920829100	770	N	JEFFERSON	ST	WASHINGTON SQUARE ASSOCIATES	30,480	277,439	\$5,508,000	\$8,410.58
3920833110	788	N	JEFFERSON	ST	788 BUILDING LIMITED PARTNERSHIP	15,240	160,432	\$5,666,000	\$8,651.85
3920835110	741	N	JACKSON	ST	WASHINGTON SQUARE ASSOCIATES	38,100	38,100	\$1,968,000	\$3,005.09
3920838100	731	N	JACKSON	ST	JACKSON STREET REAL ESTATE	15,240	108,214	\$5,401,000	\$8,247.20
3920839000	526	E	WISCONSIN	AV	PALMOLIVE BLDG CO LTD PTSHP	7,200	18,000	\$1,838,000	\$2,806.58
3920840100	522	E	WISCONSIN	AV	MUTUAL S & L ASSN	8,040	8,040	\$593,000	\$905.50
3920841100	510	E	WISCONSIN	AV	MUTUAL S & L ASSN	8,040	16,370	\$911,000	\$1,391.08
3920842110	706	N	JEFFERSON	ST	THE MILWAUKEE CLUB	9,600	18,483	\$847,000	\$1,293.35
3920844100	720	N	JEFFERSON	ST	MUTUAL S & L ASSN	4,800	4,800	\$256,500	\$391.67
3920848100	507	E	MICHIGAN	ST	JOHNSON CONTROLS INC	89,200	92,026	\$22,328,200	\$34,094.63
3920886113	615	E	MICHIGAN	ST	LEWIS CENTER LLC	91,440	149,760	\$7,978,000	\$12,182.22
3920908111	617	E	WISCONSIN	AV	NORTHWESTERN MUTUAL	21,600	142,748	\$11,795,000	\$18,010.68
3920919111	727	N	VAN BUREN	ST	VAN BUREN BUILDING COMPANY,	7,200	19,272	\$8,119,000	\$12,397.52
3920924000	600	E	WISCONSIN	AV	600 WISCONSIN LLC	16,500	80,950	\$1,051,000	\$1,604.85
3920930100	732	N	JACKSON	ST	JACKSON BUILDING COMPANY	2,400	4,040	\$2,776,000	\$4,238.89
3920934000	771	N	VAN BUREN	ST	THOMAS J KUESEL	4,800	9,396	\$255,000	\$389.38
3920935000	765	N	VAN BUREN	ST	THOMAS J KUESEL	14,400	41,705	\$486,000	\$742.11
3920936000	624	E	MASON	ST	MITCHELL INC	6,225	17,560	\$3,412,000	\$5,210.04
3920938100	604	E	MASON	ST	LEWENAUER INVESTMENT LLP	3,870	3,870	\$624,000	\$1,258.23
3920939000	762	N	JACKSON	ST	LEWENAUER INVESTMENT LLP	14,960	45,089	\$165,000	\$251.95
3920943100	790	N	JACKSON	ST	EXECUTIVE CLUB LIMITED	18,640	18,784	\$2,537,000	\$3,873.94
3921178100	1005	N	EDISON	ST	ROJAHN & MALANEY CO	5,875	5,875	\$521,000	\$795.55
3921179100	100	E	STATE	ST	ROJAHN & MALANEY CO	3,590	1,938	\$219,000	\$334.41
3921183100	113	E	JUNEAU	AV	ZILBER FAMILY PARTNERSHIP	5,000	5,000	\$351,000	\$535.97
3921186110	1147	N	EDISON	ST	ZILBER FAMILY PARTNERSHIP	27,920	23,925	\$197,000	\$300.81
3921187110	1128	N	EDISON	ST	1144 EDISON LLC	1,604	1,604	\$1,150,000	\$1,756.02
3921189000	145	E	JUNEAU	AV	D&D REALTY ON WATER LLC	1,604	1,604	\$27,308	\$41.70
3921192000	1139	N	WATER	ST	D&D REALTY ON WATER LLC	1,080	2,448	\$240,000	\$366.47

3921194100	1135	N	WATER	ST	D&D REALTY ON WATER LLC	6,037	5,560	\$999,000	\$1,525.45
3921196000	1129	N	WATER	ST	WATER STREET INVESTMENTS	2,653	4,302	\$583,000	\$890.23
3921197000	1127	N	WATER	ST	SIDNEY GOLDBERG	2,700	2,194	\$327,000	\$499.32
3921200000	1119	N	WATER	ST	SCOTT HENRY MONICA SCHERFER	8,100	30,304	\$1,877,000	\$2,866.13
3921202000	1115	N	WATER	ST	SCOTT HENRY MONICA SCHERFER	5,400	5,400	\$182,000	\$277.91
3921204000	1113	N	WATER	ST	PRETZEL BOYS INC	2,700	2,700	\$119,000	\$181.71
3921206000	1109	N	WATER	ST	PRETZEL BOYS INC	2,700	2,240	\$301,000	\$459.62
3921208000	1101	N	WATER	ST	ROBERT C SCHMIDT JR	8,100	27,679	\$1,398,000	\$2,134.71
3921304110	270	E	HIGHLAND	AV	BREWERY HOUSING ASSOCIATES	71,693	360,000	\$18,341,000	\$28,006.27
3921304210	252	E	HIGHLAND	AV	GG 252 HIGHLAND LLC	14,744	54,104	\$1,583,000	\$2,417.20
3921304220	250	E	HIGHLAND	AV	BREWERY HOUSING ASSOCIATES	3,494	3,494	\$64,400	\$98.34
3921305111	1000	N	MARKET	ST	MILW SCHOOL OF ENGINEERING	91,440	261,315	\$3,802,000	\$5,805.56
3921333111	330	E	WELLS	ST	FLANDERS WESTBOROUGH	46,920	198,073	\$6,398,000	\$9,769.59
3921335000	828	N	BROADWAY	ST	828 N BROADWAY PTNRSHIP	7,200	43,632	\$1,159,000	\$1,769.77
3921353110	1008	N	BROADWAY	AV	FEDERAL RESERVE BANK	13,100	37,833	\$2,252,000	\$3,438.75
3921361000	311	E	JUNEAU	AV	HISTORIC HOLDINGS LLC	15,792	15,180	\$307,000	\$468.78
3921388100	839	N	JEFFERSON	ST	839 N JEFFERSON ST PTNRSHIP	12,000	54,260	\$5,288,000	\$8,074.65
3921389000	831	N	JEFFERSON	ST	KARL R KOPP	4,800	9,240	\$430,000	\$656.60
3921390100	825	N	JEFFERSON	ST	NORTHTRIDGE COMPANY	11,400	57,000	\$3,609,000	\$5,510.86
3921391210	811	N	JEFFERSON	ST	CATHEDRAL SQUARE LIMITED	6,540	13,265	\$824,000	\$1,258.23
3921391220	418	E	WELLS	ST	CATHEDRAL SQUARE LIMITED	8,400	16,640	\$1,035,000	\$1,580.42
3921395000	840	N	MILWAUKEE	AV	D&K MANAGEMENT LLC	14,400	46,607	\$4,121,000	\$6,292.67
3921410111	1029	N	JACKSON	AV	JBC 59 LLC, TAH 59 LLC	168,910	535,904	\$30,598,000	\$46,722.41
3921546000	720	E	WISCONSIN	AV	NORTHWESTERN MUTUAL LIFE	91,440	322,007	\$28,748,000	\$43,897.51
3921558000	711	E	KILBOURN	AV	SR BODIES LLC	14,290	14,290	\$285,800	\$436.41
3921559000	835	N	CASS	ST	LANCASTER APARTMENTS LLP	0	0	\$1,495,200	\$2,283.13
3921560000	829	N	CASS	ST	829 CASS LLC	0	0	\$1,161,600	\$1,773.74
3921561000	823	N	CASS	ST	REBEL FLATS PARTNERSHIP	4,200	5,358	\$553,000	\$844.42
3921562000	819	N	CASS	ST	TODD ROBERT MURPHY	3,600	3,250	\$357,000	\$545.13
3921563000	815	N	CASS	ST	MARGARITTE M DEMET	4,200	5,710	\$413,000	\$630.64
3921565000	801	N	CASS	ST	BENJAMIN'S TOO, INC	2,400	4,022	\$319,000	\$487.11
3921566000	724	E	WELLS	ST	CLARK WELLS LLC	2,400	2,014	\$209,000	\$319.14
3921567000	718	E	WELLS	ST	CLARK WELLS LLC	3,400	5,129	\$328,000	\$500.85
3921569000	802	N	VAN BUREN	ST	WIN 3 LLC	2,310	5,256	\$424,000	\$647.44
3921570000	804	N	VAN BUREN	ST	TOMAR LIMITED PARTNERSHIP	0	0	\$1,079,700	\$1,648.68
3921574100	822	N	VAN BUREN	ST	WIS SCOTTISH RITE BODIES	22,965	22,965	\$734,000	\$1,120.80
3921620000	829	N	MARSHALL	ST	DANIEL R MC CORMICK,	7,219	4,195	\$438,000	\$668.82
3921621000	817	N	MARSHALL	ST	MARSHALL ST LLC	9,000	9,086	\$760,000	\$1,160.50
3921622100	807	N	MARSHALL	ST	TAXMAN INVESTMENT CO	12,000	12,000	\$351,000	\$535.97
3921629000	826	N	CASS	ST	TAH 14 LLC	13,580	43,427	\$2,646,000	\$4,040.38
3921636110	818	E	MASON	ST	NORTHWESTERN MUTUAL LIFE	95,832	542,005	\$47,645,000	\$72,752.78
3921656112	800	E	WISCONSIN	AV	NORTHWESTERN MUTUAL LIFE	164,546	451,964	\$48,908,000	\$74,681.35
3921700000	900	E	WELLS	ST	EVERETT G SMITH	5,040	3,232	\$471,000	\$719.21
3921809111	404	E	LYON	ST	USL LAND LLC	17,950	0	\$98,800	\$150.87

3921818112	1531	N	1531 N	WATER	ST	USL LAND LLC	172,498	335,397	\$1,423,200	\$2,173.19
3921941130	310	E	KNAPP	WATER	ST	1300 BROADWAY LLC	31,438	57,025	\$10,122,000	\$15,456.05
3921948000	1303	N	MILWAUKEE	WATER	ST	BTS2 LLC	0	0	\$607,100	\$927.03
3921953000	1241	N	MILWAUKEE	WATER	ST	ROBERT S STEMBERGER	0	0	\$677,200	\$1,034.07
3921955000	1227	N	MILWAUKEE	WATER	ST	MILWAUKEE 1227 LLC	0	0	\$833,000	\$1,271.97
3922061100	1433	N	1475 N	WATER	ST	BROOKWATER LTD PARTNERSHIP	51,277	71,057	\$1,926,000	\$2,940.96
3922062100	1421	N	1421 N	WATER	ST	BERNARD J PECK & MIRIAM PECK	23,380	12,536	\$685,000	\$1,045.98
3922096112	1303	N	1303 N	BROADWAY	ST	M&I BUILDING CORP	70,854	70,854	\$1,062,800	\$1,622.87
3922127100	1214	N	1214 N	WATER	ST	M & I MARSHALL & ILSLEY BANK	77,400	77,400	\$2,097,000	\$3,202.07
3922131000	1245	N	1247 N	WATER	ST	BERNARD J PAGET	4,821	16,324	\$835,000	\$1,275.03
3922132000	1241	N	1243 N	WATER	ST	DOUGLAS J WIED & SHIRLEY HW	2,410	1,998	\$126,000	\$192.40
3922133100	1233	N	1233 N	WATER	ST	BERNARD J PAGET	9,642	9,642	\$335,000	\$511.54
3922136000	1221	N	1227 N	WATER	ST	WARD & KENNEDY CO	8,437	10,535	\$1,101,000	\$1,681.20
3922137000	1217	N	1219 N	WATER	ST	THOMAS DEER	3,616	3,616	\$93,900	\$143.38
3922138000	1215	N	1215 N	WATER	ST	THOMAS DEER	2,230	4,420	\$163,000	\$248.90
3922139000	1213	N	1213 N	WATER	ST	THOMAS DEER	2,642	3,608	\$398,000	\$607.74
3922140000	1209	N	1211 N	WATER	ST	LESZ INC	2,410	2,510	\$328,000	\$500.85
3922141000	1207	N	1207 N	WATER	ST	BARBARA L SHAFTON, SHAFTON	4,200	12,144	\$682,000	\$1,041.40
3922142000	146	E	148 E	JUNEAU	AV	CHARLOTTE VOLK	1,200	3,420	\$145,000	\$221.41
3922143000	144	E	144 E	JUNEAU	AV	CHARLOTTE VOLK	1,800	1,800	\$232,000	\$354.26
3922146100	134	E	134 E	JUNEAU	AV	DOUGLAS A ROSSI	7,259	3,592	\$396,000	\$604.68
3922149110	1232	N	1232 N	EDISON	ST	1232 NORTH EDISON LLC	23,513	17,112	\$620,000	\$946.73
3922150110	1201	N	1201 N	EDISON	ST	1201 NORTH EDISON LLC	25,932	25,932	\$648,400	\$990.09
3922301100	250	E	250 E	KILBOURN	AV	MORTGAGE GUARANTY INSURANCE	105,851	210,552	\$23,164,000	\$35,370.87
3922352000	135	E	139 E	KILBOURN	AV	MIP MILWAUKEE LLC	29,229	214,710	\$18,330,000	\$27,989.47
3922401000	815	N	815 N	WATER	ST	HALES CORNERS DEV CORP	15,936	30,793	\$3,348,000	\$5,112.32
3922423000	1010	N	1010 N	WATER	ST	BEVERLY HILLS PROPERTIES	2,593	11,860	\$1,282,000	\$1,957.58
3922424000	1000	N	1000 N	WATER	ST	ANTHONY A PALERMO	59,645	283,450	\$32,451,000	\$49,551.90
3922431000	740	N	744 N	PLANKINTON	AV	RIVER BANK PLAZA BLDG	34,627	65,635	\$3,009,000	\$4,594.67
3922442000	107	E	115 E	WELLS	ST	ROYAL TAXMAN	5,923	8,014	\$358,000	\$546.66
3922511000	767	N	767 N	WATER	ST	PACHEFSKY PROP LLC	2,001	4,000	\$240,000	\$366.47
3922512000	765	N	765 N	WATER	ST	DAVID D VOIGHT	2,001	4,000	\$192,000	\$293.18
3922513000	781	N	781 N	WATER	ST	TAP PROPERTIES LLC	1,801	4,617	\$439,000	\$670.34
3922514000	759	N	759 N	WATER	ST	DEAN N JENSEN	1,751	3,340	\$304,000	\$464.20
3922531000	771	N	771 N	WATER	ST	STOUT BROTHERS LLC	2,666	7,983	\$735,000	\$1,122.33
3922561000	223	E	223 E	JUNEAU	ST	1101 N MARKET ST PARTNERS	13,873	13,873	\$248,000	\$378.69
3922562000	1101	N	1101 N	MARKET	ST	SSG PROPERTIES LLC	30,803	60,069	\$4,526,000	\$6,911.09
3922571000	1124	N	1124 N	WATER	ST	MARKET STREET PARTNERS II	2,353	2,353	\$28,200	\$43.06
3922572000	1114	W	1114 W	WATER	ST	SSG PROPERTIES LLC	15,345	12,778	\$1,003,000	\$1,531.56
3930402100	330	E	330 E	KILBOURN	AV	FLANDERS WESTBOROUGH	79,123	457,480	\$40,584,000	\$61,970.80
3930412000	1020	N	1020 N	BROADWAY	ST	HISTORIC HOLDINGS LLC	12,492	37,673	\$2,396,000	\$3,658.63
3930451000	925	E	925 E	WELLS	ST	CUDAHY TOWER APTS LLC	33,662	122,724	\$7,661,000	\$11,698.16
3930462000	777	N	777 N	CASS	ST	NORTHWESTERN LIFE INS CO	71,751	0	\$7,813,000	\$11,930.26
3930471000	920	E	920 E	MASON	ST	BRUCE M PECKERMAN	467	5,635	\$536,000	\$818.46
3930532000	906	E	906 E	MASON	ST	BRUCE M PECKERMAN &	7,956	7,956	\$199,000	\$303.87
3930541000	741	N	741 N	MILWAUKEE	ST	BRIAN ZARLETTI	470	2,300	\$271,000	\$413.81
3930581000	714	N	714 N	MILWAUKEE	ST	SAKE II LLC	2,379	9,468	\$586,000	\$894.81
3930582000	710	N	710 N	MILWAUKEE	ST	PLANET DEVELOPMENT LLC	2,330	6,522	\$375,000	\$572.62
3930601000	555	E	555 E	WELLS	ST	CATHEDRAL PLACE, LLC	17,442	200,000	\$23,585,000	\$36,013.73

3930611000	715 N	MILWAUKEE	ST	G/S PARTNERSHIP	475	21,240	\$41,300	\$63.06
3930612000	717 N	MILWAUKEE	ST	G/S PARTNERSHIP	1,491	21,240	\$110,000	\$167.97
3930613000	719 N	MILWAUKEE	ST	G/S PARTNERSHIP	1,490	21,240	\$95,900	\$146.44
3930614000	723 N	MILWAUKEE	ST	G/S PARTNERSHIP	1,440	21,240	\$104,000	\$158.81
3930631000	924 E	WELLS	ST	UNIVERSITY CLUB OF MILWAUKEE	18,326	53,220	\$2,255,000	\$3,443.33
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3960252100	875	WISCONSIN	AV	GRAND VIEW DEVELOPMENT PARTNER	61,954	209,000	\$34,649,000	\$52,908.19
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3970106111	341	ST PAUL	AV	350 SAINT PAUL LLC	387,684	941,109	\$16,084,000	\$24,559.88
3970108111	333	PLANKINTON	AV	JULIUS BERNSTEIN IRR TRUST	90,700	302,506	\$1,338,000	\$2,043.09
3970152100	304	MICHIGAN	ST	MILWAUKEE HOTEL VENTURE LTD PART	44,457	112,472	\$12,900,000	\$19,697.99
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3970173100	225	WISCONSIN	AV	MAJESTIC MILW LOFT APT LLC	12,734	149,155	\$2,000,000	\$3,053.95 Part Comm
3970181110	301	WISCONSIN	AV	BOSTCO, LLC	10,714	30,927	\$452,000	\$690.19
3970181111	321	WISCONSIN	AV	NEW ARCADE LLC	5,090	14,650	\$554,000	\$845.94
3970185000	301	WISCONSIN	AV	BOSTCO, LLC	14,167	40,924	\$2,029,000	\$3,098.23
3970192100	360	ST PAUL	AV	PALMOLIVE BUILDING COMPANY	378	866	\$69,400	\$105.97
3970193100	350	ST PAUL	AV	PALMOLIVE BUILDING COMPANY	4,284	11,097	\$585,000	\$893.28
3970194100	350	ST PAUL	AV	PALMOLIVE BUILDING COMPANY	4,927	11,719	\$598,000	\$913.13
3970195100	350	ST PAUL	AV	PALMOLIVE BUILDING COMPANY	4,927	11,330	\$585,000	\$893.28
3970196100	350	ST PAUL	AV	PALMOLIVE BUILDING COMPANY	4,927	11,680	\$585,000	\$893.28
3970197100	350	ST PAUL	AV	PALMOLIVE BUILDING COMPANY	4,890	11,254	\$602,000	\$919.24
3970201000	161	WISCONSIN	AV	THE GRAND AVENUE CORP	9,345	49,262	\$562,000	\$858.16
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3970206000	161	WISCONSIN	AV	THE GRAND AVENUE CORP	9,345	49,465	\$710,000	\$1,084.15
3970208100	161	WISCONSIN	AV	THE GRAND AVENUE CORP	4,487	29,419	\$1,060,000	\$1,618.59
3970331000	101	WISCONSIN	AV	IVORY RETAIL OFFICE INVESTORS LLC	7,890	89,639	\$500,000	\$763.49
3970332000	101	WISCONSIN	AV	IVORY RETAIL OFFICE INVESTORS LLC	13,098	73,442	\$4,000,000	\$6,107.90
3970333000	101	WISCONSIN	AV	IVORY HOTEL INVESTORS LLC	23,671	133,188	\$9,400,000	\$14,353.58
3970334000	101	WISCONSIN	AV	AMERICAN SOCIETY FOR QUALITY INC	18,937	106,202	\$9,797,000	\$14,959.78
3970335000	101	WISCONSIN	AV	IVORY RETAIL OFFICE INVESTORS LLC	15,307	86,023	\$5,000,000	\$7,634.88
3981202100	635	JAMES LOVELL	ST	BADGER COACHES, INC	12,000	8,750	\$402,000	\$613.84
3981203000	641	JAMES LOVELL	ST	BARBARA L SHAFTON	4,500	3,000	\$178,000	\$271.80
3981204000	701	WISCONSIN	AV	BARBARA L SHAFTON	13,500	27,236	\$904,000	\$1,380.39
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TOTAL					15,237,353	30,361,806	\$1,682,972,005	\$2,569,858.00

\$0.00153

APPENDIX D
Proposed 2006 Budget (Subject to Change)

BUSINESS IMPROVEMENT DISTRICT #21
CLEAN*SAFE*FRIENDLY
2006 BUDGET

INCOME

2006 BID #21 Assessments	\$2,569,858
Additional Income	<u>\$ 168,000</u>
TOTAL INCOME	\$2,737,858

EXPENSES

Clean Sweep Ambassador Program	
Sidewalk Cleaning	\$ 502,000
Landscaping	\$ 150,000
Graffiti Removal	<u>\$ 10,600</u>
	\$ 662,600 (24.2% of total)
Public Service Ambassador Program	\$ 800,000 (29.2% of total)
Administrative	\$ 400,000 (14.6% of total)
Public Information/Marketing	<u>\$ 652,258</u> (23.8% of total)
Business Retention/Recruitment	\$ 223,000 (8.1% of total)
TOTAL EXPENSES	\$2,737,858

APPENDIX E

Cooperation Agreement between District Board and City of Milwaukee

On file at District office.

APPENDIX F

City Attorney's Opinion

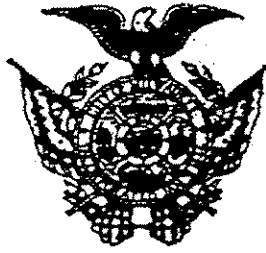
CITY OF MILWAUKEE

For

GRANT F. LANGLEY
City Attorney

RUDOLPH M. KONRAD
Deputy City Attorney

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



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BEVERLY A. TEMPI
THOMAS O. GARTI
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BRUCE D. SCHIRM
ROXANE L. CRAWF
THOMAS G. GOELI
SUSAN D. BICKERT
HAZEL MOSLEY
HARRY A. STEN
STUART S. MILKAN
THOMAS J. BEAMER
JOHN J. HEINEN
MICHAEL G. TOBIN
DAVID J. STANOSZ
MARY M. KUHNKEU
SUSAN E. LAPPEN
DAVID R. HALBROCK
JAN A. SWOKOWIC
PATRICIA A. FRICK
HEIDI WICK SPOER
VINCENT J. BOBOT
KURT A. BEHLING
GREGG C. HAGOP
ELLEN H. TANGEN
MELANIE R. SWANN
TRACY M. JOHNSO
GREGORY POWELL
MICHAEL A. VERRIL
Assistant City Attorney

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

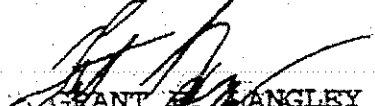
Mr. Michael L. Morgan

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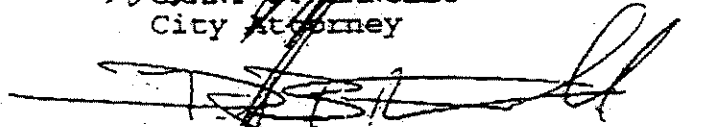
August 6, 1997

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

Very truly yours,



GRANT E. LANGLEY
City Attorney



PATRICK B. McDONNELL
Special Deputy City Attorney

PBMCD:dms

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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 or 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.

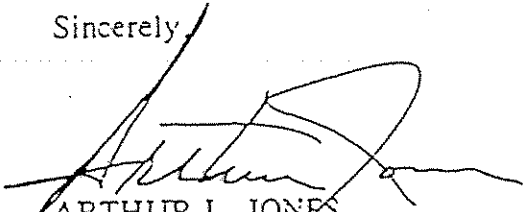
I have prepared a list of services that the Department will provide to the District to keep the downtown area safe. The list includes, but is not limited to, the following:

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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