

City of Milwaukee

GREATER MITCHELL STREET

BUSINESS IMPROVEMENT DISTRICT NO. 4

**OPERATING PLAN FOR YEAR 2024
(35th Year)**

9/1/2023

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I. INTRODUCTION

A. History of BID #4:

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

The City of Milwaukee created Business Improvement District No. 4 (“BID 4”) and approved its initial operating plan with Common Council Resolution File No. 890176, adopted by reference July 28, 1989.

The City of Milwaukee had received a petition from property owners which requested creation of a Business Improvement District for the purpose of revitalizing and improving the Mitchell Street business area on Milwaukee's near south side. BID #4 was established in 1989. The BID law requires that every district have an annual Operating Plan.

Since 1989, BID #4 has submitted annual operating plans, adding and modifying its plan objectives as part of its ongoing management and promotion of the district, including in some instances its financing arrangements and assessment methodologies. This BID #4 Operating Plan shall govern the operation of BID #4 during calendar year 2024. The BID #4 Staff prepared this Plan with technical assistance from the City of Milwaukee Department of City Development’s Commercial Corridor Team, and approved by the BID #4 Board of Directors.

B. Physical Setting:

The BID #4 District is a retail and commercial, and densely populated District on the near south side of the City of Milwaukee, and includes the Historic Mitchell Street commercial corridor. In the last several years, it has become an ever-growing culturally diverse and dense neighborhood, both residentially and commercially.

II. DISTRICT BOUNDARIES

BID #4 was established in 1989 to support the commercial and business interests of the Mitchell Street commercial corridor. It oversees an area of fourteen-plus blocks, representing over 100 business and property owners on the near south side of the City. A listing of the properties included in the District, and their projected assessments, are part of this 2024 Operating Plan. (Appendix D)

III. PROPOSED 2024 OPERATING PLAN

A. Plan Objectives and Mission:

The BID #4's 2024 Mission, and the continuing objectives of BID #4 include: To continue the revitalization and improvement of the retail shopping and business district as a shopping destination; to develop a strong commercial area and to create a higher quality of life in the City; to further economic development initiatives by providing coordinated resources for businesses on the Mitchell Street commercial corridor; to advocate and create positive solutions for business and commercial issues; to create and operate several annual events to attract more destination and return shoppers and visitors to the commercial corridor; to promote private and public funding and sponsorships of the BID's activities and events; and to increase the number and variety of businesses, including more diverse restaurants, in this District on Milwaukee's near south side. The BID continually strives to remain culturally relevant to the ethnically diverse enterprises in the District, and to work with the commercial property and business owners who also believe in the vision of improving the Mitchell Street commercial corridor. The BID's specific and strong initiatives are maintaining a clean, graffiti-free, safe and friendly business neighborhood, and promoting a positive shopping destination for its merchants and businesses on the commercial corridor and in the District.

B. Proposed Goals and Activities:

Primary goals, endeavors and activities to be engaged in by BID #4 during its 35th year of operation include:

Maximizing both human and capital resources in the continuing promotion and implementation of activities that will result in enhanced safety for the business and surrounding residential area; continuing improvement of the area's image and esthetics; and increased property values. This effort includes graffiti removal, street sanitation maintenance, maintenance of the medians and floral plantings, streetscaping, and holiday decorations and lighting. The BID will also continue its efforts in revitalizing the historic beauty of the commercial corridor, which includes Historic Mitchell Street from 5th to 13th Streets, thereby maintaining retail vibrancy in this culturally diverse and historic district. Several new public art and other events will be scheduled, to continue to draw new visitors to the commercial corridor. Several new events and projects are planned for summer and fall of 2023, plus additional events and continuing projects in 2024.

Refer to Appendix C for Additional 2024 Goals and Activities.

C. Proposed Expenditures and Income:

Proposed Expense Budget for 2024:

Business Development	\$500
Marketing and Promotion	\$2,400
Community Outreach	\$3,400
Graffiti Removal	\$2,000
Meeting Expenses	\$2,000
Street Maintenance	\$8,000
Office Operations	\$4,990
Rent/Occupancy	\$9,440
Telephone/Internet	\$2,275
Postage	\$750
Legal & Professional Services	\$12,250
Insurance	\$2,836
Personnel	\$71,095
Total Expense Budget for 2024:	\$121,936
Proposed Income Budget for 2024:	\$126,165

D. Financing Method:

It is proposed to raise \$115,330.00 from 100+ commercial properties, through BID assessments, which is about the same assessment income as the past two years (see Appendix D); and it is projected that additional fundraising and two planned events in 2024 will net \$3,000.00. Additionally, it is projected that BID #4 will have \$5,000 of Grant and miscellaneous income, plus \$100.00 of interest income. The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

E. Organization of a BID Board:

Upon creation of a Business Improvement District, the Mayor appoints members to the District Board ("board"), who are approved by the Common Council. The board's primary responsibility is the implementation of this Operating Plan. This requires the board and staff to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to amend, when necessary, the Operating Plan; to ensure district compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of BID assessments. The Operating Plan serves as the guide for a year's activities and operation.

State law requires that the Board be composed of a minimum of five members and that a majority of the Board members be owners or occupants of commercial property within the District.

The BID #4 Board of Directors is structured and operates as follows:

Board Size – Fifteen (Per By-Laws)

Composition – The majority of the Board are owners or occupants of commercial property and/or businesses within the district. Any non-owner or non-occupant appointed to the board must be a resident of the City of Milwaukee. The Board shall elect its President, Vice President, Treasurer and Secretary from among its members at the Board’s annual meeting held every January.

Term – Mayoral appointments to the Board are for a term of three years.

Compensation – None.

Meetings – All meetings of the Board are governed by the Wisconsin Open Meetings Law. The Board must meet regularly, at least twice each year. However, the BID #4 Board of Directors meets monthly except in July and December. The Board has adopted rules of order (“By-Laws”) to govern the conduct of its meetings. Standing committees (including Economic Development, Safety, Fund Development and Marketing) meet as needed, with reporting to the Board at its regular monthly Board meetings. The Board’s Executive/Finance Committee meets quarterly, or as necessary. The Board’s Strategic Planning Committee meets a minimum of four times each year.

Record Keeping – Files and records of the Board's affairs shall be kept pursuant to public record keeping requirements.

Staffing – The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof. However, BID #4 employs one full-time employee -- the executive director, plus contracts the services of an outside accountant.

IV. METHOD OF ASSESSMENT

Assessment Rate and Method:

The principle behind the assessment methodology is that each property contributes to the BID in proportion to the benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID. Therefore, a fixed assessment on the assessed value of the property was selected as the basic assessment methodology for this BID.

However, maintaining an equitable relationship between the BID assessment and the expected benefits required an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$2500.00 per property was determined.

As of January 1, 2023, the commercial property in the district had a total assessed value of \$53,379,700, an increase over the previous year. The Plan’s creation assessed the commercial property in the District at a rate of \$.04 per \$1,000.00 of assessed value, subject to the maximum assessment, for the purposes of the BID. Taxable properties, other than those classified as parking lots or vacant lots, are subject to a

\$400.00 minimum BID assessment. Taxable properties are subject to a maximum of a \$2,500.00 BID assessment.

Appendix D provides the projected 2024 BID assessment for each property included in the District. The assessments remain consistent with the previous year.

Excluded and Exempt Property

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

State Statute 66.1109 (1)(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 plan because it is assumed that they will benefit from development in the district.

State Statute 66.1109(5)(a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix D, as updated each year.

In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1)(b), property exempt from general real estate taxes has been excluded from the district. Privately owned tax-exempt property adjoining the district and which is expected to benefit from district activities could be asked to make a financial contribution to the district on a voluntary basis.

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

City Plans:

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

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

The district is a means of formalizing and funding the public-private partnership between the City and property owners in the Mitchell Street business area and for furthering historic preservation and redevelopment in this portion of the City of Milwaukee. Therefore, it is fully consistent with the City's Comprehensive Plan and Preservation Policy.

City Role in District Operation:

The City of Milwaukee has committed to helping private property owners in the district promote its development. To this end, the City continues to play a significant role in its creation of the Business Improvement District and in the implementation of the Operating Plan. Specifically, the City:

Provides technical assistance to the proponents of the district through adoption of the Plan, and provides assistance as appropriate thereafter.

Monitors, and when appropriate, applies for outside funds that could be used in support of the district.

Collects assessments, maintained in a segregated account, and disburses the monies for the maintenance of the business district.

Mandates the conduction by an outside auditor of an annual audit of the BID, as required per sec. 66.1109(3)(c) of the BID law. Effective with the 2019 operating year, a Financial Review is mandated for those BID's with annual assessment income of less than \$300,000. This then pertains to BID #4, until further notice.

Provides the Board, through the City's Treasurer's Office by a designated date of each Plan year, with the official City records and the assessed value of each tax key number within the district, as of January 1st of each Plan year, for purposes of calculating the BID assessments.

Encourages and works with the State of Wisconsin, Milwaukee County and other units of government, to support the activities of the District.

VI. PLAN APPROVAL PROCESS

Public Review Process:

The Wisconsin Business Improvement District law establishes a specific process for reviewing and approving proposed districts. Pursuant to the statutory requirements, the following process has been followed:

The Milwaukee City Plan Commission reviews the proposed district boundaries and proposed Operating Plan and then sets a date for a formal public hearing.

The City Plan Commission sends, by certified mail, a public hearing notice and a copy of the proposed Operating Plan to all owners of real property within the proposed district. In addition, a Class 2 notice of the public hearing is published in a local newspaper of general circulation.

The City Plan Commission holds a public hearing, approves or disapproves the Plan, and reports its action to the Common Council.

The Community Economic Development Committee of the Common Council reviews the proposed BID Operating Plan at a public meeting and makes a recommendation to the full Common Council. The Common Council then acts on the proposed BID Plan.

If adopted by the Common Council, the proposed BID Plan is sent to the Mayor of the City for approval. If approved by the Mayor, the BID is created, and the Mayor then appoints members to the district board established to implement the Plan.

Each year a BID is in existence and operation, it meets with the Community and Economic Development Committee of the Common Council, for a review of its Operating Plan, and for the Committee's recommendation to the full Common Council for approval to operate for the following year.

Early Termination of the District:

The City shall consider terminating the District if the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified herein, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all property assessed under the Operating Plan, file a petition with the City Plan Commission requesting termination of the District. On or after the date such a petition is filed, neither the Board nor the City may enter into any new obligations by contract or otherwise until the expiration of thirty (30) days after the date a public hearing is held and unless the District is not terminated.

Within thirty (30) days after filing of a petition, the City Plan Commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a Class 2 notice. Before publication, a copy of the notice with a copy of the Operating Plan and a copy of the detail map showing the boundaries of the District shall be sent by certified mail to all owners of real property within the District.

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

If, after the expiration of thirty (30) days after the date of the public hearing, by petition or subsequent notification and after subtracting any retractions, the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified in the Operating Plan, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all properties assessed under the Operating Plan have requested the termination of the District, the City shall terminate the District on the date that the obligation with the latest completion date entered into, to implement the Operating Plan, expires.

VII. FUTURE YEARS' OPERATING PLANS

A. Phased Development

The BID will continue to update and develop its Operating Plan annually, in response to changing development needs and opportunities in the district, in accordance with the purposes and objectives defined in this 2024 Operating Plan.

Section 66.1109 (3) (a) of the BID law requires the BID and the City to annually review, and make changes as appropriate, in the Operating Plan. Greater detail about subsequent year's activities will be provided in the required annual Operating Plan and the Annual Report; and approval by the Common Council of such Plan updates shall be conclusive evidence of compliance with this Plan and the BID law.

In continuing years, the BID's Operating Plans will continue to apply the assessment formula to raise funds to meet the following year's annual operating budget. However, the method of assessing shall not be materially altered, except with the consent of the City of Milwaukee.

B. Amendment, Severability and Expansion

This BID has been created under authority of Section 66.1109 of the Statutes of the State of Wisconsin. Should any court find any portion of this Statute invalid or unconstitutional, its decision will not invalidate or terminate the BID and this BID Plan shall be amended to conform to the law without need of re-establishment.

Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include assessable properties or a certain class or classes of properties, then this BID Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under Section 66.1109(3)(b).

APPENDIX A

BID #4 Boundary Map



APPENDIX B

Listing of Current 2023-24 BID #4 Board of Directors

OFFICERS

Name and Term	Title	Email	Property Owned or Occupied
Dan Didier 7/2022-7/2025	President	dan@september.club	2625 S. Greeley Street
Amrit Patel 4/2022-4/2025	Treasurer	amritpatel@yahoo.com	1023 W. Historic Mitchell Street
Brian McManus 2/2022-2/2025	Vice President	bmcmanus@ffbwi.com	1039 W. Historic Mitchell Street
Russell Rossetto 1/2023-1/2026	Secretary	russelto@gmail.com	101 W. Mitchell Street

BOARD MEMBERS

Name and Term	Email	Property Owned or Occupied
Joseph Arnezeder 10/2020-10/2023	joseph.david23@gmail.com	1306 W. Forest Home Avenue
Demitra Copoulos 8/2020-8/2023	vitamindandc@gmail.com	1007 W. Historic Mitchell Street
John Dye 7/2021-7/2024	Jdyebid4@icloud.com	1579 S. 9 th Street
Jennifer Lamb 7/2021-7/2024	jmtmarie28@gmail.com	8826 W. Burleigh Street
Shane McAdams 5/2022-5/2025	mcadamsshane@hotmail.com	1013 W. Historic Mitchell Street
Fernando Moreno 3/2023-3/2026	badgerplanner74@gmail.com	637 W. Historic Mitchell Street

APPENDIX C

2024 Proposed Goals and Activities And Annual Report: September 2022 – August 2023

Due to the challenges of COVID-19 and post-COVID-19 and its effect on the businesses located in BID #4, many goals for 2021 - 2023 were not able to be achieved; several events were cancelled. Therefore, BID #4's plans for 2024 goals and activities include those not attained the past two years. The BID continues to operate as a solidifying support for the commercial property owners within the District, providing them with an organization that continues to maintain the commercial and retail viability in the business area, and promotes it as a desirable commercial area in which to do business. The BID's focus for 2022 was, and continues to be for 2023, assisting those businesses that remained open and/or re-opened post-pandemic plus new businesses and supporting their sustainability, and current new businesses that have since located and opened in our BID #4 district since.

The BID #4's continuing and proposed 2023-2024 goals and activities include:

- Continuing efforts to complete an overall new design plan, including capital improvements, safer vehicular traffic control, and parking lot utilization and improvements. Street traffic control and continues to be a major problem. Determine if additional traffic signals and speed limit signage can be installed. The 2022-23 projects included the rejuvenation of three of Mitchell Street's seven pedestrian alleys that are located between the 800 and 1100 West Historic Mitchell Street blocks, via a \$7,000 Green Alley Environmental Enhancements grant via MMSD from Bader Philanthropies. Improvements include esthetic improvements, cleaning, improved lighting, and painting—including murals. These Pedestrian Alleys would then be used for outside public events, i.e., art shows, music and food events. Due to this Mitchell Street Pedestrian Alley Revitalization Project Grant via the Milwaukee Metropolitan Sewerage District (MMSD), three of the seven ped alley projects were completed by July 31, 2023. BID #4 worked with UW-M's School of Architecture (SARUP) for the molding of 21 concrete seating pieces for its Ped Alley in the 1000 block of W. Historic Mitchell Street.
- The Historic Mitchell Street Commercial Corridor is also one of City's busy and much-traveled corridors being included in the City's DPW Rapid Implementation Project, with eight intersections from 6th to 13th Streets having curb extensions being created, to help reduce reckless driving. This City project was completed by September 2022. Repairs needed due to winter issues are being completed during Summer 2023.
- Developing new branding for the commercial corridor to further identify and market its cultural diversity to potential businesses, brokers and developers, via a series of regular Strategic Planning meetings. Several new businesses opened in BID #4 in 2022-23, including three barber shop/salons; two women's dress shops, a communications repair shop, a CBD health store, a coffee shop scheduled to open August 2023, a sporting goods store, a recording studio, and several small non-profits. Also to open in August 2023 is the Mitchell Street Arts Collaborative (MiSA). The BID will continue to recruit additional restaurants, to heighten the growing cultural diversity of the commercial corridor.

- Providing assistance to property owners and developers who are engaged in property improvements and re-development activities, utilizing the City's Grant programs (Signage, Façade, Retail Investment Fund (RIF), and White Box), all part of the City of Milwaukee Commercial Revitalization Grant.
- Promoting the unique historic significance, vibrancy, and commercial and cultural diversity of the District by ensuring the historic design-sensitive exterior renovations of buildings in the District, working closely with the City's Historic Preservation Commission and staff, and continuing to monitor and enforce the historic guidelines for Historic Mitchell Street, which is a designated historic district.
- Ensuring that all commercial buildings within the District are continually maintained graffiti-free with the City's graffiti removal program, via an annual contract with the Department of Neighborhood Services. BID #4 has had a contract with DNS for fourteen years. In 2022, BID #4 spent a total of \$3,125.00 for graffiti removal in the District. Through May 2023, the BID has spent \$1,107.00 for the removal of graffiti in the District.
- Providing support and assistance to businesses that engage in activities that meet the BID's overall objectives. A potential third-party loan program continues to be researched by the Finance Committee.
- Continuing to initiate, coordinate, support and expand new and positive activities and events which enhance retail and business recruitment and retention, and therefore increase the property owners' interests.
- Conducting two new public events in 2023, with an art/music and Nightlight event. These new events would include a fundraising or sponsorship component. Planned public events in 2021-2022 were cancelled, including the BID's annual Open House. The BID's next annual Open House will be held in early 2024.
- Increasing the promotion, visibility and awareness of the BID's annual Holiday activities for the Commercial Corridor. Included in the holiday events is a holiday window-decorating contest for all of the businesses and restaurants in the District; installing lighted wreaths on all of the harp light poles; and other holiday decorations. Increased marketing efforts are being planned for the 2023 holiday season and future holiday seasons.
- Planning to rejuvenate the seven Pedestrian Alleys that are located along Historic Mitchell Street between the 800 and 1100 blocks. Work would include weeding, water cleaning, possibly some mural paintings or other painting as needed, upgraded lighting, and other esthetic improvements. These pedestrian alleys could then be used for potential outdoor public events, i.e., art shows, music and food shows, farmers' markets, Mitchell Street Days, etc. The BID received a generous donation of 19 large concrete planters from KEI, which have been planted with flowers for the summer and fall months of 2022 and 2023, with maintenance costs borne by BID #4. This has made a huge improvement to the esthetics on Historic Mitchell Street. The BID continually assesses existing landscape elements and researches new branding streetscape elements.
- Maintaining the neighborhood business district portfolio, including an inventory of available commercial space, for distribution to brokers and prospective retail tenants and/or developers, and to respond to inquiries from developers. This inventory is also available and regularly updated on the BID's Website

(mitchellstreet.com) and on BID #4's Facebook. As part of the BID's social media outreach, a complete and updated BID #4 Business Directory is posted on the BID's Website/Facebook.

- Continuing to work closely with the Milwaukee Police Department District 2 for increased police protection and support to enhance safety in the area, along with security measures and safety programs for a safer business neighborhood. BID #4 has a Safety Committee comprised of Board members, associates and volunteers, trying to reduce the vagrancy, panhandling, prostitution and crime issues. The commercial corridor has 13 security surveillance cameras installed on Historic Mitchell Street, from 6th to 13th Streets. Vehicular speeding and reckless driving on the commercial corridor continues to be a major safety issue which the BID continues to address with MPD and Alderman Perez. BID #4 received a \$2000 mini-grant from the City's DPW for a "Reckless Driving Program" campaign, which it conducted from May to October of 2022, with hopes of reducing the reckless and speeding traffic and bolstering pedestrian safety on the Commercial Corridor. In addition, the City's Rapid Implementation Project is being installed on Historic Mitchell Street, at the intersections between 6th and 13th Street, to be completed by September 2022.
- Promoting and increasing media coverage of the District's activities, new businesses, etc., as part of its marketing efforts. This includes providing information to the media on new developments, the new restaurants and other new businesses, etc., which has resulted in several print media articles in Milwaukee publications. For the second consecutive year, BID #4 participated in the 2022 Southside Dining Week, promoting the Restaurants on the Southside, including those in the BID #4 District.
- Initiating, coordinating, and promoting outreach events and activities for property and business owners and retailers (i.e., the new public art events on Historic Mitchell Street, resource fairs, ADA information, business classes, holiday kick-off event and window decorating contest, the BID's annual September Open House for property and business owners, etc.), and initiating new positive events. These events and activities will continue to both promote the vibrant and unique and culturally diverse retail area, and draw returning and new destination shoppers and visitors to the commercial corridor. The BID will participate again in the September 2023 Doors Open Milwaukee event, which is conducted by Historic Milwaukee Inc. Each year, the number of BID #4 businesses participating in this event has increased, drawing hundreds of visitors to Historic Mitchell Street and its many diverse services and retail offerings.
- Assisting property and business owners with liaison to the City, regarding permits, grants, licenses, historic preservation matters and DNS issues. The BID will continue to schedule meetings and provide information on the State's historic tax credit program for commercial property owners who might be investing in the preservation of their commercial properties. In 2022-23, several business and property owners have taken advantage of these programs by meeting with a representative from the Wisconsin Historical Society for potential renovation of their properties, using State and Federal tax credits.
- Providing community outreach for business services and organizations such as sponsorship of the Southside National Night Out (Southside Organizing Center), the Gerald Ignace annual Health Fair and its annual Red Shawl Gala, MPD District 2's Three Kings Day event and its annual Open House. The BID's support and participation in these events continued in 2022-23, and will continue in 2024.
- Supporting and participating with a number of South Side community organizations' outreach programs that link the business community to the community at large and to City of Milwaukee services and

programs. These groups include the Southside Organizing Center, LISC, WWBIC, Milwaukee Christian Center, Safe & Sound's events, annual neighborhood clean-up programs, and MPD District 2.

- For the year of 2022, BID #4 contracted with LISC's Brew City Match program, an innovative collaboration that fuels commercial corridor revival and the resurgence of entrepreneurship in the City. To date, two "matches" have been made between two commercial property owners and two new businesses in the BID #4 District. The program continues in 2023.
- BID #4 participated in the 2022 Wisconsin Tomorrow Main Street Bounceback Grant program whose goal was to provide one-time assistance to new and existing businesses opening a new location or expanding operations in a vacant commercial space. The program ended 12/31/2022. To date, four new businesses in BID #4 have received a grant.
- Distributing timely information to property and business owners, merchants, and other interested parties via the BID's Newsletters, flyers, social media, and other venues. This included providing, during the COVID-19 two-year period, critical information for District businesses on the various local, state and federal assistance programs available due to COVID-19. That assistance continues.
- Re-establishing an annual business Walk on the Mitchell Street commercial corridor with assistance of MPD District 2 and City Departments, to improve safety and security on and near the commercial corridor.
- Supporting an established neighborhood residents' group, with monthly meetings held at the BID office. In addition, the BID provides assistance with activities in the established Butterfly Park which is located in the business district. This volunteer participation currently continues where possible. The BID's office and conference area continues to be available for public and neighborhood meetings in coordination and cooperation with the Alderman's Office and the City.
- Conducting the BID's annual Open House in 2023 for property and business owners and merchants held every September, which provides networking opportunities, as well as City representatives, and other strategic resource information for attendees, on District, City, County and State levels. This important event annually provides the commercial property and business owners to input suggestions, as well as ask questions, regarding the current year and following year's BID #4 Operating Plan and activities. The event was cancelled in 2020-2022 due to COVID-19, but is resuming in 2023-2024.
- Maintaining an every-other-week clean-up of the commercial corridor by outside contractor MCSC, and maintenance of the streetscaping on Historic Mitchell Street. Continuing the projects of installing additional new litter containers (22 have been installed to date). In 2019, twelve of the old and worn Historic Mitchell Street ID banners were replaced (via a generous donation). Plans for 2023-2024 include replacing all of the Street's ID banners with newly branded banners, as part of a re-branding program for the commercial corridor and the rejuvenated pedestrian alley project. Additional sponsors and/or donors will be solicited for these on-going projects, to continue the esthetic improvements of the Commercial Corridor's appearance for visitors and shoppers to the business area.
- Cooperating with the MMSD and the City on implementing work on three parking lot sites in the District, where green infrastructure projects are being planned for 2023-2024. The project was delayed by the

City and MMSD in 2022 and 2023. Three lots are scheduled to be repaved and with lighting updated, and the fourth lot to be converted into a community parklet.

The Mitchell Street Arts Collaborative (MiSA), which formally held its grand opening in Fall 2023, will continue with special art shows and programs in 2024. In addition, a free public Nitelight show, produced by Joy Engine, with the support of BID #4, is scheduled in early September 2023, to highlight the addition of arts to Historic Mitchell Street.

APPENDIX D

Projected Assessments for the 2024 Operating Plan

Address	Owner1	Total	BID Assesble Value	BID 4 Assessment
1663 S 6TH ST	ZIEMENDORF FAMILY I LLC	\$115,000.00	\$18,400.00	\$400.00
1812 S 13TH ST	ROMMEL GALLARDO	\$92,300.00	\$16,614.00	\$400.00
1659 S 11TH ST	ALEX BUCIO AS TRUSTEE OR	\$103,100.00	\$19,589.00	\$400.00
546-550 W HISTORIC MITCHELL ST	MUNOZ RENTALS LLC	\$445,000.00	\$106,800.00	\$427.00
1003 W HISTORIC MITCHELL ST	URBANE LLC	\$358,000.00	\$89,500.00	\$400.00
1527 W MITCHELL ST	RAMON ENCINO	\$135,400.00	\$33,850.00	\$400.00
541 W HISTORIC MITCHELL ST	JAMES WITKOWIAK	\$181,400.00	\$48,978.00	\$400.00
1665 S 11TH ST	JOSE G LECHUGA	\$152,000.00	\$42,560.00	\$400.00
1828 S 13TH ST	ANA MARIA RAZO	\$77,100.00	\$24,672.00	\$400.00
632-634 W HISTORIC MITCHELL ST	BLACK ASH INVESTMENTS LLC	\$389,500.00	\$128,535.00	\$514.00
622-628 W HISTORIC MITCHELL ST	OMJA INVESTMENT GROUP LLC	\$310,400.00	\$136,576.00	\$546.00
1651 S 11TH ST	FABIAN GONZALEZ MUNOZ	\$127,000.00	\$58,420.00	\$400.00
814-816 W HISTORIC MITCHELL ST	HECTOR SALINAS	\$164,300.00	\$78,864.00	\$400.00
1905-1909 S 13TH ST	PIEDAD SILVA	\$104,100.00	\$52,050.00	\$400.00
1416-1418 W FOREST HOME AV	FOREST HOME MHI LLC	\$86,800.00	\$43,400.00	\$400.00
1500-1502 W MITCHELL ST	FRANCISCO MARTINEZ-	\$156,300.00	\$78,150.00	\$400.00
1830-1832 S 13TH ST	VICENTE RAMOS	\$137,100.00	\$68,550.00	\$400.00
1824 S 13TH ST	AUGUSTIN GARNICA	\$83,300.00	\$41,650.00	\$400.00
828-830 W HISTORIC MITCHELL ST	RODRIGO DIEZ	\$143,000.00	\$71,500.00	\$400.00
501-505 W HISTORIC MITCHELL ST	JAMES N WITKOWIAK	\$297,600.00	\$148,800.00	\$595.00
539 W HISTORIC MITCHELL ST	TOMAS MATOS	\$107,000.00	\$53,500.00	\$400.00
1533-1535 W MITCHELL ST	JULIO R RODRIGUEZ	\$108,400.00	\$54,200.00	\$400.00
1400 W FOREST HOME AV	ANTONIO RENTAS	\$102,500.00	\$52,275.00	\$400.00
1816 S 13TH ST	DIAZ CONTRACTORS LLC	\$102,000.00	\$53,040.00	\$400.00
1532--A W MITCHELL ST	SANTIAGO MERCADO	\$140,000.00	\$74,200.00	\$400.00
720-722 W HISTORIC MITCHELL ST	MIGUEL PRADO	\$161,500.00	\$85,595.00	\$400.00
1404-1406 W MITCHELL ST	JOSE L GARCIA	\$104,900.00	\$56,646.00	\$400.00
1423 W MITCHELL ST	ENRIQUE AQUILAR LOPEZ	\$84,500.00	\$45,630.00	\$400.00
1117-1119 W HISTORIC MITCHELL ST	CHON LEE	\$180,000.00	\$102,600.00	\$410.00
807-813 W HISTORIC MITCHELL ST	HECTOR SALINAS	\$344,000.00	\$199,520.00	\$427.00
1216-1218 W HISTORIC MITCHELL ST	ALFREDO NUNGARAY	\$148,800.00	\$87,792.00	\$400.00
815-817 W HISTORIC MITCHELL ST	HECTOR SALINAS	\$127,800.00	\$76,680.00	\$400.00
1820 S 13TH ST	ALBERTO REAL ESTATE LLC	\$124,800.00	\$74,880.00	\$400.00

Address	Owner1	Total	BID Assessble Value	BID 4 Assessment
1202-1212 W HISTORIC MITCHELL ST	RUCHAM LLC	\$806,600.00	\$483,960.00	\$1,935.00
833-839 W HISTORIC MITCHELL ST	VP HOLDINGS I, LLC	\$593,100.00	\$361,791.00	\$1,447.00
808-810 W HISTORIC MITCHELL ST	MOYSEY TSYPKIN TOD	\$231,300.00	\$141,093.00	\$564.00
1412-1414 W FOREST HOME AV	ANTONIO MOCTEZUMA	\$90,100.00	\$56,763.00	\$400.00
801-805 W HISTORIC MITCHELL ST	805 HISTORIC MITCHELL ST LLC	\$317,000.00	\$206,050.00	\$400.00
738 W MAPLE ST	DTB2 LLC	\$39,500.00	\$26,070.00	\$400.00
812 W HISTORIC MITCHELL ST	SPONTANEOUS LLC	\$119,500.00	\$81,260.00	\$400.00
1013-1015 W HISTORIC MITCHELL ST	USABLE SPACE LLC	\$145,600.00	\$103,376.00	\$414.00
1114-1116 W HISTORIC MITCHELL ST	MARIA NOVOA-SANCHEZ	\$290,700.00	\$206,397.00	\$826.00
600-602 W HISTORIC MITCHELL ST	JUAN A ORDAZ	\$125,000.00	\$88,750.00	\$400.00
604-608 W HISTORIC MITCHELL ST	WEST HISTORIC INVESTMENTS,	\$200,000.00	\$142,000.00	\$568.00
1919-1923 S 13TH ST	HASSAN S SALEH	\$141,400.00	\$103,222.00	\$413.00
1017 W HISTORIC MITCHELL ST	IRSHAD PROPERTIES LLC	\$158,000.00	\$116,920.00	\$468.00
1662 S 8TH ST	IGLESIA PENTECOSTAL REMANENTE FIEL AIC	\$104,900.00	\$78,675.00	\$400.00
705-707 W HISTORIC MITCHELL ST	ANMOL LLC	\$149,400.00	\$124,002.00	\$496.00
1300-1316 W HISTORIC MITCHELL ST	4444 N MAGNOLIA LLC	\$1,061,000.00	\$1,061,000.00	\$2,500.00
1301 W FOREST HOME AV	EL REY ENTERPRISES II LLC	\$36,000.00	\$36,000.00	\$144.00
1337 W FOREST HOME AV	EL REY ENTERPRISES	\$1,815,800.00	\$1,815,800.00	\$2,500.00
1937 S 13TH ST	EL SOL AZTECA PROPERTY	\$47,400.00	\$47,400.00	\$190.00
1331 W BURNHAM ST	ADVANCE STORES CO INC	\$762,500.00	\$762,500.00	\$2,500.00
1406 W FOREST HOME AV	ANTONIO MOCTEZUMA ANGUIANO	\$1,700.00	\$1,700.00	\$400.00
1510 W MITCHELL ST	ERENIA I PRADO	\$7,400.00	\$7,400.00	\$400.00
1516 W MITCHELL ST	BWH PROPERTY INVESTMENTS LLC	\$10,100.00	\$10,100.00	\$40.00
1400 W MITCHELL ST	EMAD OUDEH	\$129,200.00	\$129,200.00	\$517.00
1436-1438 W MITCHELL ST	GUARDING YOUR	\$267,400.00	\$267,400.00	\$1,070.00
1302-1338 W FOREST HOME AV	EL REY PROPERTIES LLC	\$2,206,600.00	\$2,206,600.00	\$2,500.00
621-633 W HISTORIC MITCHELL ST	MSDOC I LLC	\$1,720,400.00	\$1,720,400.00	\$2,500.00
635-637 W HISTORIC MITCHELL ST	JOSE MIGUEL MORENO TOD	\$151,300.00	\$151,300.00	\$605.00
715-719 W HISTORIC MITCHELL ST	ANMOL INVESTMENT LLC	\$19,100.00	\$19,100.00	\$76.00
709-713 W HISTORIC MITCHELL ST	ANMOL INVESTMENT LLC	\$183,800.00	\$183,800.00	\$735.00
732 W MAPLE ST	DEAN P TSOUNIS	\$92,100.00	\$92,100.00	\$400.00
733-737 W HISTORIC MITCHELL ST	VOCES DE LA FRONTERA INC	\$359,000.00	\$359,000.00	\$1,436.00
729-731 W HISTORIC MITCHELL ST	JRP ENTERPRISES LLC	\$211,200.00	\$211,200.00	\$844.00
723 W HISTORIC MITCHELL ST	SHANE MCADAMS STUDIO, LLC	\$247,700.00	\$247,700.00	\$991.00
929-931 W HISTORIC MITCHELL ST	RAZA HOLDINGS LLC	\$529,500.00	\$529,500.00	\$2,118.00

Address	Owner1	Total	BID Assessble Value	BID 4 Assessment
1009-1011 W HISTORIC MITCHELL ST	IRSHAD PROPERTIES LLC	\$182,900.00	\$182,900.00	\$732.00
1023-1027 W HISTORIC MITCHELL ST	AMRIT N PATEL	\$214,200.00	\$214,200.00	\$857.00
1029-1033 W HISTORIC MITCHELL ST	EFAM INVESTMENTS LLC	\$158,200.00	\$158,200.00	\$633.00
1032 W MAPLE ST	MITCHELL STREET STATE BANK	\$11,600.00	\$11,600.00	\$46.00
1022 W MAPLE ST	2053 LLC	\$138,700.00	\$138,700.00	\$555.00
1101-1113 W HISTORIC MITCHELL ST	BBE INVESTMENTS & DEVELOPMENT LLC	\$562,800.00	\$562,800.00	\$2,251.00
1718-1734 S 12TH ST	BBE INVESTMENTS & DEVELOPMENT LLC	\$71,500.00	\$71,500.00	\$286.00
1201-1211 W HISTORIC MITCHELL ST	BMG YIELD FUND II LLC	\$342,600.00	\$342,600.00	\$1,370.00
1213-1237 W HISTORIC MITCHELL ST	JOMELA BUTTERS LLC	\$542,800.00	\$542,800.00	\$2,171.00
1715-1717 S 12TH ST	TWELFTH STREET PROPERTY LLC	\$236,900.00	\$236,900.00	\$948.00
1730-1738 S 13TH ST	JOMELA BUTTERS LLC	\$303,900.00	\$303,900.00	\$1,216.00
1744-1750 S 13TH ST	ELREY ENTERPRISES II LLC	\$22,300.00	\$22,300.00	\$89.00
1800 S 13TH ST	THOMAS DOMANOS & JOANN HW	\$95,500.00	\$95,500.00	\$400.00
1222-1224 W HISTORIC MITCHELL ST	CARLOS R CASTILLO	\$196,000.00	\$196,000.00	\$784.00
1226-1230 W HISTORIC MITCHELL ST	JESUS ESTRADA	\$279,700.00	\$279,700.00	\$1,119.00
1662 S 13TH ST	MARTIN SANCHEZ	\$109,700.00	\$109,700.00	\$439.00
1100 W HISTORIC MITCHELL ST	JORGE A LOPEZ	\$269,100.00	\$269,100.00	\$1,076.00
1104 W HISTORIC MITCHELL ST	1104 HISTORIC MITCHELL LLC	\$127,300.00	\$127,300.00	\$509.00
1108 W HISTORIC MITCHELL ST	YRO PROPERTY INVESTMENT LLC	\$127,300.00	\$127,300.00	\$509.00
1122-1138 W HISTORIC MITCHELL ST	MODJESKA THEATER PROJECT	\$443,900.00	\$443,900.00	\$1,776.00
1629 S 10TH ST	LINA MARIA DIEZ	\$143,400.00	\$143,400.00	\$574.00
1000-1006 W HISTORIC MITCHELL ST	WILLIAM K LANGFAN REVOCABLE	\$263,600.00	\$263,600.00	\$1,054.00
802-804 W HISTORIC MITCHELL ST	802 HISTORIC MITCHELL LLC	\$289,800.00	\$289,800.00	\$1,159.00
822-826 W HISTORIC MITCHELL ST	JEMS REALTY LLC	\$237,000.00	\$237,000.00	\$948.00
832-838 W HISTORIC MITCHELL ST	M&K LEASE PROPERTY LLC	\$364,100.00	\$364,100.00	\$1,456.00
728-732 W HISTORIC MITCHELL ST	G & R MITCHELL PROPERTY LLC	\$236,100.00	\$236,100.00	\$944.00
734-738 W HISTORIC MITCHELL ST	G & R MITCHELL PROPERTY LLC	\$188,500.00	\$188,500.00	\$754.00
616 W HISTORIC MITCHELL ST	M W INVESTMENT GROUP II LLC	\$118,700.00	\$118,700.00	\$475.00
620 W HISTORIC MITCHELL ST	SPARTA IRREVOCABLE TRUST	\$59,000.00	\$59,000.00	\$400.00
1658-1660 S 7TH ST	BLACK ASH INVESTMENTS LLC	\$14,600.00	\$14,600.00	\$58.00
1125 W HISTORIC MITCHELL ST	RUCHAM LLC	\$415,400.00	\$415,400.00	\$1,662.00
1635-1663 S 10TH ST	SCHUSTER HISTORIC BLDG LLC	\$127,600.00	\$127,600.00	\$510.00
545-551 W HISTORIC MITCHELL ST	MITCHELL 551 LLC	\$333,300.00	\$333,300.00	\$1,333.00
1838-1844 S 15TH ST	AMBER GROUP USA LLC SERIES C	\$884,100.00	\$884,100.00	\$2,500.00
1511 W MITCHELL ST	NOEL G MARTIN	\$166,600.00	\$166,600.00	\$666.00
1501 W MITCHELL ST	NOEL G MARTIN	\$95,300.00	\$95,300.00	\$400.00

Address	Owner1	Total	BID Assessble Value	BID 4 Assessment
1901 S 14TH ST	THE JANICE REED 2013 TRUST D08132013	\$920,300.00	\$920,300.00	\$2,500.00
800-822 W MAPLE ST	PALERMOS PROPERTIES LLC	\$787,800.00	\$787,800.00	\$2,500.00
601-615 W HISTORIC MITCHELL ST	SEEGERS 601 MITCHELL LLC	\$3,212,600.00	\$417,638.00	\$1,670.00
1020-1030 W HISTORIC MITCHELL ST	SCHUSTER HISTORIC BLDG LLC	\$5,160,400.00	\$1,186,892.00	\$2,500.00
710 W HISTORIC MITCHELL ST	MILPROP KE INVESTORS LLC	\$4,411,500.00	\$1,499,910.00	\$2,500.00
1662-1664 S 7TH ST	MILPROP KE INVESTORS LLC	\$19,500.00	\$19,500.00	\$78.00
910 W HISTORIC MITCHELL ST, Unit 300	MITCHELL STREET APARTMENTS	\$95,000.00	\$95,000.00	\$38.00
1643 S 9TH ST	MITCHELL STREET APARTMENTS	\$252,400.00	\$252,400.00	\$1,009.00
529 W HISTORIC MITCHELL ST	JAMES WITKOWIAK	\$392,900.00	\$267,172.00	\$1,068.00
1940 S 14TH ST	MCDONALD'S USA LLC	\$1,326,600.00	\$1,326,600.00	\$2,500.00
1841 S 14TH ST	BKG MILWAUKEE WI LLC	\$458,700.00	\$458,700.00	\$1,835.00
1401-1417 W MITCHELL ST,	F & E REAL ESTATE LLC	\$857,000.00	\$857,000.00	\$2,500.00
829 W HISTORIC MITCHELL ST	ASSOCIATED BANK NA	\$882,100.00	\$882,100.00	\$2,500.00
1718 S 9TH ST	NATIONAL SAVINGS & LOAN ASSC	\$44,000.00	\$44,000.00	\$176.00
939 W HISTORIC MITCHELL ST	FIRSTAR BANK MILWAUKEE NA	\$704,800.00	\$704,800.00	\$2,500.00
1039-1041 W HISTORIC MITCHELL ST	MITCHELL STREET STATE BANK	\$689,900.00	\$689,900.00	\$2,500.00
1726 S 11TH ST	MITCHELL STREET STATE BANK	\$361,300.00	\$361,300.00	\$1,445.00
930-932 W HISTORIC MITCHELL ST	PHOENIX MITCHELL LLC	\$2,531,800.00	\$2,531,800.00	\$2,500.00
519 W HISTORIC MITCHELL ST	JAMES WITKOWIAK	\$17,100.00	\$17,100.00	\$68.00
521-523 W HISTORIC MITCHELL ST	JAMES N WITKOWIAK	\$17,100.00	\$17,100.00	\$68.00
1931 S 14TH ST	VARI ENTERPRISE LLC	\$500,100.00	\$500,100.00	\$2,000.00
1433 W BURNHAM ST	MDC COAST 4 LLC	\$2,496,600.00	\$2,496,600.00	\$2,500.00
	TOTAL:	\$53,379,700.00	\$39,211,257.00	\$115,330.00

APPENDIX E

BID State Statute:

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.

[66.1109\(1\)\(c\)\(c\)](#) "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 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan, or the owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan, have not filed a petition with the planning commission protesting the proposed business improvement district or its proposed initial operating plan.

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

(2m) A municipality may annex territory to an existing business improvement district if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation of the territory, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the business improvement district shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. [\(c\)](#), the owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan, have not filed a petition with the planning commission protesting the annexation.

(3)

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

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business improvement district. The board shall then submit the operating plan to the local legislative body for its approval.

If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the business improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the business improvement district, including expenditures and revenues. The report shall include one of the following:

1. If the cash balance in the segregated account described under sub. [\(4\)](#) equaled or exceeded \$300,000 at any time during the period covered by the report, the municipality shall obtain an independent certified audit of the implementation of the operating plan.
2. If the cash balance in the segregated account described under sub. [\(4\)](#) was less than \$300,000 at all times during the period covered by the report, the municipality shall obtain a reviewed financial statement for the most recently completed fiscal year. The statement shall be prepared in accordance with generally accepted accounting principles and include a review of the financial statement by an independent certified public accountant.

(cg) For calendar years beginning after December 31, 2018, the dollar amount at which a municipality is required to obtain an independent certified audit under par. [\(c\) 1.](#) and the dollar amount at which a municipality is required to obtain a reviewed financial statement under par. [\(c\) 2.](#) shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2017, as determined by the federal department of labor. Each amount that is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10.

(cr) The municipality shall obtain an additional independent certified audit of the implementation of the operating plan upon termination of the business improvement district.

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

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

(4g) A municipality may convert a business improvement district under this section into a neighborhood improvement district under s. [66.1110](#) if an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located

in the business improvement district petitions the municipality for the conversion. If the municipality approves the petition, the board shall consider and may make changes to the operating plan under s. [66.1110 \(4\) \(b\)](#).

(4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

(a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.

(b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. [\(c\)](#) and unless the business improvement district is not terminated under par. [\(e\)](#).

(c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. [985](#). Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.

(d) Within 30 days after the date of hearing under par. [\(c\)](#), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.

(e) If after the expiration of 30 days after the date of hearing under par. [\(c\)](#), by petition under this subsection or subsequent notification under par. [\(d\)](#), and after subtracting any retractions under par. [\(d\)](#), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

(5)

(a) Real property used exclusively for residential purposes and real property that is exempted from general property taxes under s. [70.11](#) may not be specially assessed for purposes of this section.

(b) A municipality may terminate a business improvement district at any time.

(c) This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.

(d) If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. [70.11](#) or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.

History: [1983 a. 184](#); [1989 a. 56](#) s. [258](#); [1999 a. 150](#) s. [539](#); Stats. 1999 s. 66.1109; [2001 a. 85](#); [2017 a. 59, 70, 189](#).

BUSINESS IMPROVEMENT DISTRICT NO. 4
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)
With Accountant's Review Report

BUSINESS IMPROVEMENT DISTRICT NO. 4

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INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Business Improvement District No. 4
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of Business Improvement District No. 4 (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Business Improvement District No. 4 and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Ritz Holman LLP

Serving business, nonprofits, individuals and trusts.

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To the Board of Directors
Business Improvement District No. 4

Summarized Comparative Information

We previously reviewed Business Improvement District No. 4's 2021 financial statements and in our conclusion dated May 23, 2022, stated that based on our review, we were not aware of any material modifications that should be made to the 2021 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended December 31, 2021, for it to be consistent with the reviewed financial statements from which it has been derived.



RITZ-HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
May 24, 2023

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022
(With Summarized Totals for December 31, 2021)
(See Accountant's Review Report)

ASSETS		2022	2021
CURRENT ASSETS			
Cash and Cash Equivalents	\$	84,615	\$ 37,708
Accounts Receivable		140	251
Prepaid Expenses		7,243	7,464
Total Current Assets	\$	<u>91,998</u>	<u>\$ 45,423</u>
OTHER ASSETS			
Security Deposit	\$	750	\$ 750
Total Other Assets	\$	<u>750</u>	<u>\$ 750</u>
FIXED ASSETS			
Right of Use Asset - Office Lease	\$	24,317	\$ ---
Equipment		9,394	9,394
Accumulated Depreciation		(8,576)	(7,820)
Total Fixed Assets	\$	<u>25,135</u>	<u>\$ 1,574</u>
TOTAL ASSETS	\$	<u>117,883</u>	<u>\$ 47,747</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts Payable	\$	3,094	\$ 3,215
Accrued Payroll Liabilities		1,914	2,695
Line of Credit		25,000	24,500
Refundable Advance - LISC Grant		46,999	---
Current Portion of Lease Liability		9,228	---
Total Current Liabilities	\$	<u>86,235</u>	<u>\$ 30,410</u>
LONG-TERM LIABILITIES			
Lease Liability	\$	23,882	\$ ---
Less: Current Portion		(9,228)	---
Total Long-Term Liabilities	\$	<u>14,654</u>	<u>\$ ---</u>
Total Liabilities	\$	<u>100,889</u>	<u>\$ 30,410</u>
NET ASSETS			
Without Donor Restrictions			
Operating (Deficit)	\$	(10,006)	\$ (7,663)
Board Designated		25,000	25,000
With Donor Restrictions		2,000	---
Total Net Assets	\$	<u>16,994</u>	<u>\$ 17,337</u>
TOTAL LIABILITIES AND NET ASSETS	\$	<u>117,883</u>	<u>\$ 47,747</u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2022 Total</u>	<u>2021 Total</u>
REVENUE				
Contributions	\$ 28,001	\$ 2,000	\$ 30,001	\$ 475
Assessment Income	116,529	---	116,529	112,356
Interest Income	82	---	82	79
Other Income	175	---	175	700
Grants - Graffiti Removal and Reckless Driving	1,501	---	1,501	2,852
Total Revenue	<u>\$ 146,288</u>	<u>\$ 2,000</u>	<u>\$ 148,288</u>	<u>\$ 116,462</u>
EXPENSES				
Program Services	\$ 86,933	\$ ---	\$ 86,933	\$ 75,770
Management and General	61,698	---	61,698	57,482
Total Expenses	<u>\$ 148,631</u>	<u>\$ ---</u>	<u>\$ 148,631</u>	<u>\$ 133,252</u>
 CHANGE IN NET ASSETS	 \$ (2,343)	 \$ 2,000	 \$ (343)	 \$ (16,790)
Net Assets, Beginning of Year	<u>17,337</u>	<u>---</u>	<u>17,337</u>	<u>34,127</u>
 NET ASSETS, END OF YEAR	 <u>\$ 14,994</u>	 <u>\$ 2,000</u>	 <u>\$ 16,994</u>	 <u>\$ 17,337</u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)
(See Accountant's Review Report)

	Program Services	Management and General	2022 Total	2021 Total
Salaries and Wages	\$ 35,146	\$ 35,146	\$ 70,292	\$ 67,335
Payroll Taxes	2,990	2,990	5,980	5,724
Professional Fees	---	13,099	13,099	10,900
Supplies	2,395	---	2,395	2,765
Telephone	1,670	1,114	2,784	3,040
Computer Expense	---	320	320	260
Postage	487	324	811	861
Printing	---	---	---	204
Subscriptions	474	194	668	687
Occupancy	4,804	4,803	9,607	9,270
Equipment Rental and Maintenance	838	---	838	642
Depreciation	756	---	756	484
Repairs and Maintenance	61	60	121	153
Conferences, Conventions and Meetings	2,498	---	2,498	2,043
Insurance	---	2,335	2,335	2,371
Graffiti Removal	3,125	---	3,125	2,713
Marketing and Promotion	2,188	---	2,188	2,323
Street Maintenance	15,685	---	15,685	17,056
Travel Expense	67	---	67	110
Community Outreach	328	---	328	2,306
Interest Expense	---	893	893	453
Grants for Business Development	13,001	---	13,001	579
Other Expense	420	420	840	973
TOTALS	\$ 86,933	\$ 61,698	\$ 148,631	\$ 133,252

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)
(See Accountant's Review Report)

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (343)	\$ (16,790)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation	756	484
Operating Lease Assets and Liabilities	(435)	---
(Increase) Decrease in Accounts Receivable	111	24
(Increase) Decrease in Prepaid Expenses	221	419
Increase (Decrease) in Accounts Payable	(121)	2,151
Increase (Decrease) in Accrued Payroll Liabilities	(781)	108
Increase (Decrease) in Refundable Advance - LISC Grant	<u>46,999</u>	<u>---</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 46,407</u>	<u>\$ (13,604)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	\$ <u>---</u>	\$ <u>(1,635)</u>
Net Cash Used by Investing Activities	<u>\$ ---</u>	<u>\$ (1,635)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Line of Credit	\$ 24,500	\$ 24,500
Payments on Line of Credit	<u>(24,000)</u>	<u>(23,000)</u>
Net Cash Provided by Financing Activities	<u>\$ 500</u>	<u>\$ 1,500</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 46,907	\$ (13,739)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>37,708</u>	<u>51,447</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 84,615</u>	<u>\$ 37,708</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Interest Paid	\$ 893	\$ 453

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

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE A - Summary of Significant Accounting Policies

Organization

Business Improvement District No. 4 ("BID No. 4") was organized under Wisconsin State Statute 66.608. This statute provides for the formation of Business Improvement Districts (BIDs) upon the petition of at least one property owner in the district. The purpose of a BID is to allow businesses within the district to develop, manage and promote their districts and to establish an assessment to fund these activities. BID No. 4 was organized in 1989 to revitalize Mitchell Street between 5th and 15th Streets in the City of Milwaukee.

BID No. 4 is exempt from tax as an affiliate of a governmental unit under Section 501(a) of the Internal Revenue Code.

Accounting Method

The financial statements of BID No. 4 have been prepared on the accrual basis of accounting.

Basis of Presentation

BID No. 4 reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include all highly liquid debt instruments with original maturities of three months or less when purchased.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The Organization provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of customers to meet their obligations. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Management believes all receivables will be collected in accordance with the terms of the agreements. Thus, no allowance for uncollectible accounts is necessary at year end.

Fixed Assets

All acquisitions of property and equipment in excess of \$500 are capitalized. Fixed assets are recorded at cost. Depreciation is provided over the estimated useful lives of the assets using the straight-line method.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE A - Summary of Significant Accounting Policies (continued)

Contributions and Grant Revenue

Contributions received and unconditional promises to give are measured at fair value and are reported as increases in net assets. Contributions are considered available for the Organization's general operations and included in net assets without donor restrictions unless specifically restricted by a donor. A restricted contribution is reported in revenue and net assets without donor restrictions when the restriction is met within the same reporting period as the contribution is received. Contributions received restricted for a purpose not yet met or to support a future period are included in net assets with donor restrictions. When a donor restriction from a prior year expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional contributions are not recognized as revenue until they become unconditional. A conditional contribution is one that has both a barrier that must be overcome and an agreement requiring advance payment to be returned or future payment not to be obligated if the barrier is not overcome.

Net assets restricted for acquisition of building or equipment are reported as net assets with donor restrictions until the specified asset is placed in service when the net assets are released to net assets without donor restrictions.

When a donor requires the investment of a contribution and restricts the use of investment income, the investment income is reported as net assets with donor restrictions until appropriated for the designated time or use when the net assets are released to net assets without donor restrictions.

Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift. Donated services are recognized as contributions if the services create or enhance nonfinancial assets or the services require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Accordingly, the value of contributed time that does not meet these requirements has not been determined and is not reflected in the accompanying financial statements.

Government Grants and Contract Revenue

Government grants and contract revenue are recognized when earned. Revenue is earned when eligible expenditures, as defined in each grant, contract or other allowable cost manual, are made. Any cash received for revenue not yet earned is considered to be deferred revenue. Revenue earned but not yet paid to the Organization is included in grants receivable. Expenditures under government contracts are subject to review by the granting authority. To the extent, if any, that such review reduces expenditures allowable under these grants or contracts, the Organization records the disallowance at the time the final assessment is made. Management believes that disallowances, if any, would not have a significant effect on the financial statements.

Leases

The Organization recognizes operating and finance leases in accordance with the *FASB Accounting Standards Codification* (ASC) 842. A lease exists when an organization has the right to control the use of property, plant or equipment over a lease term.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE A - Summary of Significant Accounting Policies (continued)

Leases (continued)

The lessee classifies a lease as either a finance or operating lease. The accounting of a finance lease is similar to when an asset is purchased. An operating lease is when the right-of-use of an asset exists over the lease-term, but that the lease doesn't meet the definition of a finance lease.

The Organization has elected to establish a threshold to exclude lease assets and obligations that are immaterial to the financial statements. The Organization recognizes lease assets and liabilities with terms over one year when they are greater than \$5,000.

The Organization has elected not to apply the recognition requirements in ASC 842 to short-term leases (those with a term of 12 or less months) and no expected purchase at the end of the term.

Functional Expenses

Expenses for salaries and wages and related items are allocated 50% to program and 50% to management and general categories based on management's estimate of time and effort. Other expenses that are not direct costs of program or management and general are allocated in proportion to the allocation of salaries and wages.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE B - Accounting Standards Changes and Change in Accounting Principles

Accounting Standards Changes

The Organization's financial statements include implementation of the following accounting standards updates:

Accounting Standards Update 2020-07, Not-for-Profit entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This update requires contributed nonfinancial assets to be reported as a separate line in the statement of activities. A financial statement note is required to provide disaggregated contributed nonfinancial assets by category including: the type of contributed nonfinancial asset; qualitative information about the monetization or utilization of the nonfinancial assets; the policy about the monetization or utilization of nonfinancial assets; a description of restrictions, valuation, and the market used to determine the fair value. The amendments in this update are applied on a retrospective basis. The implementation of this standard has not materially affected the financial statements of the Organization.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE B - Accounting Standards Changes and Change in Accounting Principles (continued)

Change in Accounting Standards (continued)

Accounting Standards Update 2020-08, Codification Improvements to Subtopic 310-20, Receivables – Nonrefundable Fees and Other Costs. This update clarifies that an entity should reevaluate whether a callable debt security is within the scope of paragraph 310-20-32-33 for each reporting period. This amendment impacts the effective yield of an existing individual callable debt security. Amendments in this update are applied on a prospective basis as of the beginning of the period of adoption for existing or newly purchased callable debt securities. The implementation of this standard has not materially affected the financial statements of the Organization.

Accounting Standards Update 2016-02, Leases (Topic 842). The FASB also subsequently issued the following additional accounting standards updates which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; ASU 2018-11 Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; and ASU 2018-01, Leases (Topic 842): Codification Improvements. These updates require the recognition of operating leases as right-of-use assets and lease liabilities on the statement of financial position measured at the present value of lease payments and expenses are recognized on the straight-line basis over the term of the lease. For finance leases (previously reported as capital leases), the lessee will recognize the right-of-use asset and lease liability initially at the present value of lease payments. Interest will be recognized separately from amortization of the leased assets in the statement of activities. The updates require disclosure of key information about the leasing arrangements. The Organization has elected to use the practical expedients for implementation on leases that commenced before the effective date of the new standard. The practical expedients include that the Organization need not reassess 1) whether any expired or existing contracts are or contain leases, 2) the lease classification as operating or finance for expired or existing leases, and 3) initial direct costs for existing leases.

In addition, the Organization has the ability to use hindsight in evaluating lessee options to extend or terminate a lease and assess impairment. Lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach.

The adoption of Topic 842 had a material impact on the Organization's statement of financial position but did not have a material impact on the statement of activities. The most significant impact was the recognition of right-of-use assets and lease liabilities for operating leases. The accounting for finance leases remained substantially unchanged.

NOTE C - Comparative Financial Information

The financial information shown for 2021 in the accompanying financial statements is included to provide a basis of comparison with 2022. The comparative information is summarized by total only, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE D - Liquidity

The organization maintains cash and cash equivalents on hand to ensure meeting expenses through the end of the operating year. Each year the organization receives its operating check by March 1st for the operating year. The board designated net assets of \$25,000 to meet its cash flow needs until the operating check has been received. The organization uses a combination of bank accounts and a \$25,000 line of credit to meet cash flow needs until the assessment income is received. As of December 31, 2022, the line of credit was fully utilized.

The Organization's financial assets available for general expenditures within one year of the statement of financial position date for are as follows:

Cash and Cash Equivalents	\$ 84,615
Less Refundable Advance and Restricted Amount	(48,999)
Accounts Receivable	<u>140</u>
Total Current Assets	\$ 35,756
2023 Projected Assessment Check To Be Received By March 1, 2022	<u>115,291</u>
Available Resources for 2023 Expenses	<u>\$151,047</u>

NOTE E - Concentration of Revenue

Business Improvement District No. 4 receives property assessment income and grants from the City of Milwaukee. BID No. 4's operations rely on the availability of these funds. Nearly 60% of the Organization's revenue was from the City of Milwaukee for the year ended December 31, 2022, however, this revenue represents assessments to individual property owners, collected by the City through the property tax levy process.

In order to provide revenues to support the Organization's mission and carry out the work outlined in the annual operating plan, the Common Council of the City of Milwaukee enforced an assessment on property located within a specified area of Mitchell Street. The assessment is calculated based on assessed values of the properties. The assessment levied on properties was \$4/\$1,000 for every dollar of assessed property value with a minimum assessment of \$400 and a maximum assessment of \$2,500 for the year ended December 31, 2022.

NOTE F - Line of Credit

The Organization has a line of credit available of \$25,000, with a maturity date of June 23, 2023, and a variable interest rate based on the highest U.S. Prime Rate as published in the Wall Street Journal "Money Table". The rate shall not be less than 3.25%, at December 31, 2022, the rate was 7.5%. As of December 31, 2022, the balance drawn on the line of credit was \$25,000. The Organization has pledged a certificate of deposit as collateral on the line of credit. The certificate of deposit has a balance of \$25,291 as of December 31, 2022.

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE G - Refundable Advance

The Organization has reported grant funds received from LISC under the Brew City Match Program of \$46,999 as refundable advance. These funds will be recognized as revenue in 2023 when the participants in the program complete the projects funded by the program.

NOTE H - Net Assets With Donor Restrictions

At December 31, 2022, net assets with purpose restrictions are \$2,000 received from MMSD for pedestrian alley improvements.

NOTE I - Operating Lease

In January of 2020, the Organization signed an operating lease for office space starting August 1, 2020, that expires July 31, 2025. Rent payments under the lease are \$773 per month. The Organization determines the right of use asset based on the lease term including any renewal options that are reasonably certain to be exercised.

The weighted average discount rate is based on the risk-free rate determined using a period comparable to the lease term. The practical expedient to not separate lease and non-lease components has been elected.

The following summarizes the line items in the statement of financial position which include amounts for operating leases for the Organization as of December 31, 2022:

Right of Use Assets - Operating Leases	\$24,317
Lease Liability - Operating Leases	\$23,882

The following summarizes the line items in the statement of activities which include the components of lease expense for the Organization for the year ended December 31, 2022:

Occupancy Costs Included in Program Expenses	\$4,804
Occupancy Costs Included in Management and General	<u>4,803</u>
Total Lease Expense	<u>\$9,607</u>

The following summarizes cash flow information related to leases for the year ended December 31, 2022:

Operating Cash Flows - Cash Paid for Operating Leases	\$9,270
---	---------

BUSINESS IMPROVEMENT DISTRICT NO. 4
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022
(See Accountant's Review Report)

NOTE I - Operating Lease (Continued)

The following is a schedule by years of the future minimum payments required under the lease as of December 31, 2022:

<u>Year</u>	<u>Amount</u>
2023	\$ 9,270
2024	9,270
2025	<u>5,408</u>
Total Lease Payments	\$23,948
Less: Present Value Discount	<u>(66)</u>
Total Present Value of Lease Liabilities	<u>\$23,882</u>

NOTE J - Related Parties

The Organization approved a grant to a board member for business development, including construction costs and marketing. The grant was for \$25,000 of which \$5,324 was paid in the year ended December 31, 2022.

NOTE K - Subsequent Events and Contingencies

The Organization has evaluated events and transactions occurring after December 31, 2022, through May 24, 2023, the date the financial statements are available to be issued, for possible adjustments to the financial statements or disclosures. The Organization has determined that no subsequent events need to be disclosed.

BUSINESS IMPROVEMENT DISTRICT NO. 4

GREATER MITCHELL STREET

ANNUAL REPORT

September 2022 - August 2023

9/1/2023

OVERVIEW

Business Improvement District #4 was organized under Wisconsin State Statute 66.1109 (formerly 66.608) in 1989, for the purpose of the revitalization of the Mitchell Street commercial corridor, between 5th and 15th Streets, on the near south side of the City of Milwaukee. The BID #4 district includes Historic Mitchell Street, from 5th to 13th Streets.

The Mission of BID #4 is to continue the revitalization and improvement of its Historic Mitchell Street retail district and the Mitchell Street Commercial Corridor and its diverse neighborhood; to continue resilient efforts to support business and retail retention and recruit new businesses with economic initiatives including marketing and branding the district; and to provide maintenance services to maintain a clean, safe, and esthetically pleasing business corridor. Commercial corridors are the display windows to the surrounding neighborhoods in the City, and BID #4 promotes Mitchell Street's energetic and culturally diverse businesses, provides support services to maintain and expand those businesses and the surrounding neighborhoods. The BID also launches new events to highlight local businesses and increase destination shopping and visiting to the business district. In addition, BID #4 communicates to all commercial property and business owners of redevelopment activities plus the City's historic preservation guidelines, and supports, advocates and assists in addressing and resolving issues for its approximately 110 property and business owners.

Following are BID #4's accomplishments for the period of September 2022 – August 2023, and initial planning underway for 2024:

Accomplishments/Activities during the above period included planning for updating/refurbishing three of the seven pedestrian alleys on Historic Mitchell Street. This project was financed via MMSD and a grant from the Bader foundation. The three alley projects are in the 1000 block of Historic Mitchell Street, which was taken on by BID #4; the ped alley on the west side of the Mitchell Street Library in the 900 block; and the ped alley on the east side of the Modjeska Theatre. The "grand opening" of the three pedestrian alleys is scheduled for September 8, 2023, which is the first day of the 3D "Light Show" in the 700 block of W. Historic Mitchell Street. This two-evening show, supported by BID #4 and produced by Joy Engine, will include art, dance, music, food, and the immersive light show, projected across the face of the new Mitchell Street Arts at 710 W. Historic Mitchell Street.

The BID's annual "Holidays on Mitchell Street" activities were conducted as usual in November and December 2022, and will be scheduled this 2023 holiday season. The event includes the special holiday lighting of Historic Mitchell Street and the annual holiday window-decorating contest for all of the businesses, with framed certificates signed by Alderman Jose G. Perez awarded to those participating businesses and donated gift certificates presented to the top three-judged businesses.

The BID continued its work with property and business owners to renovate retail store fronts and facades, utilizing the City's Signage, RIF, Façade and White Box Grant programs. Several new and existing businesses utilized the Signage Grant and the Commercial Revitalization Grant.

The BID continued its efforts of the planting and maintenance of the four medians on Historic Mitchell Street. In addition, the 19 concrete planters, donated by KEI, are planted every late Spring with flowering plants, with watering and maintenance throughout the summer/fall season. New identification banners and additional Ironsites-designed litter containers have been re-scheduled for

2024 due to budgetary considerations. However, BID #4 is embarking on a fund-raising effort so as to increase income in addition to the annual assessment income. This will allow us to hopefully in 2024 purchase the new banners and additional litter containers for the commercial corridor.

BID #4 continues with additional litter cleaning of the commercial corridor's sidewalks, curbs, gutters and pedestrian alleys via an outside contractor on a weekly schedule, in order to maintain the business area and commercial corridor as a clean and welcoming shopping neighborhood.

Efforts to retain, expand and attract new businesses to the business district continued during 2022 and 2023. New businesses that opened in 2022 and 2023 to date include a barber shop, a CBD-specialty shop, a women's clothing shop, a lash salon, a coffee shop, a Mexican ice cream store, a music recording studio, and an ethnic restaurant. The new Mitchell Street Arts Collaborative will have its grand opening in August of this year in the former and historic Kunzelmann-Esser building.

The BID continued with its daily monitoring of new graffiti in the district, with removal utilizing, and in collaboration with, the City's DNS Retail Area Graffiti Removal Program. The BID has had an annual contract with DNS for over twelve years. In 2022, BID #4 spent \$3,125.00 on graffiti removal. For 2023 through May, BID #4 has spent \$1,107.50 for the removal of graffiti from commercial properties. Graffiti has substantially decreased in the past several years due to the constant and fast removal by the BID.

BID #4 continued to promote the Wisconsin Historical Society and the state and federal Tax Credit Programs for commercial property owners planning to invest in the preservation of their historic buildings.

The BID office and its meeting facilities continue to be available for community meetings and use.

The BID again was a sponsor of the "National Night Out" event, conducted by the Southside Organizing Center in August of 2022 and 2023. And, BID #4 continues to support programs and events conducted by the Milwaukee Police Department District 2, and will again participate in D2's annual Fall Open House in September 2023.

Historic Milwaukee Inc.'s annual "Doors Open Milwaukee" included several significant locations and businesses on Historic Mitchell Street, which continues the BID's promotion of its business district.

The Board of Directors of BID #4 continues its schedule of hybrid Board meetings virtually via ZOOM, as well as on site at its office. The Board continues its on-going Strategic Planning Committee hybrid meetings with planning further economic development/retail recruitment activities and initiatives, per the City's Near South Side Area Plan. The Plan was targeted to enhance assets of the area and provide implementation strategies for the future development of the Near South Side.

The BID continues involvement with area community organizations in efforts toward a safer near-South Side business and residential neighborhood: Operation Impact, Journey House, Southside Organizing Center, the Milwaukee Christian Center (Building Neighborhood Capacity Program), and several other small non-profits which now have offices in our business neighborhood.

Additional programs that BID #4 participated in 2022 included NEWaukee's Southside Dining Week event in which several of the restaurants in our business district participated, and LISC's Brew City Match Program to financially assist commercial property owners in leasing their vacant commercial spaces to potential businesses.

2024 Goals and Objectives include providing businesses with information of the continuing federal, state and city grant and loan programs, to provide businesses with sustainability of their business, as we continue to recover from the COVID restrictions. This will also include working with commercial property and business owners using the City's Grant programs, via re-scheduled informational workshops, meetings, the annual Open House in 2024, and the quarterly BID #4 Newsletter.

Economic development activities will continue to attract more, and a wider variety of businesses to our culturally diverse business neighborhood. Efforts will continue to secure one or more commercial real estate brokers who would devote efforts to marketing retail vacancies on the culturally diverse commercial corridor.

Planning will continue for the scheduling of two public art/music events, utilizing the seven pedestrian walkways (the "Open Spaces") on Historic Mitchell Street, all for the promotion of the historic business district and its attractions to shoppers and visitors.

BID #4 continues to cooperate with MMSD and the City with its planning to implement a green infrastructure project in several of the City parking lots in our District, which could include converting one of the lots into a park. The project is now scheduled for 2024. Several community meetings for neighborhood input will be scheduled by MMSD.

BID #4 continues to work with the MPD's Fusion Center in attempting to secure a grant for the updating/replacement of the thirteen aged surveillance security cameras located in the district. This project possibly could be funded by a CDBG grant or other means being explored.

The 2024 continuing maintenance and improvement of the four medians on Historic Mitchell Street will include additional plantings, along with fresh mulching and plant/shrub trimming, and upkeep of the treescaping at the bases of all trees on Mitchell, from 5th to 13th Streets. This maintains the visual appeal, and thereby esthetically improves the business district for shoppers and visitors. Additional and regular street cleaning, litter removal and graffiti removal remains a priority for BID #4.

BID #4 will continue to work with the City's Historic Preservation Commission staff for approval of all exterior renovations, improvements and new signage, planned by current and future Historic Mitchell Street commercial property and business owners.

As a result of TID 37 closing, TID 71 (Mitchell Street) will receive a donation of \$2,658,175 to pay off its outstanding debt. That will put the Mitchell Street commercial corridor in good position to look at future commercial development projects, which the Board of Directors is investigating. Potential projects could include the now-vacant Modjeska Theatre, the 1101 building, and possibly the exterior rehabbing of several historic commercial properties that are considering renovations and/or re-development.

In summary, the BID #4 Board of Directors and Staff continue to work and plan to make the Mitchell Street commercial corridor a unique, vibrant, clean business district in which to work, shop and visit, by providing sustaining support, assistance and services to its commercial property owners and merchants. The Mitchell Street commercial corridor and business neighborhood continues to provide an

excellent opportunity for businesses and restaurants looking to expand and/or locate. The rejuvenation of the commercial corridor and the surrounding business neighborhood will continue in 2024 !