

BUSINESS IMPROVEMENT DISTRICT #38 OPERATING PLAN

For 2026

Cesar E. Chavez Drive



BID #38 Operating Plan - Table of Contents

INTRODUCTION

- A. Background
- B. Physical Setting

DISTRICT BOUNDARIES

OPERATING PLAN

- A. Plan Objectives
- B. Proposed Activities
- C. Proposed Expenditures
- D. Financing Method
- E. Organization of BID Board
- F. Relationship to the BID

METHOD OF ASSESSMENT

- A. Assessment Rate and Method
- B. Excluded and Exempt Property

RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY

- A. City Plans
- B. City Role in District Operation

FUTURE YEAR OPERATING PLANS

- A. Phased Development
- B. Amendment, Severability and Expansion

APPENDICES

- A. Business Improvement District State Statute
- B. Business Improvement District #38 Map of Boundaries
- C. Listing of Properties and Assessments
- D. Listing of Board Members

I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created S. 66.1109 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.) On November 15, 2005, the City of Milwaukee created the Cesar E. Chavez Drive Business Improvement District for the purpose of revitalizing and improving the Cesar E. Chavez Drive business area on Milwaukee's Near South Side via Common Council Resolution #050707 for the initial 2006 Operating Year. The BID law requires that every district have an annual Operating Plan. This document is the Operating Plan proposed for 2024, the nineteenth year of the Cesar E. Chavez BID. The BID proponents prepared this Plan with technical

assistance from the City of Milwaukee Department of City Development, Commercial Corridors Team.

B. Mission

To strengthen the heart of Milwaukee's Southside by championing economic growth, empowering local entrepreneurs, and cultivating a vibrant, safe, and inclusive neighborhood. We are committed to fostering a connected community where businesses flourish, residents feel proud, and culture is celebrated.

C. Physical Setting

The Cesar E. Chavez District covers a commercial corridor on South Cesar E. Chavez Drive, stretching from (the South side of) National Avenue on the North to (the North side of) Greenfield Avenue on the South. The Cesar E. Chavez District also includes a parcel adjacent to the west side of Cesar E. Chavez Drive, 1635 West National Avenue.

II. DISTRICT BOUNDARIES

Boundaries of the district are shown on the map in Appendix B of this plan. A listing of the properties included in the district is provided in Appendix C.

III. PROPOSED OPERATING PLAN 2026

A. Plan Strategies

The objectives of the BID's operating plan are to:

- a)** Strengthen Cultural Identity & Public Art as a Corridor Anchor: Make art and culture central to the corridor's identity, attracting residents and visitors alike.
- b)** Activate Vacant Spaces to Promote Economic Development: Turn vacant lots and storefronts into safe, economically productive, and visually appealing spaces.
- c)** Enhance Corridor Cleanliness, Safety, & Walkability: Ensure residents, visitors, and business owners experience the corridor as safe, clean, and welcoming.
- d)** Expand Business Support & Community Engagement: Strengthen local businesses and foster active participation by residents and partners.
- e)** Position Corridor as a Cultural & Tourism Destination: Increase foot traffic and citywide awareness by marketing the corridor as a vibrant, culturally rich destination.

B. Proposed Activities – 2026

Principal activities to be engaged in by the district during its 21th year of operation will include:

- a)** Grants- Utilize BID funds to facilitate funding in collaboration with local organizations and/or the City of Milwaukee for the installation of clear and

attractive signage, and facade Improvement: Provide financial assistance to improve the exterior appearance of businesses.

b) Business development: Organize regular meetings for business owners to network, share resources and collaborate on common issues: Increase the Capacity of Local Business Operators and Property Owners- Training Programs for Business Skills: Offer workshops in digital marketing, financial management, customer service etc....

c) Clean-Up Campaigns- Organize corridor clean-up events that invite community volunteers and local businesses to work together to enhance the corridor's appearance and public perception.

d) Repair, replace, and maintain streetscape features to present a unified and aesthetically pleasing environment for Cesar E. Chavez Drive. In consultation with property owners and business operators plan improvements will likely include:

- Repair and maintain trash receptacles
- Repair and maintain murals
- Repair and maintain Chavez flag mounted signs
- Add new benches across the corridor
- Add planters to beautify the streets with greenery/trees

e) Marketing Campaign: Develop a branding strategy that highlights the corridor as a premier destination, using both traditional and digital media.

f) Promote Cesar E. Chavez Drive as a Public Art, Shopping, and Tourist Destination by hosting bike and walking tours.

g) Public Art Installations: Commission murals and sculptures that reflect the local culture and history.

h) Cultural Festivals and Events: Host events that showcase the unique cultural identity of the area, such as music, food, and art festivals.

i) Space Activation - Pop-Up Shops and Markets: Encourage temporary stores or food stalls that utilize empty spaces, attracting foot traffic and offering local products.

j) Execute the Beautification Project with a grand opening to welcome the community to a new gathering space along the corridor.

l) Maintain good governance of the Chavez Drive BID:

- Provide guidance, support, and cooperation to BID 38's Executive Director in plan operations to ensure maximum impact for our commercial corridor.

C. Proposed Expenditures – Year Nineteenth (21), 2026**Proposed Budget**

BID 38 Revenue	Amount
City Assessments	\$25,000
Total	\$24,000
Expense Item	Amount
Streetscape and Beautification	\$5000
Walkway/outdoor gallery Beautification Project by La Michoacana	\$5,000
Administrative/Professional Fees	\$35,000
Miscellaneous	\$3000
Branding	\$3000
Matching Grants	\$5000
Total Proposed Expenses in 2026	\$56,000

** Running on a budget deficit of \$32,000**

** Potential anticipating funds; therefore, the budget is subject to change**

D. Financing Method

It is proposed to raise \$25,000 through BID assessments (see Section IV, A, and Appendix C). The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds available.

E. Organization of BID Board

The mayor appoints members to the district board ("board"). The board's primary responsibility will be the 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. The BID board should be structured and operate as follows:

1. Board Size – The board shall have a minimum of five (5) members and a maximum of eleven (11) members.
2. Composition – Majority of the board members shall be owners or occupants of property within the BID. Any member that does not own or occupy real property in the BID is preferred to be a resident of the City of Milwaukee, though not mandatory

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 adopt rules of order ("by laws") to govern the conduct of its meetings.

F. Relationship to the BID

The BID shall be a separate entity from any contract agency notwithstanding the fact that members, officers, and directors of each may be shared. Contracted agencies shall remain private organizations, 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. The BID board may contract with any agency to provide services to the BID, in accordance with this Plan.

IV. METHOD OF ASSESSMENT

A. Assessment Rate and Method

The principle behind the assessment methodology is that each property should equally contribute to the BID. After consideration of other assessment methods, it was determined that each owner would benefit equally from the BID projects and participation would promote involvement with the BID. The assessment will be a flat fee of \$500 with the exception of tax-exempt properties that will join the BID on a voluntary basis.

As of September 1, 2023, the properties in the proposed district had a total assessment eligible value of \$11,902,094. This plan proposes to assess the properties in the district at a rate of \$500 per parcel of assessment-eligible property.

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

50 assessment eligible properties x \$500 = \$25,000

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)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.

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 C, 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.

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

A. 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 to accomplish preservation.

The BID is a means of formalizing and funding the public-private partnership between the City and property owners in the Cesar E. Chavez Drive BID area and for furthering 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.

Additionally, this proposed Operating Plan for BID #38 fits into, complements, and furthers the goals and objectives articulated in three additional City of Milwaukee policy documents: the February 2018 *A Place In the Neighborhood Anti Displacement Plan*; the December 2015 *Walker Square Strategic Action Plan* (Chavez Drive is the Western boundary of Walker Square); and the May 2009 *Near South Side Plan*.

Pursuant to the *Near South Side Plan*, the BID proposes to conduct “community events on Cesar Chavez Drive” (e.g. Ciclovía; El Día de los Muertos (via the 2018 Chavez Drive Artist in Residence, AIR; and possibly Las Posadas (again via the AIR). The BID board and direct stakeholders (property owners, business operators) have reinforced the BID’s commitment to “strengthen ... Chavez Drive’s position as a shopping destination that caters to the Latino community ...” (*Walker Square Strategic Action Plan*, 2015). Lastly, with its successful implementation of and

partnership with Pop-Up MKE In 2018, the corridor has “[p]rioritize[d] local business development and entrepreneurship . . .” in this thriving commercial district (*Anti Displacement Plan*, 2018).

The BID is committed to implement these and other elements of the aforementioned plans and to promote the values and intent articulated in all of the aforementioned official policy documents approved by the City of Milwaukee.

B. 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 is expected to play a significant role in the implementation of the Operating Plan. In particular, the City will:

1. Provide technical assistance to the proponents of the district through adoption of the Plan and provide assistance as appropriate thereafter.
2. Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
3. Collect assessments, maintain in a segregated account, and disburse the monies of the district.
4. Receive annual audits as required per sec. 66.1109 (3) (c) of the BID law.
5. Provide the board, through the Tax Commissioner's Office on or before June 30th of each Plan year, with the official City records and the assessed value of each tax key number with the district, as of January 1st of each Plan year, for purposes of calculating the BID assessments.
6. Encourage the State of Wisconsin, Milwaukee County, and other units of government to support the activities of the district.

VI. FUTURE YEAR OPERATING PLANS

A. Phased Development

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

Section 66.1109 (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 ten (10) activities, and information on specific assessed values, budget amounts and assessment amounts are

based on year ten (10) conditions. 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.

The BID Operating Plan will continue to apply the assessment formula 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 66.1109 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 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 66.1109(3)(b)

BID #38 OPERATING PLAN – APPENDICES

- A. Business Improvement District State Statute B.
- Business Improvement District #38 Boundary Map C.
- Listing of Properties and Assessments
- D. Board Directors Roster

Appendix A:

Business Improvement Districts State Statute –Wis. 66-66.1109

(1) In this section:

- (a)** "Board" means a business improvement district board appointed under sub. (3) (a).
- (b)** "Business improvement district" means an area within a municipality consisting of contiguous parcels and may include railroad rights-of-way, rivers, or highways continuously bounded by the parcels on at least one side, and shall include parcels that are contiguous to the district but that were not included in the original or amended boundaries of the district because the parcels were tax-exempt when the boundaries were determined and such parcels became taxable after the original or amended boundaries of the district were determined.

(c) "Chief executive officer" means a mayor, city manager, village president or town chairperson. **(d)** "Local legislative body" means a common council, village board of trustees or town board of supervisors. **(e)** "Municipality" means a city, village or town.

(f) "Operating plan" means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation and promotion of a business improvement district, including all of the following:

1. The special assessment method applicable to the business improvement district.

1m. Whether real property used exclusively for manufacturing purposes will be specially assessed. **2.** The kind, number and location of all proposed expenditures within the business improvement district. **3.** A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

4. A description of how the creation of the business improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

5. A legal opinion that subds. **1.** to **4.** have been complied with.

(g) “Planning commission” means a plan commission under s. **62.23**, or if none a board of public land commissioners, or if none a planning committee of the local legislative body.

(2) A municipality may create a business improvement district and adopt its operating plan if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. **(b)** has petitioned the municipality for creation of a business improvement district. **(b)** The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan. **(c)**

At least 30 days before creation of the business improvement district and adoption of its initial operating plan by the municipality, the planning commission has held a public hearing on its proposed business improvement district and initial operating plan. Notice of the hearing shall be published as a class 2 notice under ch. **985**. Before publication, a copy of the notice together with a copy of the proposed initial operating plan and a copy of a detail map showing the boundaries of the proposed business improvement district shall be sent by certified mail to all owners of real property within the proposed business improvement district. The notice shall state the boundaries of the proposed business improvement district and shall indicate that copies of the proposed initial operating plan are available from the planning commission on request.

(d) Within 30 days after the hearing under par. **(c)**, the owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 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 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.

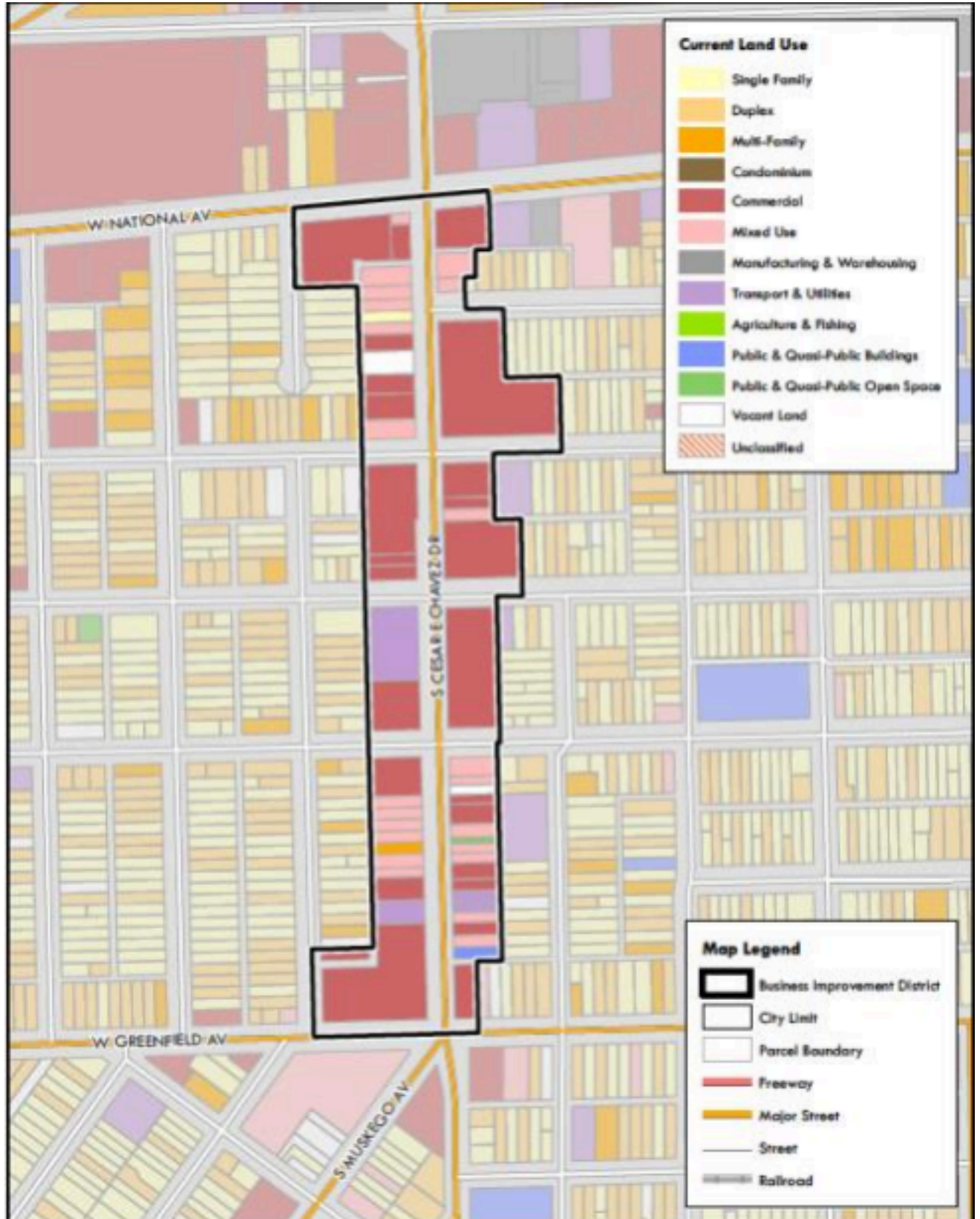
(c) This section does not limit the power of a municipality under other law to regulate the use of or specially assess real property.

(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.

Appendix B:

Cesar E. Chavez Drive Business Improvement District #38 Map of Boundaries



Appendix C: BID #38 Properties and Assessment

Taxkey	Address	Owner	Assessable Total	BID Assessment
433000200 0	923 S CESAR E CHAVEZ DR	STARK REAL ESTATE MANAGEMENT LLC	\$262,500	\$500
433000411 0	925-927 S CESAR E CHAVEZ DR	MIGUEL ANGEL GARZA JR	\$122,700	\$500
433000600 0	933-937 S CESAR E CHAVEZ DR	937 S CESAR CHAVEZ LLC	\$425,728	\$500
433020100 0	1200-1204 S CESAR E CHAVEZ DR	MARIA G ARTEAGA	\$179,879	\$500
433040600 0	1304-1306 S CESAR E CHAVEZ DR	MARIA A TORRIJOS	\$162,180	\$500
433040700 0	1300-1302 S CESAR E CHAVEZ DR	MARIA A TORRIJOS	\$13,200	\$500
433040800 0	1246-1248 S CESAR E CHAVEZ DR	MARIA TORRIJOS	\$14,500	\$500
433040900 0	1242 S CESAR E CHAVEZ DR	EDUARDO VELEZ	\$265,700	\$500
433041000 0	1238 S CESAR E CHAVEZ DR	FRANCISCO L SALDIVAR	\$302,300	\$500
433081000 0	1322-1338 S CESAR E CHAVEZ DR	MARIBEL ESTRADA	\$713,900	\$500
*43308120 00	1310-1312 S CESAR E CHAVEZ DR	IGLESIA DEL DIOS_VIVO	\$55,980	\$500
433081300 0	1308 S CESAR E CHAVEZ DR	PRIETO PROP HOLDING I LLC	\$491,100	\$500
433100110 0	1635 W NATIONAL AV	SSCHC REAL ESTATE, INC.	\$1,699,100	\$500

*43312300 00	1016-1018 S CESAR E CHAVEZ DR	SIXTEENTH STREET COMMUNITY HEALTH CENTERS, INC.	\$108,744	\$500
433123100 0	1014 S CESAR E CHAVEZ DR	EL REY ENTERPRISES	\$106,200	\$500
433123200 0	1000-1010 S CESAR E CHAVEZ DR	EL REY ENTERPRISES	\$623400	\$500
433141700 0	824-826 S CESAR E CHAVEZ DR	EL REY ENTERPRISES LLP	\$168150	\$500
433141910 0	816-820 S CESAR E CHAVEZ DR	JOSE ZARAGOZA	\$198600	\$500
433160100 0	807-815 S CESAR E CHAVEZ DR	AHN J LEE	\$221,200	\$500
433160200 0	801-803 S CESAR E CHAVEZ DR	CFSC PROPERTIES LLC	\$143100	\$500
433160400 0	905 S CESAR E CHAVEZ DR	RUELLE FAMILY LLC	\$146500	\$500
433160500 0	901-903 S CESAR E CHAVEZ DR	AIELLO PROPERTY INV LLC	\$220,014	\$500
433160700 0	831-833 S CESAR E CHAVEZ DR	RUBEN ARCE	\$150250	\$500
433160800 0	825-827 S CESAR E CHAVEZ DR	JUAN M SANCHEZ	\$ 155,100	\$500
433160900 0	821-823 S CESAR E CHAVEZ DR	JUAN J JIMENEZ	\$261,352	\$500

433179200 0	1033-1035 S CESAR E CHAVEZ DR	IRMA Y HERRERA	\$376,500	\$500
433179300 0	1037 S CESAR E CHAVEZ DR	EL REY ENTERPRISES	\$370,700	\$500
433181911 0	1207 S CESAR E CHAVEZ DR	JUJHAR HOLDINGS LLC	\$314,600	\$500
433182100 0	1215 S CESAR E CHAVEZ DR	EL REY PROPERTIES LLP	\$128000	\$500
433182200 0	1217-1219 S CESAR E CHAVEZ DR	FEDERICO DIAZ	\$132,200	\$500
433182300 0	1221-1223 S CESAR E CHAVEZ DR	MD PROPERTY MGMT LLC	\$137,400	\$500
433182400 0	1225-1227 S CESAR E CHAVEZ DR	DEDE PROPERTIES LLC	\$85736	\$500
433182600 0	1235-1237 S CESAR E CHAVEZ DR	THIRD COAST INVESTMENTS LLC	\$116745	\$500
433182700 0	1239-1241 S CESAR E CHAVEZ DR	E. VILLARREAL PROPERTIES	\$97515	\$500
433182810 0	1243-1247 S CESAR E CHAVEZ DR	E. VILLARREAL PROPERTIES	\$275900	\$500
433183110 0	1305-1307 S CESAR E CHAVEZ DR	E. VILLARREAL PROPERTIES	\$45300	\$500
433183811 2	1337 S CESAR E CHAVEZ DR	16TH STREET COMMUNITY	\$289800	\$500
433220400 0	1232-1234 S CESAR E CHAVEZ DR	MIGUEL HERRERA	\$260772	\$500
433220500 0	1230 S CESAR E CHAVEZ DR	Alma Flores	\$172707	\$500

433220700 0	1224 S CESAR E CHAVEZ DR	HERRERA INVESTMENTS, LLC	\$170697	\$500
----------------	-----------------------------	--------------------------	----------	-------

16

433220800 0	1216-1222 S CESAR E CHAVEZ DR	FEDERICO DIAZ	\$363,600	\$500
433220900 0	1214 S CESAR E CHAVEZ DR	JENNIFER HERNANDEZ	\$170300	\$500
433221100 0	1208 S CESAR E CHAVEZ DR	JUAN J JIMENEZ	\$135,100	\$500
433232100 0	1127-1135 S CESAR E CHAVEZ DR	CCM-CESAR CHAVEZ LLC	\$106,1400	\$500
433090310 0	1567 W NATIONAL AV	BRODERSEN PROPS OF MILW LLC	\$1,070,700	\$500
433124811 0	1575 W WASHINGTON ST	MCDONALD'S CORP	\$3,593,000	\$500
433224100 0	916 S CESAR E CHAVEZ DR	EL REY ENTERPRISES II LLC	\$3,165,400	\$500
433178911 1	1023 S CESAR E CHAVEZ DR	EL REY ENTERPRISES LLC	\$616,653	\$500
		Total Assessable/Assessment	\$20,362,102	\$24,000
		Total Assessable Properties	48	

Appendix D:

Cesar E. Chavez Drive BID #38 Board Composition (as of Sep. 19, 2025)

Name	Position	Term End Phone	Email
Chris Mambu Rasch	Secretary & Treasurer, Board Member	10/15/2027 414-303- 4034	crasch@buildingadvantage.org
Alejandro Rivera	Board Member	Submitted 414-384- 4249	riverasww1@yahoo.com
Jesus Hernandez	Board Member	2/15/2024 414-389- 9390	jesushernandez1@gmail.com
Patricia Najera	Vice-chair	12/19/2027 414-801- 4250	najerap1@matc.edu
Francisco Sandino	Chair	5/23/2026 414-467- 8189	franksandino@gmail.com
Yarlian Vazquez	Board Member	5/30/2026 414-915- 6254	yarlian.vazquez@gmail.com
Julie Schuller	Board Member	5/25/2026 414-897- 5192	julie.schuller@sschc.org
Sonia Velasquez	Board Member	7/18/2026 414-243- 5592	soniav@elreyfoods.com

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

(With Summarized Totals for the Year Ended December 31, 2023)

With Accountant's Review Report

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE

TABLE OF CONTENTS

	<u>Page</u>
Independent Accountant's Review Report	1 - 2
Statement of Financial Position	3
Statement of Activities.....	4
Statement of Functional Expenses	5
Statement of Cash Flows.....	6
Notes to the Financial Statements.....	7 - 10

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors
Business Improvement District No. 38 - Cesar E. Chavez Drive
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of Business Improvement District No. 38 - Cesar E. Chavez Drive (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, 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. 38 - Cesar E. Chavez Drive 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 businesses, nonprofits, individuals and trusts.

330 E. Kilbourn Ave., Suite 222
Milwaukee, WI 53202

t. 414.271.1451
f. 414.271.7464
ritzholman.com

To the Board of Directors
Business Improvement District No. 38 - Cesar E. Chavez Drive

Summarized Comparative Information

We previously reviewed Business Improvement District No. 38 - Cesar E. Chavez Drive's 2023 financial statements and in our conclusion dated August 26, 2024, stated that based on our review, we were not aware of any material modifications that should be made to the 2023 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, 2023, for it to be consistent with the reviewed financial statements from which it has been derived.

A handwritten signature in cursive script that reads "Ritz Holman LLP".

RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
July 31, 2025

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024
(With Summarized Totals for December 31, 2023)
(See Accountant's Review Report)

ASSETS		2024	2023
CURRENT ASSETS			
Cash		\$ 124,937	\$ 107,268
Total Current Assets		<u>\$ 124,937</u>	<u>\$ 107,268</u>
 TOTAL ASSETS		 <u><u>\$ 124,937</u></u>	 <u><u>\$ 107,268</u></u>
 LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts Payable		\$ 2,500	\$ 5,175
Total Current Liabilities		<u>\$ 2,500</u>	<u>\$ 5,175</u>
 NET ASSETS			
Without Donor Restrictions		\$ 122,437	\$ 102,093
Total Net Assets		<u>\$ 122,437</u>	<u>\$ 102,093</u>
 TOTAL LIABILITIES AND NET ASSETS		 <u><u>\$ 124,937</u></u>	 <u><u>\$ 107,268</u></u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)
(See Accountant's Review Report)

	Without Donor Restrictions	
	2024	2023
REVENUE		
Tax Assessments	\$ 24,500	\$ 24,500
Grants and Contributions	32,500	---
Other Revenue	2,000	---
Total Revenue	<u>\$ 59,000</u>	<u>\$ 24,500</u>
EXPENSES		
Program Services	\$ 29,807	\$ 30,140
Management and General	8,849	8,840
Total Expenses	<u>\$ 38,656</u>	<u>\$ 38,980</u>
CHANGE IN NET ASSETS	\$ 20,344	\$ (14,480)
Net Assets, Beginning of Year	<u>102,093</u>	<u>116,573</u>
NET ASSETS, END OF YEAR	<u><u>\$ 122,437</u></u>	<u><u>\$ 102,093</u></u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)
(See Accountant's Review Report)

	2024			2023
	Program Services	Management and General	Total	Total
Contract Services	\$ 27,950	\$ 5,660	\$ 33,610	\$ 29,700
Professional Fees	---	3,000	3,000	2,900
Streetscaping	---	---	---	5,640
Other Expenses	1,857	189	2,046	740
TOTALS	<u>\$ 29,807</u>	<u>\$ 8,849</u>	<u>\$ 38,656</u>	<u>\$ 38,980</u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024
(With Summarized Totals for the Year Ended December 31, 2023)
(See Accountant's Review Report)

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 20,344	\$ (14,480)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Increase (Decrease) in Accounts Payable	<u>(2,675)</u>	<u>2,900</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 17,669</u>	<u>\$ (11,580)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 17,669	\$ (11,580)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>107,268</u>	<u>118,848</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 124,937</u></u>	<u><u>\$ 107,268</u></u>

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2024

(See Accountant's Review Report)

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024
(See Accountant's Review Report)

NOTE A - Summary of Significant Accounting Policies

Organization

Business Improvement District No. 38 - Cesar E. Chavez Drive (The "Organization") 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. The Organization's mission is to plan for long-term sustainable growth, foster a premier business and commercial center, provide guidance on financing and incentives, and nurture our community through safety, beautification, and services.

Business Improvement District No. 38 - Cesar E. Chavez Drive 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 the Organization have been prepared on the accrual basis of accounting.

Basis of Presentation

The Organization 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.

Contributions and Grant Revenue

Contributions received and unconditional promises to give are measured at their fair values and are reported as increases in net assets. Contributions are considered available for the Organization's general programs unless specifically restricted by the donor. Contributions received with restrictions that are met in the same reporting period are reported as revenue without donor restrictions and increase net assets without donor restrictions. Conditional promises to give are not recognized 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 when the barrier is not overcome. Amounts received for which the donor has limited the use of the asset or designated the gift as support for future periods are considered restricted support and included in net assets with donor restrictions. When a donor restriction 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. When the restriction on a contribution is met in the same reporting period as the contribution is received, the contribution is reported in net assets without donor restrictions.

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024
(See Accountant's Review Report)

NOTE A - Summary of Significant Accounting Policies (continued)

Contributions and Grant Revenue (continued)

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.

Functional Expenses

The Organization allocates costs directly to program and management when appropriate. Certain expenses are attributable to one or more programs or supporting functions of the Organization. Those expenses are allocated based on estimates of time and effort.

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.

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.

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 individual lease assets and liabilities when they are greater than \$5,000. However, if the combined lease assets or liabilities for individually insignificant leases are greater than \$5,000, the Organization recognizes the lease assets and obligations.

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.

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2024
(See Accountant's Review Report)

NOTE B - Comparative Financial Information

The financial information shown for 2023 in the accompanying financial statements is included to provide a basis of comparison with 2024. 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, 2023, from which the summarized information was derived.

NOTE C - Liquidity

The Organization has \$125,137 of financial assets, consisting of cash, available for general expenditures within one year of the statement of financial position date. The Organization monitors its expenditures based on its budget to ensure sufficient liquidity is available.

NOTE D - Concentration of Risk and Assessment Income

In order to provide revenues to support the organization's mission, the Common Council of the City of Milwaukee enforced an assessment on property located within a specified area of the Cesar E. Chavez Drive area. The assessment is calculated based on the eligible properties as of every fall. The assessment levied on properties was \$500 per parcel of nonresidential property for the year ended December 31, 2024.

The Organization receives property assessment income from the City of Milwaukee. The Organization's operations rely on the availability of these funds. For the year ended December 31, 2024, 42% of the Organization's revenue was from the City of Milwaukee. The Organization received a grant from the Zilber Family Foundation during 2024. For the year ended December 31, 2024, 51% of the Organization's revenue came from the Zilber Family Foundation.

NOTE E - Management Arrangement

Under an agreement with the executive director, the Organization is provided with management, strategic planning, financial services, and other necessary duties that are needed to maintain the Organization at an excellent level. During the months of January and February 2024, the organization retained the contracted management from 2023 at a reduced rate. Under the contract starting March 2024, the Organization agrees to pay an amount not to exceed \$30,000 annually with a minimum of 20 hours of director services commitment weekly. Total expense for the management agreements was \$28,300 for the year ended December 31, 2024.

NOTE F - Subsequent Events and Contingencies

The Organization has evaluated events and transactions occurring after December 31, 2024, through July 31, 2025, 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.