

**YEAR 2017
OPERATING PLAN**



***RIVERWORKS
BUSINESS IMPROVEMENT DISTRICT #25***



RIVERWORKS

CENTER

Riverworks Business Improvement District #25 Annual Operating Plan Year Eighteen (2017)

Introduction

In 1984, the Wisconsin Legislature created Sec. 66.1109 of the Statutes enabling cities to establish Business Improvement Districts (BIDs) upon the petition of at least one property owner within the proposed district. The purpose of the law is “...to allow businesses and commercial property owners within those districts to develop, manage and promote the districts and to establish an assessment method to fund these activities.”

Section 66.1109 (3)(b), Wis. Stats. Requires that a BID Board of Directors “...shall annually consider and make changes to the operating plan. The Board shall then submit the operating plan to the local legislative body for its approval.”

This plan details the elements that are required by Sec. 66.1108 Wis. Stats. for operation of the Riverworks Business Improvement District #25 in Year Seventeen. It re-emphasizes the primary mission of the Riverworks Business Improvement District to facilitate commercial and industrial development within the district.

Relationship To Milwaukee’s Comprehensive Plan & Orderly Development Of The City

This Annual Operating Plan is consistent with the City of Milwaukee’s planning efforts. Specifically, the City of Milwaukee has adopted and instituted a Renewal Plan for the Riverworks area and a tax incremental financing district. Further, the City has played a significant role in the planning and development of the reuse of the former AMC/ Chrysler factory located off of Capitol Drive. It is also involved in plans to improve the appearance of East Capitol Drive, including the streetscape completed in the summer of 2003. The plans to improve the appearance of North Holton Street, which includes the City of Milwaukee previous purchase of the CMC old railroad corridor between Keefe Avenue and Auer Avenue for redevelopment into a recreational trail and more recently the City of Milwaukee has purchased and as plans to redeveloped

the CMC old railroad corridor between Capitol Drive and Richards Street; for the expansion of the existing Beerline Recreational Trail from Richards Street north to Capitol Drive.

The business improvement district is a means for further formalizing the efforts of the Renewal Plan and the City of Milwaukee's efforts to find adaptive reuses of existing factory and commercial sites, underutilized parcels and attract more commerce to East Capitol Drive and the surrounding area.

District Boundaries

The boundaries are generally bounded by Port Washington Road to the west, Humboldt Boulevard to the east, Auer Avenue to the south and Hope Street to the north (City of Milwaukee city limits).

Proposed Operating Plan

The objective of the Riverworks BID is to maintain and promote the Riverworks Industrial and Commercial District for the benefit of the BID members and brand this district as "Milwaukee's Creative District". The BID will contract with the Riverworks Development Corporation to promote to carry out the administrative functions of the BID.

The BID will undertake the following activities:

- ◆ *Implement strategies and partnerships for the development of properties identified in the Riverworks Charette.*
- ◆ *Streetscape improvement projects for Capitol Drive gateways, Holton Street and Keefe Avenue corridors.*
- ◆ *Coordinate with the City of Milwaukee where possible the creation of a TIF/TID within the Riverworks Center Area.*
- ◆ *Continue to Implement the Riverworks Strategic Action Plan Prepared by the City of Milwaukee Department of City Development, Riverworks Development Corporation and Riverworks BIDs.*
- ◆ *Support the expansion and upgrades of the Beerline Recreational Trail through the BID district and the Capitol Drive Bridge by leveraging resources to help with the maintenance and improvements to these corridors.*
- ◆ *Create and install a community mural(s) and/or other artwork(s) within the BID's boundary.*
- ◆ *Make additional improvements to the Beerline Recreational Trail.*
- ◆ *Maintain the landscaping and other amenities owned by the BID that are installed on East Capital Drive, Holton Street, Keefe Avenue and side streets area and the Beerline Recreational Trail from Capitol Drive to Auer Avenue.*
- ◆ *Continue to implement Riverworks Center Strategic Plan for the BIDs.*
- ◆ *Assist, support and implement safety initiative measures in the Riverworks Center and surrounding areas; to reduce and eliminate problem properties, reduce crime and nuisance issues.*
- ◆ *Pay the debt associated with the BID's contribution to the significant streetscape completed on East Capital Drive in 2003.*

- ◆ *Coordinate a district-wide litter and graffiti removal program. Also look at creative ways to decrease graffiti in the area by supporting other methods.*
- ◆ *Safety program:*
 - ◆ *Assist area businesses and property owners with Exterior Lighting and/or Exterior Cameras to their property through direct matching grants of funds up to \$3,000 or 40% of the project cost.*
- ◆ *Assist area business and property owners with improvements to their property facades through direct matching grants of funds up to \$5,000 or 40% of the project cost.*
- ◆ *Act as an ombudsman for BID members in seeking assistance, change, or services from the City, County, State, and Federal government.*
- ◆ *Coordinate business recruitment and development with Riverworks Development Corporation.*
- ◆ *Initiate positive media coverage regarding District development activities.*
- ◆ *Promote the area as a great place to work, live, play and do commerce through Riverworks Week and other activities and programs.*
- ◆ *Maintain the fiscal integrity of the BID.*

Budget

The proposed expenditures will be financed from funds collected through the BID assessment process, voluntary private contributions and public grants. The estimated assessed value of BID properties is \$112,366,900. This represents a \$166,010 increase from the previous year's value of \$110,708,800 indicative of the difference the BID is making to improve the area. The estimated assessment generated for the Year 2017 is \$289,660

The operating budget for the Riverworks BID 25 is detailed below.

REVENUE

BID Assessment	\$289,660
Program Funding Carried Forward	\$90,000
Interest Income	\$150
Miscellaneous	\$2,000
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TOTAL REVENUE	\$381,810

EXPENSES

ADMINISTRATIVE SUPPORT

RDC Management	\$90,000
Insurance Expense	\$1,000
Account Services	\$2,000
Consulting Services	\$2,800

Auditing Services	\$3,000	
Office Supplies	\$2,800	
Meeting Expense	\$450	
Memberships	\$700	
Miscellaneous	\$100	
Subtotal		\$100,650
PUBLIC SAFETY & APPEARANCE PROGRAM		
Area Wide Cleaning Expense	\$30,000	
Landscaping Maintenance	\$16,500	
RBID Safety Program	\$1,800	
Equipment Purchase	\$1,200	
Maintenance/Replacement of Streetscape	\$58,609	
Maintenance Reserve	\$10,000	
Streetscape Lighting	\$3,100	
Graffiti Removal	\$2,200	
Subtotal		\$123,409
DEBT SERVICE		
Capitol Drive Streetscape Project	\$44,894	
Subtotal		\$44,894
MARKETING & PROMOTIONS PROGRAM		
Riverworks Week/Advertising/Newsletters/Report/Events/Banner	\$59,857	
Subtotal		\$59,857
BUSINESS & PROPERTY OWNER ASSISTANCE PROGRAM		
Property Improvement Grants	\$25,000	
Safety and Security Grant Program	\$8,000	
Subtotal		\$33,000
Budget Contingency	\$20,000	
TOTAL EXPENSES		\$381,810

Method Of Assessment

The method of assessment for the Year 2015 will remain the same as previous years. The principle behind the assessment methodology is that each parcel's owner should pay for District development in proportion to the benefits derived. Obviously, not every parcel within the District will benefit equally, but is assumed that development of the District will produce at least some minimum benefit for all parcels. Thus, a \$125 minimum assessment has been applied to taxable properties. Additionally, a cap of \$1,500 for industrial properties and \$3,500 for commercial properties per parcel is applied.

The use of a minimum and maximum value is designed to reflect the expected benefits to the area by the BID. Since most of the proposed BID activities are district-wide and not property specific, the proposed minimum assessment is designed to spread the level of cost to all properties within the District. Above this minimum level, it is believed that there will be some additional benefits received based upon the value of the property. However, these benefits are not necessarily directly proportional to value. Therefore, a cap system is proposed since no one large property stands to gain significantly more benefits than other properties.

The Riverworks BID assessment method also addresses the differences between industrial and commercial properties. Although each type of property benefits from the formation of a BID and BID activities, commercial properties tend to see a more direct benefit. Therefore, the assessment method proposes two different cap levels, \$1,500 for industrial properties and \$3,500 for commercial properties.

BID-eligible properties are assessed in the following manner:

- ◆ For industrial and warehouse properties, the assessment is \$125 plus \$5/1,000 assessed value up to a maximum of \$1,500.
- ◆ For commercial properties, the assessment is \$125 plus \$5/1,000 assessed value up to a maximum of \$3,500.

The Business Improvement District law requires explicit consideration of certain classes of property. In compliance with the law, the following statement is provided:

- ◆ Section 66.1109 (5)(a): "*Property known to be used exclusively for residential purposes will not be assessed.*"
- ◆ Section 66.1109 (1)(f)(1m): As mentioned before, the district will contain property used exclusively for manufacturing purposes, as well as properties used in part of 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.

City Role In District Operations

The City of Milwaukee has committed assistance to private property owners within the District to promote the area's development. To this end, the City of Milwaukee has played a significant role in the creation of the Business Improvement District, and intends to assist in the implementation of the Operating Plan. In particular, the City of Milwaukee will:

- ◆ Provide assistance as appropriate to the BID Board of Directors.
- ◆ Monitor and when appropriate apply for outside funds, which could be used in support of the district.
- ◆ Collect BID assessments and maintain them in a segregated account.

- ◆ Disburse all District funds, no earlier than January 31st and no later than March 31st. Disbursement of the full amount assessed by the District shall be made without reference to the amount of assessments collected by the City by the date of disbursement.
- ◆ Obtain a copy of the annual audit from the BID Board of Directors as required per Sec. 66.1108 (3)(c) of the BID law prior to September of the following year.
- ◆ Provide the Board of Directors through the Tax Commissioner's office on or before July 1 of each plan year with the official City of Milwaukee records on the assessed value of each tax key number within the district as of January 1 of each plan year and provide an update immediately prior to preparation of tax bills for purpose of calculating the actual BID assessments for the following plan year.
- ◆ Encourage the State of Wisconsin, County of Milwaukee and other units of government to support the activities of the BID.

The presentation of this plan to the City of Milwaukee shall be deemed a standing order of the Board of Directors under Sec. 66.1109 (4) Wis. Stats. To disburse the BID assessments without necessity of an additional disbursement agreement, disbursement method or accounting method.

Budget authority made under this plan shall be shown in the City's budget as a line item.

Business Improvement District Board of Director

The Board shall consist of a maximum of fifteen (15) Members, two (2) Members from Riverworks Development Corporation Board of Directors and thirteen (13) Members from Riverworks BID.

The Riverworks BID's residential outreach will be achieved through its partnership with Riverworks Development Corporation, a community based economic development corporation with residential and business Board representation. Board terms are three years. Officers are appointed by the board to one calendar year term.

Riverworks Development Corporation

The BID shall be a separate entity from the Riverworks Development Corporation. Riverworks Development Corporation shall remain a private organization, not subject to the open meeting law, and not subject to the public record law except for its records generated in connection with its contract with the BID Board of Directors. Riverworks Development Corporation shall provide the daily administrative support and program implementation required by the Business Improvement District. This contract shall be reviewed on an annual basis, and will require BID Board approval.

Any contract with the BID shall be exempt from the requirements of Sec 62.15, Wis. Stats. Because such contracts shall not be for the construction of improvements or provision of materials. If the BID does

contract for the construction of improvements or provision of materials, it shall follow the requirements of such statutes to the extent applicable. Further, the annual accounting required under Sec 66.1109 (3)(c) Wis. Stats. , shall be deemed to fulfill the requirements of Sec. 62.15 (14) Wis. Stats. The BID Board of Directors and the City of Milwaukee shall comply with the provisions of Sec 66.0703 before the City inserts assessments for this BID plan onto the tax bills for the parcels assessed thereunder, only to the extent required by law, to create a lien on the parcels assessed.

Severability And Expansion

The Riverworks BID will be created under authority of Sec. 66.1109 of the Statutes of the State of Wisconsin. Should any court find any portion of this statute invalid or unconstitutional, said decision will not invalidate or terminate the BID, and this plan shall be amended to conform to the law without need for reestablishment. Should the Wisconsin State Legislature amend the statute to narrow or broaden the process of a BID so as amongst other things 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 budget approval and without necessity to undertake any other act. All the above is specifically authorized under Section 66.1109 (3)(b).

The Riverworks Business Improvement District Board of Directors will engage in a performance review after its twenty (20) operating year to determine continuation of the business improvement district. This performance review also recognizes that the Statutes of the State allow for a petition of dissolution on an annual basis.

BID #25 (Riverworks) Board Member Sheet

Board Organization: 15 members, 2 members from Riverworks Development Corporation Board of Directors and 13 members from Riverworks BID, at least 5 members (the majority) 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.

<u>Board Member</u>	<u>Title</u>	<u>Start Date</u>	<u>End Date</u>
Bill Swanson	Member	06/13/2013	06/13/2016 (expired)
Carl Nilssen	Member	05/12/2009	05/12/2012 (expired)
Catherine Madison	Member	12/21/2015	12/21/2018
Chris Swartz	Member	04/30/2014	04/30/2017
Cliff Wenninger	Member	12/29/2015	12/29/2018
Ihsan Atta	Member	01/26/2016	01/26/2019
Kevin Riordan	Member	06/26/2013	06/26/2016 (expired)
L.C. Whitehead	Member	01/15/2016	01/15/2019
Robert Smith	Member	02/01/2016	02/01/2019
Samih Omari	Member	06/18/2013	06/18/2016 (expired)
Sandra Woycke	Member	06/17/2013	06/17/2016 (expired)
Stephen Chitwood	Member	01/10/2014	01/10/2017
Timothy Fox	Member	12/29/2015	12/29/2018
Tony Balisteri	Member	06/07/2016	06/07/2019
Vickie Volpano	Member	01/02/2008	01/02/2011 (expired)

