

**BUSINESS IMPROVEMENT DISTRICT #38
OPERATING PLAN**

For 2020

Cesar E. Chavez Drive



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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 2020, the fifteenth 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. 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 2020

A. Plan Objectives

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

- a) Improve public safety, image and public perception of the Cesar E. Chavez commercial corridor
- b) Coordinate public improvement projects in the Cesar E. Chavez Drive commercial corridor to enhance its physical aesthetics and the sense of place
- c) Increase the capacity of local business operators and property owners
- d) Promote Cesar E. Chavez Drive as a unique shopping and tourist destination by creating an improved cultural image through the installation of public art and space activation

B. Proposed Activities - 2020

Principal activities to be engaged in by the district during its 15th year of operation will include:

- a) Continue the BID’s fund to utilize for small public safety projects (e.g. Crime Prevention Through Environmental Design – CPTED audit recommendations, store/property layout, design features, advertising, lighting, security camera or sensor equipment; and to seek, in partnership with the Clarke Square Neighborhood Initiative Inc. [CSNI] and others, additional grant dollars to supplement the fund)
- b) Serve as an essential partner in the Community Economic Development (CED) action planning process for the Clarke Square Neighborhood
 - Encourage BID property owners and business operators to engage in the Action Planning process for CED in Clarke Square;
- c) 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:
 - Maintain one or more Chavez Drive bus stops
 - Institute decorative/artistic treatments to planters (or gain agreements of business operators/property owners to plant and maintain flowers and plants seasonally)
 - Repair and maintain trash receptacles
 - Purchase and install bike racks;
- d) Implement consistent cleaning services and volunteer clean-up activities to promote upkeep on the street
- e) Execute the 6th year of the Farm Project (Proyecto Campesino), including:
 - A 3rd Chavez Drive Artist in Residence (resources allowing)
 - Co-conduct a Capital Campaign (in partnership with CSNI) to build out “La Placita Chávez” (surrounding the Cesar Chavez Sculpture at 916 S. Chavez Drive; and contribute a lead gift of \$10,000 to the project)
- f) Co-coordinate the 8th Ciclovía MKE – Open Streets Event, September 2020
- g) Maintain good governance of the Chavez Drive BID:
 - In light of term expirations coming in 2020, consider term extension for board directors displaying commitment to the board; recruit at least three new and/or prospective BID board directors during 2020

C. Proposed Expenditures – Year Fifteen (15), 2020

Proposed Budget

| Expense Item | Amount |
|------------------------------------|----------|
| Streetscape and Beautification | \$11,000 |
| Right of Way/Public Space Cleaning | \$2,000 |
| Administrative/Professional Fees | \$6,000 |
| Farm Project | \$2,500 |

| | |
|---|-----------------|
| CPTED (Safety) Matching Grants | \$3,500 |
| Total | \$25,000 |
| Placita Chavez Campaign/Buildout (from cash reserves) | \$10,000 |
| Total Proposed Expenses in 2020 | \$35,000 |

At year-end 2018, the BID had cash assets of \$48,944. It is projected that after expenses, the BID will have approximately \$12,000 in revenue to add to this cash balance (for a projected total of \$60,000 in cash assets on hand at 12/31/19). As such, a projected total of \$35,000 of expenses in 2020 will exhaust 2020 revenue from assessments and will spend down \$10,000 of the BID's cash assets for expenses as detailed herein.

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 actually available.

E. Organization of BID Board

The Mayor appoints members to the district board ("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. 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 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 ASSESMENT

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 July 12, 2019, the properties in the proposed district had a total assessment eligible value of \$12,591,470. 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 as a means 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 reestablishment.

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 66.1109(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 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.

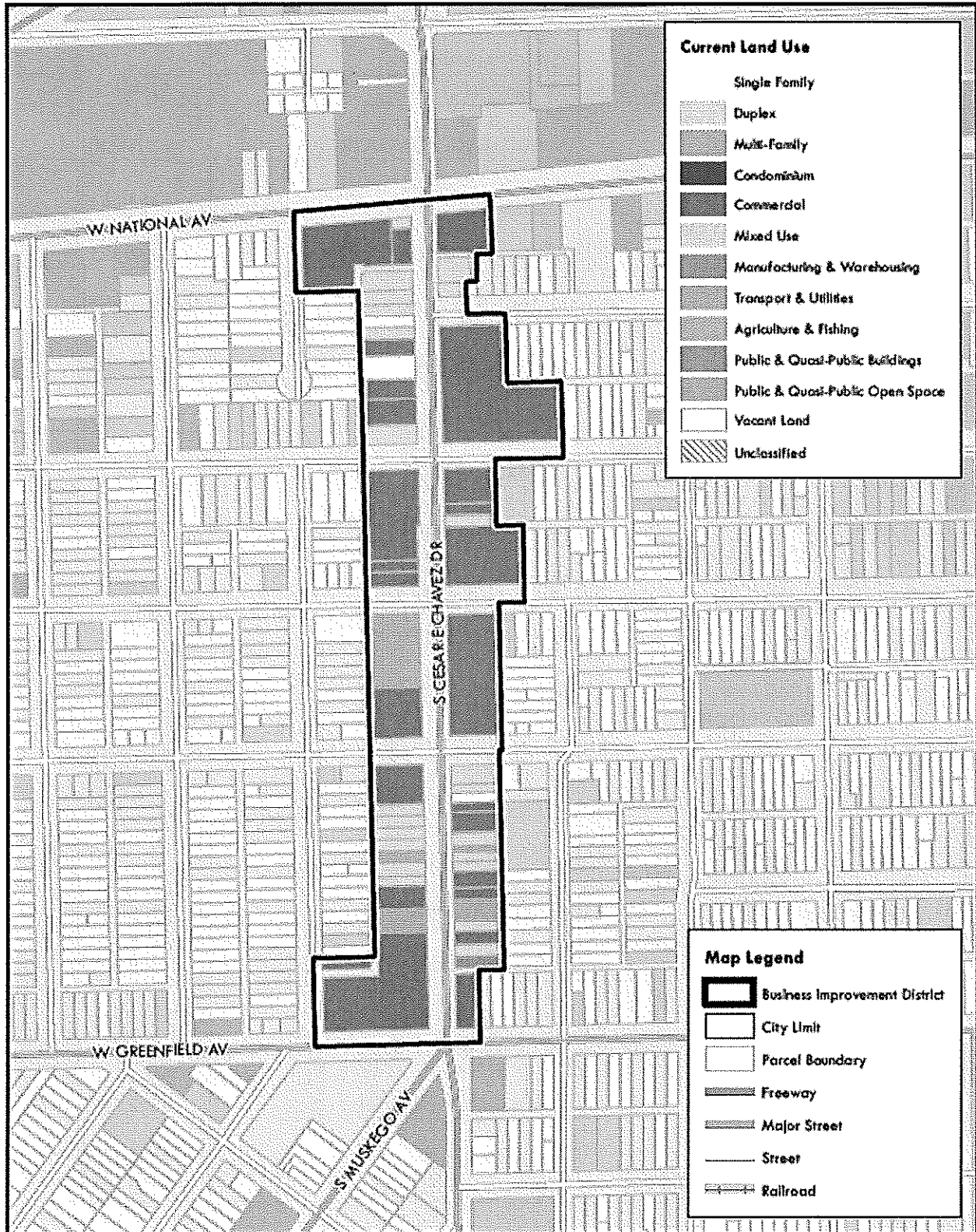
(5)

- (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.

Appendix B:

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



Appendix C: BID #38 Properties and Assessment

| Tax Key | Address | Owner | Assessable Total | BID Assessment |
|----------------|----------------------------------|-----------------------------|-------------------------|-----------------------|
| 4330001000 | 911-915 S CESAR E CHAVEZ DR | CITY OF MILW | \$0 | \$0 |
| 4330002000 | 923 S CESAR E CHAVEZ DR | KERSMTY LLC | \$170,600 | \$500 |
| 4330004110 | 925-927 S CESAR E CHAVEZ DR | MIGUEL ANGEL GARZA JR | \$105,200 | \$500 |
| 4330006000 | 933-937 S CESAR E CHAVEZ DR | IMAD KORAN | \$353,631 | \$500 |
| 4330201000 | 1200-1204 S CESAR E CHAVEZ DR | MARIA G ARTEAGA | \$171,321 | \$500 |
| 4330406000 | 1304-1306 S CESAR E CHAVEZ DR | MARIA A TORRIJOS | \$131,408 | \$500 |
| 4330407000 | 1300-1302 S CESAR E CHAVEZ DR | MARIA A TORRIJOS | \$13,200 | \$500 |
| 4330408000 | 1246-1248 S CESAR E CHAVEZ DR | MARIA TORRIJOS | \$14,500 | \$500 |
| 4330409000 | 1242 S CESAR E CHAVEZ DR | EDUARDO VELEZ | \$161,900 | \$500 |
| 4330410000 | 1238 S CESAR E CHAVEZ DR | LEONARDO APONTE | \$270,300 | \$500 |
| 4330810000 | 1322-1338 S CESAR E CHAVEZ DR | MARIBEL ESTRADA | \$557,700 | \$500 |
| 4330811000 | 1316 S CESAR E CHAVEZ DR | IGLESIA DEL DIOS VIVO | \$0 | \$0 |
| 4330812000 | 1310-1312 S CESAR E CHAVEZ DR | IGLESIA DEL DIOS_VIVO | \$52,645 | \$500 |
| 4330813000 | 1308 S CESAR E CHAVEZ DR | PRIETO PROP HOLDING I LLC | \$417,100 | \$500 |
| 4330903100 | 1567 W NATIONAL AV | BRODERSEN PROPS OF MILW LLC | \$226,000 | \$500 |
| 4331001100 | 1635 W NATIONAL AV | BADGER MUTUAL FIRE INS CO | \$948,000 | \$500 |
| 4331226112 | 1032-1036 S CESAR E CHAVEZ DR | 16TH STREET COMMUNITY | \$0 | \$0 |
| 4331230000 | 1016-1018 S CESAR E CHAVEZ DR | EL REY ENTERPRISES | \$107,129 | \$500 |
| 4331231000 | 1014 S CESAR E CHAVEZ DR | EL REY ENTERPRISES | \$75,300 | \$500 |
| 4331232000 | 1000-1010 S CESAR E CHAVEZ DR | EL REY ENTERPRISES | \$447,400 | \$500 |
| 4331248110 | 1575 W WASHINGTON ST | MCDONALD'S CORP | \$513,000 | \$500 |
| 4331417000 | 824-826 S CESAR E CHAVEZ DR | EL REY ENTERPRISES LLP | \$106,900 | \$500 |
| 4331419100 | 816-820 S CESAR E CHAVEZ DR | JF DRYWALL LLC | \$159,100 | \$500 |
| 4331601000 | 807-815 S CESAR E | AHN J LEE | \$202,300 | \$500 |

| | | | | |
|------------|----------------------------------|---------------------------|-----------|-------|
| | CHAVEZ DR | | | |
| 4331602000 | 801-803 S CESAR E CHAVEZ DR | CFSC PROPERTIES LLC | \$80,750 | \$500 |
| 4331604000 | 905 S CESAR E CHAVEZ DR | RUELLE FAMILY LLC | \$124,100 | \$500 |
| 4331605000 | 901-903 S CESAR E CHAVEZ DR | AIELLO PROPERTY INV LLC | \$91,491 | \$500 |
| 4331606000 | 835 S CESAR E CHAVEZ DR | AIELLO PROPERTY INV LLC | \$0 | \$0 |
| 4331607000 | 831-833 S CESAR E CHAVEZ DR | RUBEN ARCE | \$81,900 | \$500 |
| 4331608000 | 825-827 S CESAR E CHAVEZ DR | JUAN M SANCHEZ | \$99,773 | \$500 |
| 4331609000 | 821-823 S CESAR E CHAVEZ DR | JUAN J JIMENEZ | \$216,709 | \$500 |
| 4331789111 | 1023 S CESAR E CHAVEZ DR | EL REY ENTERPRISES | \$539,830 | \$500 |
| 4331792000 | 1033-1035 S CESAR E CHAVEZ DR | IRMA Y HERRERA | \$324,800 | \$500 |
| 4331793000 | 1037 S CESAR E CHAVEZ DR | EL REY ENTERPRISES | \$125,900 | \$500 |
| 4331801110 | 1109 S CESAR E CHAVEZ DR | EL REY ENTERPRISES II LLC | \$103,000 | \$500 |
| 4331807111 | 1127-1135 S CESAR E CHAVEZ DR | EL REY ENTERPRISES II LLC | \$958,400 | \$500 |
| 4331819110 | 1207 S CESAR E CHAVEZ DR | APPLE TRANSPORT LLC | \$217,500 | \$500 |
| 4331821000 | 1215 S CESAR E CHAVEZ DR | EL REY PROPERTIES LLP | \$86,750 | \$500 |
| 4331822000 | 1217-1219 S CESAR E CHAVEZ DR | FEDERICO DIAZ | \$88,300 | \$500 |
| 4331823000 | 1221-1223 S CESAR E CHAVEZ DR | MD PROPERTY MGMT LLC | \$92,550 | \$500 |
| 4331824000 | 1225-1227 S CESAR E CHAVEZ DR | DEDE PROPERTIES LLC | \$60,805 | \$500 |
| 4331825000 | 1229-1233 S CESAR E CHAVEZ DR | ADAM WROBLEWSKI | \$0 | \$0 |
| 4331826000 | 1235-1237 S CESAR E CHAVEZ DR | TORRIJOS LLC | \$75,638 | \$500 |
| 4331827000 | 1239-1241 S CESAR E CHAVEZ DR | E. VILLARREAL PROPERTIES | \$64,180 | \$500 |
| 4331828100 | 1243-1247 S CESAR E CHAVEZ DR | E. VILLARREAL PROPERTIES | \$235,200 | \$500 |
| 4331831100 | 1305-1307 S CESAR E CHAVEZ DR | E. VILLARREAL PROPERTIES | \$45,300 | \$500 |
| 4331838112 | 1337 S CESAR E CHAVEZ DR | 16TH STREET COMMUNITY | \$248,400 | \$500 |
| 4332204000 | 1232-1234 S CESAR E CHAVEZ DR | MIGUEL HERRERA | \$200,597 | \$500 |
| 4332205000 | 1230 S CESAR E CHAVEZ DR | AHMAD HAMDAN | \$151,015 | \$500 |

| | | | | |
|------------|----------------------------------|------------------------------------|---------------------|-----------------|
| 4332206000 | 1224-ADJ S CESAR E CHAVEZ DR | CITY OF MILW PED-WAY | \$0 | \$0 |
| 4332207000 | 1224 S CESAR E CHAVEZ DR | TORRIJOS LLC | \$88,150 | \$500 |
| 4332208000 | 1216-1222 S CESAR E CHAVEZ DR | FEDERICO DIAZ | \$289,100 | \$500 |
| 4332209000 | 1214 S CESAR E CHAVEZ DR | JENNIFER HERNANDEZ | \$107,100 | \$500 |
| 4332210000 | 1210 S CESAR E CHAVEZ DR | LUIS J JIMENEZ | \$11,800 | \$500 |
| 4332211000 | 1208 S CESAR E CHAVEZ DR | OSCAR BAUTISTA | \$95,200 | \$500 |
| 4332241000 | 916 S CESAR E CHAVEZ DR | EL REY ENTERPRISES II LLC | \$2,482,600 | \$500 |
| | | Total Assessable/Assessment | \$12,591,470 | \$25,000 |

Total Assessable Properties

50

Appendix D:

Cesar E. Chavez Drive BID #38 Board Composition (as of 9/30/19)

| Name | Position | Term End | Phone | Email |
|------------------|--|------------------|--------------|----------------------------|
| Leonardo Gómez | Board Director | June 9, 2020 | 414-303-4034 | Alfonsogomez444@yahoo.com |
| Nelson Lang | Secretary & Treasurer, Board Director | May 19, 2020 | 414-541-5200 | Nelson@elreyfoods.com |
| Pablo Razo | Board Director | April 5, 2020 | 414-553-2115 | Razo_corporation@yahoo.com |
| Alejandro Rivera | Board Director | March 29, 2020 | 414-384-4249 | Riverasww1@yahoo.com |
| Chris Rasch | Board Director | December 5, 2020 | 414-897-5758 | Christoper.Rasch@sschc.org |
| Francisco Bravo | Board Director | January 12, 2021 | 773-592-2454 | Fbravo.mke@gmail.com |



BID #38 Cesar E. Chavez Drive

Annual Report: 2018 – 2019

Mission Statement

The mission of the Cesar E. Chavez Business Improvement District is to unite and improve the community through culture, art & commerce.

Proposed Activities – 2020

The principal activities of the commercial corridor in its 15th year of operation will include:

Safety. Promote public safety via Crime Prevention Through Environmental Design (CPTED) reviews and matching grants available to property owners. These reviews identify areas of improvement on properties and can help finance the recommended changes. Business operators should contact their property owner and the BID to find out more.

Planning for the Future. Serve as an essential partner in the Community Economic Development (CED) action planning process for the Clarke Square Neighborhood

- ❖ Encourage BID property owners, business operators, and customers to engage in the Action Planning process for CED in Clarke Square;

Maintain & Beautify. Repair, replace and maintain streetscape features to present a clean and beautiful environment on Cesar E. Chavez Drive. In consultation with property owners and business operators plan improvements will likely include:

- ❖ Maintain one or more Chavez Drive bus stops
- ❖ Work with property owners and business operators to install decorative/artistic treatments or plants (to be maintained consistently) in planters
- ❖ Repair and maintain trash cans
- ❖ Purchase and install bike racks;

Promote a Clean Street. Implement consistent cleaning services and volunteer cleanup events to promote upkeep on the street

The Farm Project. Execute the 6th year of the Farm Project (Proyecto Campesino), including:

- ❖ A 3rd Chavez Drive Artist in Residence (resources allowing)
- ❖ Co-conduct a Capital Campaign (in partnership with CSNI) to build out “La Placita Chávez” (surrounding the Cesar Chavez Sculpture at 916 S. Chavez Drive; and contribute a major gift to the project)

Open Streets. Co-coordinate the 8th Ciclovía MKE – Open Streets Event, September 2020 (during the weekend of Fiestas Patrias)

Leadership. Maintain good governance of the Chavez Drive BID: recruit at least three new and/or prospective BID board directors during 2020

The Cesar E. Chavez Drive BID

Founded in 2005, the commercial corridor enters its 15th year of operation as a Business Improvement District in 2020. The district runs from the South side of National Avenue down to the North side of Greenfield Avenue. There are 50 properties that voluntarily self-assess \$500 per parcel in order to raise \$25,000 in revenue to be invested in the commercial corridor. The BID board, in partnership with others, leverages those dollars from grant sources and other special programs. Each year, the overall assessment value of properties in the BID is rising. From 2018 – 2019, this property value increase was 3.5% (from \$12.2 million to \$12.6 million in aggregate value).

The Drive is named in honor of the activist and labor leader, Cesar E. Chavez (co-founder of the United Farmworkers [UFW]). It is home to a variety of traditional Mexican restaurants, shops offering Latin inspired apparel, health and beauty services for men and women, prominent public art installations, and stores featuring unique culturally significant items. Chavez Drive proudly offers an abundance of choices for families who want more than the traditional shopping experience. It is home to the region's largest and most well known Latin supermarket, El Rey Foods. Over the last 30 years, the Drive has become Milwaukee's (and Southeastern Wisconsin's) Latin cultural, artistic, and shopping capital. Come experience the "can-do" attitude that is encapsulated by Cesar Chavez's famous saying, "¡Sí Se Puede!" (Yes We Can!)

Thank you to all supporters, property owners, business operators, customers and the area community for making Chavez Drive the cultural capital of Latino Milwaukee. A special *¡gracias!* goes to the City of Milwaukee's Commercial Corridors Team for all the hard work they put into Chavez Drive and other BIDs. The following are a few highlights and accomplishments from the Chavez Drive commercial corridor over the past twelve months. Many more good things are yet to come.

Public Art – The Farm Project

From late 2018 through September 30, 2019 three beautiful murals have been installed on Chavez Drive. Two of these have been installed thanks to the partnership and vision of the Sixteenth Street Community Health Centers (a leadership organization on the Drive). The most prominent of these two is the 50th Anniversary (happy 50th Anniversary



The Sixteenth Street Community Health Centers' 50th Anniversary Mural by Mauricio Ramírez

Sixteenth Street!]) mural created by Mauricio Ramírez on the main building for Sixteenth Street, on the Northeast corner of Washington & Chavez. Most recently, Isabel Castro, the 2018 Chavez Drive Artist in Residence completed and installed Tejiendo Raíces on the North wall of 1023 S. Chavez Drive (Southwest corner of Mineral & Chavez) as her major legacy project for her residency. We celebrate these and the many other artists who have helped to build the identity of Chavez Drive over the years. We also look forward to many more public art and culturally significant landmarks to come.

Ciclovía MKE

The 7th Ciclovía MKE took place on September 14, for the first time during the weekend of Las Fiestas Patrias (the acknowledgement of the independence days of many Latin American countries). The event was the most successful ever! Neighbors were encouraged to be as active as they wanted – ranging from mechanical bull riding to yoga in the street. We thank the many partners who made this Open Streets event an ongoing part of the identity of Chavez Drive and the Near South Side. Look for Ciclovía's 8th edition in September of 2020 (during the weekend of Las Fiestas Patrias).

Brew City Match & Pop-Up MKE

Once again in 2019, the Chavez Drive Commercial Corridor is playing host to Pop-Up MKE. This program facilitates a temporary space for small business operators to try out a fixed location. The 2019 – 2020 Pop-Up MKE shop is located at 1037 S. Chavez. While final preparations are being made, shoppers can welcome Artesanía and the LUNA Artist Collective starting in mid-October 2019 through mid-December when two new small businesses will move in to operate their shops. Many thanks to LISC Milwaukee and JP Morgan Chase for creating the Brew City Match which is investing in commercial corridors such as Chavez Drive. A special thanks to El Rey Properties for being good neighbors, providing the space for our Pop-Up MKE guests and continuous investment into the Drive.



Chavez Day

It has become tradition, ever since the bronze Cesar Chavez was installed in La Placita Chávez at 916 S. Chavez (at the Supermercado El Rey) to host the community commemoration of Cesar E. Chavez' birthday at that place. 2019 was no different. While Cesar's fiberglass likeness graced the halls of Milwaukee's City Hall, neighbors gathered at La Placita Chavez on March 29, 2019 to honor Chavez' legacy, his contributions to civil and human rights, and his inspiration to movement leaders working for justice and peace. Inspiring poems and essays were spoken by young leaders who participated in the Marcus Center's Cesar Chavez youth art contest. It is encouraging to know that Chavez' legacy will continue to inspire and to motivate generations to come because of his presence – symbolically – in the community and with the people.



@CesarEChavezBusinessImprovementDistrict

New Energy

Coming soon to Chavez Drive will be 21 signs (pictured here) on light posts welcoming everyone to the commercial corridor. Earlier in 2019, the BID board of directors changed to the BID's tagline (from ¡Me Gusta! to ¡Sí Se Puede! in honor of Cesar Chavez' famous chant). Let us know what you think.

Please connect with the BID via Facebook in order to keep up with the latest news and calendar of events for the Drive:



Check back in early 2020 for a brand new Chavez Drive BID website.

Board of Directors

Francisco Bravo
 Leonardo Gómez
 Nelson Lang, Secretary/Treasurer
 Christopher Mambu Rasch
 Pablo Razo
 Alejandro Rivera

Support Staff

Ian B. Bautista, Chavez Drive BID #38
 c/o Clarke Square Neighborhood Initiative
 2110 W. Scott Street, 2nd Floor
 Milwaukee, WI 53204
 Office 414-647-0548 x 107
 Mobile 414-405-8177
 E-mail: ian@clarkesquare.org



Tejiendo Raíces Mural (during installation) by Isabel Castro, 2018 Chavez Drive Artist in Residence

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

FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2018

(With Summarized Totals for the Year Ended December 31, 2017)

With Accountant's Review Report

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

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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, 2018, 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.

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.

The financial statements for the year ended December 31, 2017 were audited by us, and we expressed an unqualified opinion on them in our report dated September 11, 2018, but we have not performed any auditing procedures since that date.



RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
September 27, 2019

Ritz Holman LLP
Serving business, nonprofits, individuals and trusts.

330 E. Kilbourn Ave., Suite 550 t. 414.271.1451
Milwaukee, WI 53202 f. 414.271.7464
ritzholman.com

Member of the American Institute of Certified Public Accountants, Wisconsin Institute of Certified Public Accountants

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2018
(With Summarized Totals for the Year Ended December 31, 2017)
(See Accountant's Review Report)

| | Reviewed 2018 | Audited 2017 |
|---|-------------------------|-------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash | \$ 48,944 | \$ 53,548 |
| Total Current Assets | <u>\$ 48,944</u> | <u>\$ 53,548</u> |
| TOTAL ASSETS | <u><u>\$ 48,944</u></u> | <u><u>\$ 53,548</u></u> |
| LIABILITIES AND NET ASSETS | | |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$ --- | \$ 20,000 |
| Total Current Liabilities | <u>\$ ---</u> | <u>\$ 20,000</u> |
| NET ASSETS | | |
| Without Donor Restrictions | \$ 48,944 | \$ 33,548 |
| Total Net Assets | <u>\$ 48,944</u> | <u>\$ 33,548</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 48,944</u></u> | <u><u>\$ 53,548</u></u> |

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(With Summarized Totals for the Year Ended December 31, 2017)
(See Accountant's Review Report)

| | Without Donor Restrictions | |
|-------------------------------|----------------------------|-----------------|
| | Reviewed 2018 | Audited 2017 |
| REVENUE | | |
| Tax Assessments | \$ 25,500 | \$ 25,500 |
| Total Revenue | \$ 25,500 | \$ 25,500 |
| EXPENSES | | |
| Program Services | \$ 7,104 | \$ 16,512 |
| Management and General | 3,000 | 2,500 |
| Total Expenses | \$ 10,104 | \$ 19,012 |
| CHANGE IN NET ASSETS | \$ 15,396 | \$ 6,488 |
| Net Assets, Beginning of Year | 33,548 | 27,060 |
| NET ASSETS, END OF YEAR | \$ 48,944 | \$ 33,548 |

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENTS OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
(With Summarized Totals for the Year Ended December 31, 2017)
(See Accountant's Review Report)

| | <u>Program Services</u> | <u>Management and General</u> | <u>Reviewed 2018 Total</u> | <u>Audited 2017 Total</u> |
|--------------------------------|-----------------------------|---------------------------------------|------------------------------------|-----------------------------------|
| Contract Services | \$ 7,104 | \$ 3,000 | \$ 10,104 | \$ 6,500 |
| Publications and Subscriptions | --- | --- | --- | 12 |
| Program Expenses | --- | --- | --- | 12,500 |
| TOTALS | <u>\$ 7,104</u> | <u>\$ 3,000</u> | <u>\$ 10,104</u> | <u>\$ 19,012</u> |

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

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(With Summarized Totals for the Year Ended December 31, 2017)
(See Accountant's Review Report)

| | Reviewed 2018 | Audited 2017 |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Change in Net Assets | \$ 15,396 | \$ 6,488 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities | | |
| (Increase) Decrease in Accounts Receivable | --- | 25,500 |
| Increase (Decrease) in Accounts Payable | (20,000) | 7,000 |
| Net Cash (Used) Provided by Operating Activities | \$ (4,604) | \$ 38,988 |
| Net (Decrease) Increase in Cash and Cash Equivalents | \$ (4,604) | \$ 38,988 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 53,548 | 14,560 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | \$ 48,944 | \$ 53,548 |

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, 2018

(See Accountant's Review Report)

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(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.

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.

BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(See Accountant's Review Report)

NOTE B - Accounting Change

For year ended December 31, 2018, the Organization's financial statements changed to adopt the *Accounting Standards Update 2016-14, Not-for-Profit Entities (Topic 958), Presentation of Financial Statements of Not-for-Profit Entities*, effective for years beginning after December 15, 2017. This update is required and makes significant changes in reporting of net asset classes, liquidity and functional expenses. Before the change, net assets had three classifications including unrestricted, temporarily restricted, and permanently restricted. After the change, net assets are considered to be with donor restrictions and without donor restrictions. Other new requirements include presenting a statement of functional expenses and footnotes providing information about the functional expenses and liquid financial assets of the Organization. The Organization applied the change on a retrospective basis within the summarized comparative information for the year ended December 31, 2017 and in information for the year ended December 31, 2018.

NOTE C - Comparative Financial Information

The financial information shown for 2017 in the accompanying financial statements is included to provide a basis for comparison with 2018 and presents summarized totals only. 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, 2017, from which the summarized information was derived.

NOTE D - Liquidity

The Organization has \$48,944 of financial assets available within one year of the balance sheet date. This balance consists of all cash and cash equivalents.

NOTE E - Concentration of Revenue

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, 2018, 100% of the organization's revenue was from the City of Milwaukee.

NOTE F - 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 years ended December 31, 2018.

**BUSINESS IMPROVEMENT DISTRICT NO. 38 - CESAR E. CHAVEZ DRIVE
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018
(See Accountant's Review Report)**

NOTE G - Subsequent Events

The organization has evaluated events and transactions occurring after December 31, 2018 September 27, 2019, 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.