

**University Square / Oakland Ave.
Business Improvement District #13**

OPERATING PLAN FOR YEAR FIFTEEN: 2008

SUBMITTED BY:

**THE OAKLAND AVENUE BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS**

PREPARED BY: Jim Plaisted, Executive Director

**OPERATING PLAN
BID #13 UNIVERSITY SQUARE**

2008: Year Fifteen

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I. INTRODUCTION

In 1984, the Wisconsin legislature created s. 66.608 of the Statutes enabling cities to establish Business Improvement Districts (BIDs) upon the petition of at least one property owner within the proposed district. 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 Wis. Act 184, Section 1, legislative declaration.) On November 9, 1993, the Common Council of the City of Milwaukee, by Resolution File Number 931058, created BID #13 (Oakland Avenue: University Square) and adopted its initial operating plan. Section 66.608(3) (b), Wis. Stats., requires that a BID Board "shall annually consider and make changes to the operating plan... The board shall then submit the operating plan to the local legislative body for its approval." The Board of BID #13 submits this 2008 Operating Plan in fulfillment of the statutory requirement.

This plan proposes a continuation and expansion of activities described in the initial (November, 1993) BID Operating Plan and subsequent years' University Square Operating Plans. Therefore, it incorporates by reference the earlier plan as adopted by the Common Council. This plan emphasizes the elements that are required by Sec. 66.608 Wis. Stats and the changes for 2008. It does not repeat the background information which is contained in the previous plans nor include the Business Improvement District Statute, original petitions from property owners or BID #13 By-Laws.

II. DISTRICT BOUNDARIES

Boundaries of the proposed district are North Oakland Avenue, between East Linwood on the north and East Newberry Blvd. on the south, and along East Locust Street a half-block to each alleyway both east and west of North Oakland Ave. A listing of the properties included in the district is provided in Appendix B.

III. PROPOSED OPERATING PLAN

A. Plan Objective

The Plan Objectives of University Square Business Improvement District involves utilizing available funds to continue to improve the business climate for existing and new district merchants. The available funds will be utilized for continued existence of critical projects such as the graffiti removal, street maintenance and facade improvement projects offering assistance to businesses wishing to make aesthetic improvements along the street.

Additional funds are utilized for general operating expenses of the BID. Other improvements may be made as decided by the BID members. A yearly gathering celebrating the progress of the district will be planned and carried out by BID staff.

The priorities of the BID Board for 2008 are as stated:

1. Act as a catalyst for private investment by owners and tenants in their properties through continuation of the street re-building process, façade improvements, and parking lot screening.
2. In 2008, the BID is planning additional streetscaping features including but not limited to wider sidewalks, curb push-outs, intersection highlights, and gateway traffic islands. The purposes of this effort are to enhance the pedestrian

experience along Oakland Ave. and to calm traffic. This is in cooperation with DCD, DPW, and neighborhood stakeholders.

3. Continue our landscaping program initiated in 2003 using hanging planter baskets.
4. Continue existing programs including, the Graffiti Removal Program, the Street Maintenance program, the University Square Facade Matching Grant Program, along with ongoing assessment of critical general safety and cleanliness matters for improvement of the overall appearance of the district.
5. Create a new marketing program for the area that creates a positive image for Oakland Ave. and promotes the area to residents on the East Side.

Meeting these objectives will enhance the business area's competitiveness relative to other shopping areas that are also currently undergoing rehabilitation, while enhancing the surrounding neighborhood. The BID will continue to work with DCD, DPW, the City Council and area merchants to achieve stated objectives.

B. Proposed Activities – Year Fifteen

The principal activities to be undertaken by the district during its fourteenth year of operation to achieve stated objectives will include:

1. Identification of anchor merchants. Cooperative efforts of BID Members, merchants, and City officials will need to be combined to create new business opportunities along University Square.
2. Continue work on business recruitment and retention initiatives. Provide technical assistance to new and existing businesses regarding location, improvements or expansion. Cooperative efforts of the BID Members, merchants, City officials and staff will be necessary to achieve desired outcomes.
3. Approval of applications/award funding and monitoring of facade designs/installation of improvements for University Square Facade Program. Coordinate efforts with the City of Milwaukee and other available programs.
4. Coordination and monitoring of the Graffiti Removal and Street Maintenance Program for area merchants.
5. Continued communication of BID Board Activities to members of the BID.

C. Proposed Expenditures - Year Fifteen

Program Expenses

2008-09 Streetscape earmark:	\$ 40,000
Streetscape Maintenance Program:	\$ 6,800
Planter landscaping:	\$ 4,400
Graffiti Removal Expenses:	\$ 2,000
Marketing:	\$ 10,000
Professional Services:	\$ 10,750

Holiday Lighting:	\$ 7,500
<u>Utilities</u>	<u>\$ 650</u>
Total Expenditures:	\$ 82,100
<u>Operating Revenues:</u>	
Current Year Special Assessments (City Milw.):	\$ 50,000
Carry Over, 2007 funds:	\$ 38,200
<u>City of Milw. Graffiti/Matching Funds:</u>	<u>\$ 1,000</u>
Total Revenues:	\$ 89,200

D. Financing Method

It is estimated that the district will carry forward \$38,200 from 2007. The district originally entered into a development agreement with the City of Milwaukee for streetscaping along the district. The agreement included the issuing of municipal bonds for the district's portion of the cost of the streetscaping. The costs of the operating expenses of the district are funded by special assessments on the properties within the district in addition to any City Grant programs that may become available.

BID #13 intends to seek matching funds for 2008 programming from the new DCD BID Commercial and Economic Development Fund. The match will be requested for the potential streetscape project in 2008.

The district paid off its original bond obligation to the City of Milwaukee in March of 2006.

The development agreement between the BID Board and the City constitutes a long-term commitment and the district will not be terminated until all repayments to the City have been made and adequate provision is made for the long-term operations and management of the improvements financed through the district. The development agreement will be separate from and in addition to this district operating plan. Both the City of Milwaukee and the BID Board have approved the development agreement.

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 BID 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 overpayment of BID assessments.

IV. Method of Assessment

A. Assessment Rate and Method

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. The method of assessment

is a 50% split between assessed value and linear front footage. Property owners believe this to be a method that takes into account all characteristics of a property in relation to benefits derived. Appendix A 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 66.608(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 66.608(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 A, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.608(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.
4. Property determined to be a residential hotel will be assessed at half the rate of normal assessment.

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

A. CITY PLANS

No changes in area planning or zoning have occurred since adoption of the initial operating plan for the district in 1994.

B. City Role in District Operations

The City of Milwaukee has committed to helping private property owners in the district. To this end, the City expected to play a significant role in the creation of the Business Improvement District and in the implementation of the Operation Plan. In particular, the City will:

- Provide technical assistance to the proponents of the district through adoption of the Plan, and provide assistance as appropriate thereafter.
- Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
- Collect assessments, maintain in a segregated account, and disburse the monies of the district.

- Receive annual audits as required per sec. 66.08(3)(c) of the BID law.
- Provide the Board, through the Tax Commissioner's Office on or before June 1st of each Plan year, with the official city records on the assessed value of each tax key number with the district, as of January 1st each Plan year, for purposes of calculating the BID assessments.
- Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.
- Prepare, with the participation of the BID Board, the development agreement described in section III.B. and section III.D. of this plan and submit the draft agreement to the BID Board and the appropriate city officials for their consideration.
- Investigate whether improvements previously planned for the business district over the next fifteen years may be accelerated to coincide with BID funded improvements.

VI. FUTURE YEAR OPERATING PLANS

A. Phased Development

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

Section 66.608(3)(a) of the BID law requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, it focuses upon Year Twelve activities, and information on specific assessed values, budget amounts and assessment amounts are based on Year Twelve condition. Greater detail about subsequent year's activities will be provided in the required annual Plan updates, and approval by the Common Council of such Plan updates shall be conclusive evidence of compliance with this Plan and the BID law.

In later years, the BID Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. However, the method of assessing shall not be materially altered, except with the consent of the City of Milwaukee.

B. Amendment, Severability and Expansion

This BID has been created under authority of Section 66.608 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 as assessable properties 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 66.608(3)(b).

APPENDIX A

Board of Directors University Square BID #13

2007-2008

1. Chairperson- Clark Kaufmann, Clark Graphics
2. Secretary/Treasurer- David Wilson, property and business owner
3. Board Member- Gil Snyder, University of Wisconsin-Milwaukee
4. Board Member- Robert Zellmer, Action Property Management
5. Board Member- Connie Haas, Riverside University High School
6. Board Member – Sean Burke, Oakland Trattoria
7. Board Member- William Stace, Miramar Theatre
8. Board Member – Sharon Lerner, neighborhood representative

Appendix B

Tax Key	House #	Street	Owner (s)	2007 Assessment	BID #13 Assessment
150002000	2979	OAKLAND	RICHARD E COLLETT & JOANNE	\$323,000	\$1,038.88
150003000	2975	OAKLAND	JEREMIAH R FASS	\$358,000	\$1,091.11
150004000	2967	OAKLAND	SOON JA CHOI	\$1,051,000	\$1,407.31
150005000	2963	OAKLAND	Scott and Gary Bongiorno	\$350,000	\$1,076.00
150006000	2959	OAKLAND	MICHAEL BONGIORNO & JANET	\$203,300	\$0.00
150007000	2955	OAKLAND	J TIMOTHY KELLEY	\$165,000	\$726.77
150008000	2951	OAKLAND	2953 O LLC	\$262,000	\$909.88
150009000	2945	OAKLAND	Robert Zellmer	\$344,000	\$1,064.68
150010000	2943	OAKLAND	Robert Zellmer	\$335,000	\$1,047.69
150301000	2937	OAKLAND	Matthew Kahl	\$267,700	\$0.00
150302000	2935	OAKLAND	John D. Gardiner Irrevocable Trust	\$399,000	\$1,168.50
150303000	2929	OAKLAND	JOHN H DE MUNCK	\$312,000	\$1,004.27
150304000	2927	OAKLAND	Locust Bremen LLC	\$280,000	\$943.86
150305000	2923	OAKLAND	Salvatore Lo Coco	\$408,000	\$1,234.56
150306100	2919	OAKLAND	CLARK KAUFMANN	\$386,000	\$1,351.60
150307110	2911	OAKLAND	SO-FEE PROPERTIES LTD	\$828,000	\$2,822.77
151201000	1725	LOCUST	DAVID A WILSON	\$323,000	\$1,440.32
151202000	2867	OAKLAND	Alan and Danuta Rasmussen	\$968,000	\$2,958.69
151203000	2855	OAKLAND	Allan and Danuta Rasmussen	\$425,000	\$1,217.59
151204000	2845	OAKLAND	ROBERT F ZELLMER	\$653,000	\$2,063.28
151301000	2831	OAKLAND	Little Caesar's Enterprises	\$166,000	\$1,974.50
160078000	1814	NEWBERRY	KEVIN B DUNN & MARY HW	\$349,000	\$0.00
160079000	1808	NEWBERRY	Paul Hackbarth	\$347,900	\$0.00
160080000	1804	NEWBERRY	MICHAEL BRODERICK & JUDITH &	\$367,300	\$0.00
160081000	2812	OAKLAND	GERALD P BRODERICK	\$254,100	\$0.00
160753111	2830	OAKLAND	WALGREEN COMPANY #3101	\$1,676,000	\$5,710.98
160754000	2840	OAKLAND	Olympia IV LLC	\$423,000	\$1,629.09
160755000	2862	OAKLAND	ROBERT C SCHMIDT JR	\$885,000	\$3,276.44
160756000	2866	OAKLAND	ROBERT F ZELLMER	\$688,000	\$1,727.91
160808100	2900	OAKLAND	WILLIAM F SPECHT	\$583,000	\$2,360.26
160811000	2916	OAKLAND	PLM Paving	\$129,600	\$1,490.50
160812100	2938	OAKLAND	PLM Paving	\$433,400	\$5,582.50
161119100	2974	OAKLAND	David Wilson	\$450,000	\$1,680.06
161120000	2968	OAKLAND	DAVID A WILSON	\$1,110,800	\$0.00
Totals				\$16,504,100	\$50,000.00