

BUSINESS IMPROVEMENT DISTRICT NO. 26

MENOMONEE VALLEY BID

PROPOSED 2014-15 OPERATING PLAN



September 12, 2014

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I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created 66.1109 (formerly S. 66.608) of the Statutes (see Appendix A) 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 has received a petition from property owners that requests creation of a Business Improvement District for the purpose of revitalizing and improving the Menomonee Valley business area , which is located in the heart of Milwaukee's (see Appendix A). The BID law requires that every district have an annual Operating Plan. This document serves as the Operating Plan for the proposed Menomonee Valley district. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development.

B. Physical Setting

The Menomonee Valley is primarily an industrial area, located west of Downtown Milwaukee and the Historic Third Ward. Its general boundaries are I-94 on the north, the confluence of the Menomonee and Milwaukee Rivers on the east, Bruce St. and the Soo Line Railroad tracks on the south, and U.S. 41 on the west.

C. District Boundaries

Boundaries of the Menomonee Valley Business Improvement District (“district”) are shown on the map in Appendix A of this plan. A listing of the properties included in the district is provided in Appendix B.

II. OPERATING PLAN OBJECTIVES

A. 2014-15 Plan Objectives

The objective of the BID is to contribute to the redevelopment of the Menomonee Valley and provide important business services to the businesses within the district.

B. Principle activities to be engaged in by the district during its 2014-15 fiscal year of operation will include:

- a. Completion of the capitol campaign for the *Menomonee Valley - From the Ground Up* effort, a collaboration of the City of Milwaukee, State of Wisconsin, Menomonee Valley Partners, Inc., and the Urban Ecology Center. To complete the project \$1.3 million is still needed. The BID has made a \$100,000 multi-year pledge toward this project.
- b. Collaborate with the City of Milwaukee to complete the Menomonee Valley 2.0 Plan, which is completing a market study and land use plan to guide the revitalization of the Valley for the next decade.
- c. Complete the Menomonee Valley Strategic Plan, whose purpose is to develop the vision for the direction and structure of Menomonee Valley Partners for the next decade.
- d. Collaborate with the Department of Transportation and stakeholders in and around the Valley on the I-94 East-West planning process, which will impact access to the Valley as well as directly impact property owners and businesses.

- e. Recruit to the District new businesses that will provide family supporting jobs and contribute to the Milwaukee economy.
- f. Facilitate the development of business resources for companies operating throughout the district.
- g. Organize workforce programming to provide Milwaukee area youth and young adults with information on the great careers that are found in the Menomonee Valley.
- h. Provide improvements, resources and services particularly toward the aesthetic appearance of St. Paul Ave, through the St. Paul Commercial District Initiative and the St. Paul Enhancement Grant.
- i. Complete the next phase of the Menomonee Valley Branding Project, whose purpose is to identify and build a brand for the Valley. This year the effort will focus on ways to engage Valley employees, area residents and visitors to discover and explore the opportunities directly in the Valley.
- j. Negotiate on behalf of the District with the City of Milwaukee, Wisconsin Department of Natural Resources, Department of Transportation, and other local, state and federal agencies having jurisdiction in regards to the Menomonee Valley.
- k. Develop Business-to-Business opportunities to increase the buyer and vendor relationships amongst Valley businesses.
- l. Develop options for site improvements throughout the District.
- m. Implement a Graffiti Removal Project in the District whereby properties within the District boundary will be eligible to have graffiti removed at a minimal cost.
- n. Develop new ways to communicate safety needs throughout to all Menomonee Valley. To make the program a success by improving the overall safety and neighborhood relations of all areas of the Menomonee Valley.
- o. Collaborate with Valley businesses to develop and provide exceptional business services to companies through resource provision, training, and direct programming along the Hank Aaron State Trail.
- p. Organize and provide support to the “Stew Crew” teams of volunteers from Valley companies in their efforts to keep Valley public areas well maintained and remove invasive species along the Hank Aaron State Trail.
- q. Facilitate and create awareness of the public transportation options for the Menomonee Valley to ensure Valley businesses are accessible to the surrounding workforce.
- r. Administrative activities including, but not limited to, securing an independent certified audit, securing insurance for the activities of the District Board, and complying with the open meeting law, Subchapter V of Chapter 19 of the Wisconsin Statutes.

III. PROPOSED DISTRICT BUDGET

INCOME

2014 Special Assessments.....\$125,713.27

Menomonee Valley Business Association dues..... \$1,000.00

Total Income..... \$126,713.27

EXPENSES

Yearly contract with Menomonee Valley Partners, Inc., a 501 (c)(3) organization, to assist in staffing and implementation of activities outlined above \$80,000.00

Contribution to Valley Employee Resource Calendar \$6,500.00

Insurance \$1,200.00

Audit\$2,100.00

Graffiti Removal..... \$2,000.00
(\$1000 to match City Programming/\$1000 toward other defined graffiti removal services as we define)

Friends of the Hank Aaron State Trail Run/Walk..... \$2,000.00

Business Programming.....\$6,000.00

I-94 Consultant\$4,000.00

End of Year Meeting.....\$1,500.00

Menomonee Valley - From the Ground Up.....\$10,000.00

* This year's investment of a \$100,000 multi-year pledge toward this project

Valley Signage.....\$6,000.00

Valley Maintenance.....\$2,000.00

St. Paul Commercial District Initiative.....\$25,000.00

* Funding will be matched (3:1 ratio) through the Industrial Business Initiative

** In the FY2012, the BID approved two façade improvements through the St. Paul Enhancement Grant Program. The BID share of these projects to date is \$11,250 and these funds are encumbered toward these two projects. This leaves \$13,750 in BID funds available through program.

Total Expenses.....\$ 148,300.00

NET ASSETS at June 30, 2014 **\$137,638.71**

*The contribution sent to Menomonee Valley Partners, Inc. had not been deposited by June 30.

It is proposed to raise \$125,713.27 through BID assessments and fees collected (see Appendix B). 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.

IV. ORGANIZATION OF DISTRICT BOARD

The board's primary responsibility will be implementation of this Operating Plan. This will require the board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise 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.

State law requires that the board be composed of at least five members and that a majority of the board members be owners or occupants of property within the district.

It is recommended that the BID board be structured and operate as follows:

1. Board Size – Seven
2. Composition – The majority of members shall be owners or occupants of property within the district. Any non-owner or non-occupant appointed to the board shall be a resident of the City of Milwaukee. The board shall elect its Chairperson from among its members.
3. Term - Appointments to the board shall be for a period of three years.
4. Compensation – None
5. Meetings - All meetings of the board shall be governed by the Wisconsin Open Meetings Law.
6. Record Keeping - Files and records of the board's affairs shall be kept pursuant to public record requirements.
7. Staffing - The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings - The board shall meet regularly, at least twice each year. The board shall follow rules of order (“by laws”) to govern the conduct of its meetings.

The BID shall be a separate entity from Menomonee Valley Partners, Inc. (MVP), notwithstanding the fact that members, officers and directors of each may be shared. MVP shall remain a private organization, not subject to the open meeting law, and not subject to the public record law except for its records generated in connection with the BID board. MVP may, and it is intended, shall, contract with the BID to provide services to the BID, in accordance with this Plan.

V. METHOD OF ASSESMENT

A. Assessment Rate and Method

To support the District Board’s budget for calendar year 2014, the City of Milwaukee shall levy in 2014 and carry into the tax rolls for inclusion in tax bills to be sent out in December 2014 special assessments on all properties in the District subject to special assessment. Property that is not tax-exempt shall be included in the property subject to special assessment. The District Board uses a special assessment formula, whereby each tax key number parcel is assessed the rate of \$1.50 per \$1,000 in assessed property value, subject to a minimum assessment per tax key number parcel of \$350 and a maximum assessment per tax key number parcel of \$2,500.

The principle behind the assessment methodology is that each property should contribute 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 rate based 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 requires an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$2,500 per parcel will be applied, and a minimum assessment of \$350 per parcel will be applied.

As of January 1, 2014, the property in the proposed district had a total assessed value of more than \$224.4 million. This plan proposed to assess the property in the district at a rate of \$1.50 per \$1,000.00 of assessed value, subject to the maximum and minimum assessments, for the purposes of the BID.

Appendix B shows the projected BID assessment for each property included in the district.

B. Excluded and Exempt Property

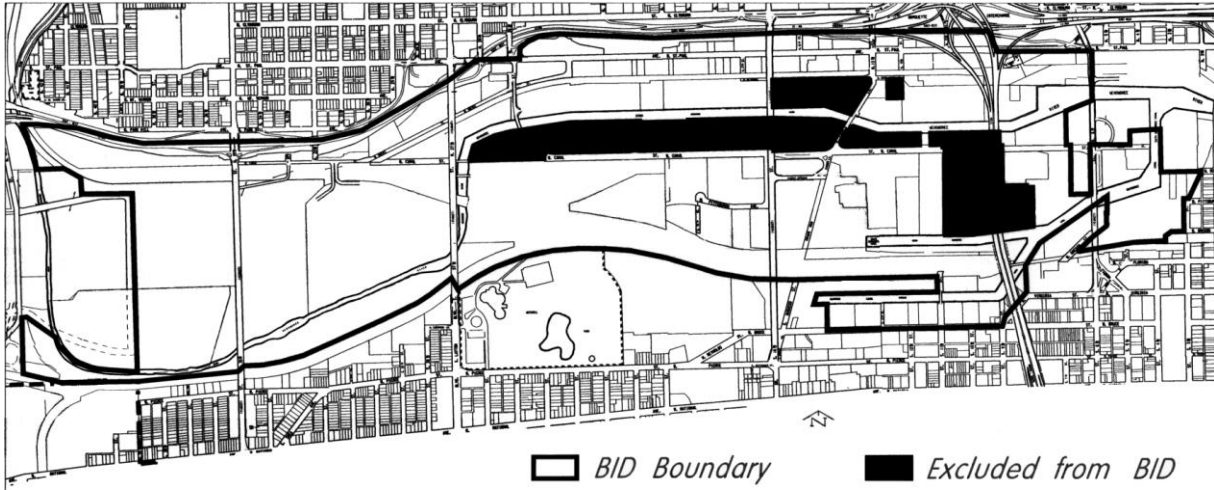
The BID law requires explicit consideration of certain classes of property. In compliance with the law the following statements are provided.

1. State Statute 66.1109(1) (f) lm: 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.
2. 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 B, as revised each year.
3. 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 may be asked to make a financial contribution to the district on a voluntary basis.

APPENDICES

- A. DISTRICT BOUNDARIES
- B. 2014 PROJECTED ASSESSMENTS

APPENDIX A: DISTRICT BOUNDARIES



APPENDIX B: 2014 PROJECTED ASSESSMENTS, SORTED BY TAX KEY

Taxkey	Address	Owner1	Total Assessment	BID #26 Assessment
3611587116	701 W ST PAUL	STATE OF WISCONSIN	0	0
3612141000	260 N 12TH	CITY OF MILW REDEV AUTH	0	0
3612142000	907 W HINMAN	STATE OF WISCONSIN	0	0
3612143000	825 W HINMAN	CITY OF MILW REDEV AUTH	0	0
3970001113	126 N 6TH	HD MILW LLC	11820000	2500
3980181100	1118 W ST PAUL	JRB VIII LLC	62900	350
3980184100	940 W ST PAUL	STATE OF WISCONSIN DEPT OF	0	0
3980303110	712 W CANAL	ST MARY'S CEMENT INC	1632000	2448
3980305112	880 W CANAL	ST MARY'S CEMENT	117000	350
3980403100	324 N 12TH	JRB VIII LLC	1721000	2500
3980405112	1027 W ST PAUL	STATE OF WISCONSIN	0	0
3980698100	1505 W ST PAUL	READCO	353700	530.55
3980700100	1601 W ST PAUL	READCO	107000	350
3980702000	1635 W ST PAUL	WISC INVESTMENT CO LLC	663700	995.55
3980705110	1701 W ST PAUL	STONE PROPERTIES LLC	415000	622.5
3980705120	1719 W ST PAUL	GARNET ABRASIVE & WATER	191000	350
3980707000	1739 W ST PAUL	PATRICIA J OLIVOTTI TRUSTEE	313000	469.5
3980713000	1925 W ST PAUL	HENRY ALBERT & SANDRA ALBERT	256000	384
3980803112	405 N 12TH	CR INTERNATIONAL INC	1112200	1668.3
3980805000	315 N 12TH	ANCHOR ENTERPRISES II	681100	1021.65
3980906111	1601 W MT VERNON	GIUFFRE I LLC	1373100	2059.65
3981212110	1200 W CANAL	CANAL STREET YACHT CLUB LLC	795000	1192.5
3981221100	131 N 6TH ST	H D MILW LLC	677282	1015.92
3981231000	222 N EMMBER	STANDARD ELECTRIC SUPPLY CO	959000	1438.5
3981232100	254 N EMMBER	481DA LLC	758400	1137.6
3981241000	272 N 12TH	MYRIAD PROPERTY GROUP LLC	644000	966
3981242000	250 N 12TH	ASTOR APTS LTD PTN	3174000	2500
3981261000	1205 W MT VERNON	MV3, LLC	620000	930
3990013110	1610 W ST PAUL	WISC INVESTMENT CO LLC	876000	1314
3990026000	1500 W ST PAUL	MONITOR CORP	421200	631.8
3990213111	1922 W ST PAUL	1922 WEST ST PAUL LLC	70300	350
3990215110	1906 W ST PAUL	RML HOLDINGS LLC	121900	350
3990229110	1816 W ST PAUL	PAIN ENTERPRISES INC	217000	350
3990231111	1800 W ST PAUL	CITY OF MILW	0	0
3990271000	1900 W ST PAUL	MELANIE SOBELMAN	291000	436.5
3990272000	1902 W ST PAUL	YVONNE M ZAFFIRO REVOCABLE	22000	350
3990281100	1300 W CANAL	CANAL ST LLC	1596000	2394
3990291000	1741 W ST PAUL	LCM FUNDS 30 ST PAUL LLC	1187000	1780.5

3990292000	1907 W ST PAUL	HENRY ALBERT &	267000	400.5
3999988100	1418 W ST PAUL	CRE 2011 REO WI INDUSTRIAL L	902400	1353.6
3999990100	1410 W ST PAUL AV	CR INTERNATIONAL INC		0
3999991100	407 N 13TH	CR INTERNATIONAL INC	1095300	1642.95
3999997100	1357 W ST PAUL	1435 CORPORATION	198800	350
3999997200	324 N 15TH	READCO	547000	820.5
3999999110	313 N 13TH	FOREST COUNTY POTAWATOMI	2430000	2500
4000401110	2501 W ST PAUL	DOGS WORLD LLC	352000	528
4000774110	2326 W ST PAUL	2326 LLC	1189200	1783.8
4000784110	2015 W ST PAUL	HENRY ALBERT & SANDRA ALBERT	533000	799.5
4000786110	2033 W ST PAUL	2033 ASSOCIATES LLP	397900	596.85
4000788100	2045 W ST PAUL	CALEDONIA PROPERTIES 2045	226000	350
4000789100	2101 W ST PAUL	BRENNAN FAMILY LIMITED	700000	1050
4000789210	2301 W ST PAUL	2301 LLC	905600	1358.4
4000971000	2122 W MT VERNON	GIUFFRE VIII LLC	5171000	2500
4000972000	200 N 25TH	GIUFFRE VIII LLC	965000	1447.5
4009990000	321 N 25TH	ALMACEN DEVELOPMENT LLC	262000	393
4009991110	305 N 25TH	ALMACEN DEVELOPMENT LLC	404000	606
4009991215	2612 W GREVES	2612 GREVES LLC	1070000	1605
4009995115	2401 W ST PAUL	RAYMOND F KUBACKI,	600000	900
4009995118	2001 W MT VERNON	GIUFFRE I LLC	561000	841.5
4009998111	2615 W GREVES	DIEDRICH ACQUISITIONS LLC	1079800	1619.7
4010409111	3002 W CANAL	CITY OF MILWAUKEE	0	0
4011401113	2702 W GREVES	STATE OF WISCONSIN		0
4019999110	123 N 27TH	THIELE TANNING CO	602600	903.9
4230001000	600 S 44TH	JOHN F STIMAC JR	514800	772.2
4230014000	3880 W MILWAUKEE	MULHANEY PROPERTIES LLC	1524400	2286.6
4230016000	3883 W MILWAUKEE	CALEFFI NORTH AMERICA INC	2600000	2500
4230021000	3630 W WHEELHOUSE	VALTAY LLC	2933700	2500
4230031000	3800 W CANAL	HSI INDUSTRIAL I LLC	7542600	2500
4230032000	3757 W MILWAUKEE RD	INGETEAM INC	7476200	2500
4239999017	400 S 44TH	THE SE WI PROFESSIONAL	0	0
4240321000	185 S 33RD CT	BRIOHN VENTURES III LLC		0
4240311100	3301 W CANAL	PALERMOS PROPERTIES , LLC	15172500	2500
4240322000	3340 W ROUNDHOUSE RD	TRIONY MILWAUKEE LLC	5373000	2500
4249998111	3001 W CANAL	REXNORD INDUSTIES LLC	9327800	2500
4250001000	2005 W POTAWATOMI	FOREST COUNTY POTAWATOMI	806300	1209.45
4250002000	2011 W POTAWATOMI	FOREST COUNTY POTAWATOMI	175800	350
4250003000	2017 W POTAWATOMI	FOREST COUNTY POTAWATOMI	160000	350
4260022100	210 S EMMBER	ALDRICH CHEMICAL CO INC	1077500	1616.25
4260033120	219 S EMMBER	EMMPACK FOODS INC	2774900	2500

4260061110	1513 W CANAL	EMMPAK FOODS INC	532000	798
4260071113	1901 W CANAL	EMMPAK FOODS INC	2608500	2500
4260072110	1850 W POTAWATOMI	FOREST COUNTY POTAWATOMI	195000	350
4260111000	1611 W CANAL	FOREST COUNTY POTAWATOMI	52664500	2500
4260131000	104 S EMMBER	PFC INC	100000	350
4260132000	1207 W CANAL	ZIEGLER BENCE PARTNERS 5 LLC	8600000	2500
4260133000	320 S EMMBER	EMMPACK FOODS INC	941600	1412.4
4269940111	305 S 16TH	FOREST COUNTY POTAWATOMI	809200	1213.8
4269947111	338 S 17TH	FOREST COUNTY POTAWATOMI	12052000	2500
4269948112	320 S 19TH	FOREST COUNTY POTAWATOMI	12052000	2500
4269958200	1916 W POTAWATOMI	FOREST COUNTY POTAWATOMI	14900	350
4269958112	301 S 19TH ST	FOREST COUNTY POTAWATOMI	386700	580.05
4269965112	500 S MUSKEGO	SOO LINE RAILROAD COMPANY	325000	487.5
4269985000	1400 W BRUCE	MID-CITY FOUNDRY CO	319200	478.8
4269986000	1304 W BRUCE	GRAYMONT WESTERN LIME INC	738000	1107
4270101100	754 W VIRGINIA	754 PARKING LLC	125000	350
4270103100	800 W VIRGINIA	LCM FUNDS 21 BOTTLING	29900	350
4270104100	840 W VIRGINIA	AHMED A KAHIN	300000	450
4270203111	131 S 7TH	JOHN STOLLENWERK	352800	529.2
4270203120	833 W CANAL	STATE OF WI	0	0
4270207100	754 W VIRGINIA	BERNARD KLEIN	118800	350
4270210112	904 W BRUCE	SOO LINE RAILROAD COMPANY	57400	350
4270401110	920 W BRUCE	ARCHER-DANIELS-MIDLAND CO	625000	937.5
4270406110	1135 W CANAL	WISCONSIN ELECTRIC POWER CO	0	0
4270409121	1201 W CANAL	RNC CANAL ST PROPERTY LLC	1861000	2500
4270411120	1104 W BRUCE	SOO LINE RAILROAD COMPANY	294300	441.45
4270418100	470 S 11TH	LAFARGE NORTH AMERICA	638000	957
4270422100	902 W BRUCE	KARL H ZIELKE	19900	350
4270422200	904 W BRUCE	DOMINGO MUNOZ	58000	350
4270425000	1102 W BRUCE	AKSS, LLC	611000	916.5
4270426000	1134 W BRUCE	BERNARD KLEIN	206200	350
4270427000	1230 W BRUCE	BRUCE STREET PROPERTIES LLC	604000	906
4270521211	615 W OREGON	BUILDING 41 LLC	30000	350
4270531100	143 S 6TH ST	H D MILW LLC	761500	1142.25
4270541000	841 W CANAL	JOHN STOLLENWERK MILWAUKEE	412200	618.3
4270542111	643 W CANAL	LONE STAR INDUSTRIES AKA	2381000	2500
4270571100	530 S 11TH	JNA INVESTMENT	367000	550.5
4270572100	1000 W BRUCE	THE COMMUNITY WAREHOUSE INC	269100	403.65
4270573000	920 W BRUCE	THE COMMUNITY WAREHOUSE INC	194100	350
4270574000	521 S 9TH	COMMUNITY WAREHOUSE INC	0	0

4280512114	339 W PITTSBURGH	BUILDING 41 LLC	2282300	2500
4280516110	220 S 6TH	BUILDING 41 LLC	274100	411.15
4310312000	500 S 35TH	CITY OF MILWA REDEV AUTH	0	0
423004200	3754 W. Milwaukee Rd	CAM-JWM LLC	8101700	2500
			\$224,480,782.00	\$125,713.27