



**Historic King Drive
Business Improvement
District (BID #8)**

2024 Operating Plan

1726 N. Dr. Martin Luther King Jr. Drive
Milwaukee, Wisconsin 53212

TABLE OF CONTENTS

Introduction.....	3
District Boundaries.....	4
Proposed Operating Plan.....	4 Plan
Overview.....	4 Plan
Objectives.....	4 2023
Proposed District Activities.....	4 2023

Proposed Action Items.....	5
Proposed 2024 Expenditures.....	6
Financing Method.....	6
Organization of BID Board.....	7
Relationship to Other Entities.....	9
Method of Assessment and Rate.....	9
Included, Excluded and Exempt properties.....	10
Assessment for Additional Services.....	11
Orderly Development of the City.....	11
City Plans.....	11
City Role of in District Operations.....	12
Future Year Operating Plans.....	13
Phased Development.....	13
Amendment, Severability and Expansion.....	13
Contracting with BID No. 8.....	14
Plan Approval Process.....	14
Petition to Terminate the District.....	14
Map of BID No. 8.....	Appendix A
Property Listing.....	Appendix B BID
Statute - Wis. Stat. 66.1109.....	Appendix C

I. INTRODUCTION

In 1984, the Wisconsin Legislature created Sec. 66.608 (currently Sec. 66.1109) of the Wisconsin Statutes (“BID Law”) 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 September 17, 1992, the Common Council of the City of Milwaukee, by Resolution File Number 920644, created BID No. 8 (“Historic King Drive BID”) and adopted its initial operating plan for the year 1993.

Section 66.1109 (3) (b), Wisconsin Statutes, 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.” The Board of

Directors of Historic King Drive BID No. 8 submits this 2024 Operating Plan in fulfillment of the statutory requirement.

The 2024 Operating Plan proposes a continuation of many activities described in the initial Historic King Drive BID 8 Operating Plan. Therefore, it incorporates by reference the earlier plans as adopted by the Common Council. In the interest of brevity, this plan emphasizes the elements which are required by Sec. 66.1109, Wisconsin Statutes, and the proposed changes for 2024. It does not repeat the background information which is contained in the original plan nor does it include the Business Improvement District Statute, original petitions from property owners, or BID No. 8 Bylaws.

In connection with strategic planning conducted in 2023, the Historic King Drive BID No. 8 Board of Directors identified aligning stakeholders towards a future vision of Historic King Drive as a vibrant, inclusive destination where its unique history is shared and celebrated. The Strategic planning process also suggested a refresh in branding to elevate share a sense of pride and promise that captured the original 1993 “King’s Promise” that was created in 1993.” The Historic King Drive BID No. 8 identified the need to revamp its mission to improve the district by fostering a culture that enjoys an authentic experience while attracting businesses. The strategic framework adds “the future of the district for profitable businesses requires that the area be safe, clean and vibrant. To this end, the Board and staff are to be proactive, thoughtfully engaged and responsive.” In executing a plan towards fulfillment of the stated mission, vision and values this operating plan incorporates new activities and additional considerations for the future that will help Historic King Drive BID No. 8 businesses and property owners benefit from its implementation. In addition, this operating plan assists in creating a Historic King Drive that all residents of Milwaukee will be proud of.

II. DISTRICT BOUNDARIES

The Historic King Drive Business Improvement District #8 is bounded generally by Capitol Drive to the north, McKinley Avenue to the south, 7th Street to the west and 2nd Street to the east. The district includes retail, office and industrial uses including Schlitz Park, Welford Sanders Enterprise Center, ManpowerGroup, and Spectrum. Neighborhoods the district falls within include Halyard Park, Haymarket Square, Brewers Hill, Harambee, 5 Points, and the Bronzeville Cultural and Entertainment District. A map is included as Appendix A.

III. PROPOSED OPERATING PLAN

A. Plan Overview

This operating plan, its objectives, and its proposed activities are to be in alignment -- to the extent that it is possible and consistent with the Historic King Drive BID Bylaws, and other policies and procedures as adopted by the board -- with the Harambee area recommendations as enumerated in the City of Milwaukee Department of City Development's Northeast Plan as adopted by the City of Milwaukee in 2009 – with the recommendations enumerated in the Historic King Drive BID Economic Development Plan as adopted by the Board in 2011 – and The Strategic Framework voted and adopted in the third quarter of 2023 with the goals and activities that make up the prominent residential and business park components of the BID: Harambee, Brewer's Hill, Halyard Park, Haymarket Square, and Schlitz Park.

B. Plan Objective

The objective of the Historic King Drive Business Improvement District is to develop, redevelop, maintain, operate and promote the area of Historic King Drive that is within the BID Boundary.

C. 2024 Proposed District Activities

The principal activities BID No. 8 intends to be engaged in during its twenty thirty-first year of operations include but are not limited to assisting property owners with improving their properties, supporting businesses in the district, attracting new businesses, promoting new development projects, and operating a district office to increase value of present improvements by providing staffing to:

- Lead business recruitment and business development efforts
- Maintain clean and presentable right of ways
- Publish and distribute district information and promotional materials
- Initiate publicity and media coverage of District activities
- Promote the district's historic significance and unique commercial mix
- Plan and coordinate special events
- Respond to questions about available space for lease or purchase
- Promote private and public financing of District activities
- Create implement and coordinate volunteer efforts that support growth of the district
- Provide information to interested parties pertaining to business and property opportunities
 - Encourage increased police presence in the district
 - Maintain a strong and consistent internet presence
 - Review and implement the operating plan

D. 2024 Proposed Action Items

The principal activities identified shall align with BID No. 8 actions including:

- Support real estate projects through advocacy, planning and partnerships
- Move one catalytic project in BID 8 from idea to implementation
- Establish a Fundraise plan for long term investment
- Engage BID neighborhoods on a streetscape plan for King Drive
- Administer Brew City Match program
- Recruit new businesses to commercial spaces within BID 8 with assigned Metrics
- Market positive stories/events with a comprehensive marketing plan
- Engage business and property owners directly to increase communication and build district-wide cohesion
- Advocate for city policies that strengthen business and commercial enterprises-- particularly those enumerated within the Department of City Development's Growing Prosperity policy framework
- Implement select Wisconsin Main Street report recommendations in the Historic King Drive Main Street District
- Work closely with city officials, city departments, local stakeholders, and the

development community to bring needed/desired amenities, and development opportunities to the district.

The BID's activities may also include:

- Borrowing funds to pay for streetscape improvements and developing such improvements
- Utilizing and/or borrowing funds to acquire, develop and own real property to be used for the benefit of the district

E. Proposed 2024 Expenditures

REVENUES

BID Assessment \$ 300,411.00

Reserves \$ 100,000

Grants \$ 26,000

TOTAL REVENUES \$ 426,411.00

EXPENSES

Salaries \$ 170,750- (Place more funding in consultants/contractors)

Consultants \$ 26,345.00

Benefits \$ 25,000

Administrative/Payroll Expenses \$ 15,846

Street Maintenance and Graffiti removal \$ 35,000

Projects \$ 20,000

Advertising/Marketing/Events \$ 20,000

BID No. 8 Property Redevelopment Grants \$ 50,000

Dues, Subscriptions, Training, Travel \$ 9,670

Insurance (Gen. Liability, D&O, Volunteer) \$ 10,000

Office Supplies, Postage, Printing \$ 12,000

Rent \$18000.00

Audit \$ 5,500

Accounting/Bookkeeping \$ 4,800

Telephone & Internet \$3500.00

TOTAL MANAGEMENT EXPENSES \$ 426,411.00

F. Financing Method

The proposed expenditures will be financed from funds collected from the BID Assessments (as defined by Section IV.A), voluntary private contributions and funds granted to BID No. 8. The estimated assessed value of BID-eligible properties within the district is \$300,411. Sixty-seven percent of the BID budget

derives from 2024 BID Assessments.

The BID Board of Directors shall have the authority and responsibility to prioritize expenditures, and to revise the budget and activities as necessary. This may include allocation of grant income that may be awarded following approval of this operating plan by the BID Board of Directors.

IV. ORGANIZATION OF BID BOARD

The mayor shall appoint members to the District Board. The Board shall be responsible for the implementation of this Operating Plan. This requires the Board to negotiate with providers of services and materials to carry out the Operating Plan; to enter into various contracts; to monitor the effectiveness of the District's activities; to ensure compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of District assessments.

Wisconsin Statutes Sec/ 66.1109(3)(a) 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 Board shall be structured and operate as follows:

1. Board size – 15 members

2. Composition

(a) The Board of Directors shall be composed of no more than fifteen members of whom all but three shall be owners/owner-designated representatives of a BID assessed property or a commercial tenant of a BID assessed property. The remaining three (3) board positions shall be representatives of community organizations which function within the environs of the district. Board members cannot be elected municipal or governmental officials unless the elected official meets the criteria stated earlier in this section.

3. Term – Appointments to the Board shall generally be for a period of three years. Their term of office shall begin at the meeting following the date they are sworn in by the City Clerk. At the discretion of the Board, Director positions may be renewed at the end of the three-year term.

Recommendations for new/renewing Directors will occur by nominations of serving Directors. Successful candidates must receive two-thirds vote of the BID Directors present to qualify for recommendation to the Mayor. Board members may continue to serve until replaced.

4. Compensation – None. Directors are eligible for reimbursement for Board approved expenses.
5. Meetings – All meetings of the Board shall be governed by the Wisconsin Open Meetings Law as legally required. The Board may go into a closed session if the meeting is properly noticed to the City of Milwaukee City Clerk's office. Regular meetings of the Board will occur at a minimum on a quarterly basis.
6. Staffing and Office – The Board may employ staff and/or contract for various services pursuant to this Operating Plan and subsequent modifications thereof. In 2024, the Board will be led by an Executive Director, a full time Associate Director and various contractors to execute aspects of this Operating Plan. The Board shall maintain an office in the district. The district's current office is located at 1726 N. Martin Luther King Jr. Drive, Milwaukee WI 53212. The district's office may be relocated as the District Board deems reasonable.
7. Executive Committee – The Board shall elect from its members a chairperson, a vice-chairperson, a treasurer and a secretary.

Pending final approval by the City Council of nominations and renewals, the 2024

Historic King Drive BID Board of Directors will be:

- James Phelps, JCP Construction
- Ashley Booth, Brewers Hill representative
 - Tosha Freeman (Halyard Park representative)
- Rick Banks, Harambee representative
- Sam Denny, Schlitz Park
- Larry Roffers, LC Management
- Michael Coakley, C.H. Coakley and Company
- Susan Kissinger, Team Management
- Linda Jackson-Conyers, Conyers Management

- Sam Cunningham (Pete's Fruit Market)
- Sharon Grinker (It had to be you, LLC)

B. Relationship to other Entities

The BID shall be a separate entity from any other entity (“Unaffiliated Entity”), notwithstanding the fact that members, officers, employees and directors may be shared. Such Unaffiliated Entities shall remain private organizations, not subject to the open meetings law, and not subject to the public records law. Such Unaffiliated Entities may contract with the BID to provide services to the BID in accordance with this Plan.

V. METHOD OF ASSESSMENT & RATE

A. Assessment Rate and Method

The annual assessment for District operating expenses will be levied against each property within the district in proportion to the assessed value of each property for real property tax purposes for the Year Twenty-Six Operating Plan. It is understood not every parcel within the district will benefit equally, but it is assumed that development of the District will produce at least some benefit for all parcels. This operating plan includes the method of assessing mixed-use properties approved in the 2019-2020 budget recommended by the State Legislature and confirmed by the Governor of the State of Wisconsin.

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 a 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. Based on the value of a parcel, the assessment for BID No. 8 will fall within one of four assessment tiers.

BID-eligible properties are proposed to be assessed in the following manner:

- An unimproved and improved tax parcel is assessed at a rate of \$4 per \$1,000 of assessed value, plus \$125. For assessable parcels whose assessments are between \$1 and \$500,000 the maximum BID No. 8 assessment shall be \$1,500 (Tier 1). For assessable parcels whose assessments are between \$500,001 and \$1.5 million the maximum BID No. 8 assessment shall be \$1,750 (Tier 2). For assessable parcels whose

assessments are higher than \$1.5 million and less than \$3.5 million the maximum BID No. 8 assessment shall be \$3,500 (Tier 3). For assessable parcels whose assessments are higher than \$3.5 million the maximum BID No. 8 assessment shall be \$5,000 (Tier 4). For mixed-use properties, the BID No. 8 assessment shall apply only to the percentage of commercial space included on the parcel.

The assessment assigned to each parcel based on this formula is herein referred to as "BID Assessment."

Any BID Assessments related to a previous year or years may be contested specifically if the property was classified such that it should not have been assessed. Additionally, the BID reserves the right to recapture any missed¹ assessments for a maximum of one (1) year prior to the current assessment year. The BID may allow property owners up to three (3) years to repay any missed assessments.

Any BID Assessment related to this Operating Plan may be contested prior to approval and adoption of this Operating Plan by the City Council.

B. Included, 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. The BID will assess properties to the maximum extent allowed by law, this includes without limitation, properties used in part or in whole for manufacturing, properties that are vacant, and all other properties that are used for any commercial gain and are eligible for assessment per city and state law. By way of example, and not limiting the foregoing, a property which is used exclusively by its owner and immediate family for their principal residence shall not be assessed. A property will be assessed, however, when any portion of the premises is either (a) leased or possession is otherwise given to a third party, or (b) is used for any other commercial purpose. If any other provision of this Operating Plan shall conflict with this paragraph, this paragraph shall prevail.
2. State Statute 66.1109(1)(f)(lm): The District will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this Operating Plan because it is assumed that they will benefit from development in the District.

¹ Assessable properties might be erroneously recorded or excluded from the BID property list by the city assessor's office, the Dept. of City Development, or the BID. While these entities strive to maintain accurate lists, errors are possible. The BID will work with the city and property owners to ensure the highest level of accuracy possible.

3. Consistent with Wisconsin Statutes Sec. 66.1109(5)(a), property within the District boundaries but exempt from general real estate taxes under Wisconsin Statute 70.11 may not be specially assessed by the District but will be asked to make a financial contribution on a voluntary basis. Funds collected in this manner in any given year may be used in a manner deemed appropriate by the Board. In addition, consistent with Wisconsin Statute Sec. 66.1109(1)(b), those tax-exempt properties within the boundaries shall automatically become included within the District and subject to assessment under any current operating plan without necessity to undertake any other act. Additionally, property exempt from general real estate taxes has been excluded from the District, during the time of the exemption.

C. Assessments for Additional Services

The BID may, but shall have no obligation, to provide certain maintenance on the sidewalk area in front of private property. This maintenance may only include (a) weed removal; (b) excessive trash removal; (c) snow/ice removal and (d) graffiti removal. Prior to performing such maintenance activities, the BID shall either (i) send notice by certified mail to owner of record, or (ii) post notice on the property. The notice shall give the owner 48 hours to resolve the maintenance problem. If the problem is not resolved the BID may, but shall have no obligation, to resolve such problem. In such cases that the BID does perform maintenance it may add to the relevant property's assessment in the subsequent year a fee of up to \$50 per hour. This increased assessment may cause a property's assessment to exceed the maximum assessment as stated in Section IV.A above. The aggregate additional assessment that may be added to a property's regular assessment in any operating year, shall be \$500.

V. 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 achieve preservation goals.

The district is a means of formalizing and funding the public-private partnership between the City and property owners in the Historic King Drive business 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.

B. City Role In District Operation

The City of Milwaukee has committed to helping private property owners in the District to promote its 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:

1. Provide assistance as appropriate to the BID Board of Directors; 2. Monitor and, when appropriate, apply for outside funding which could be used in support of the District;
3. Collect BID assessments and maintain them in a segregated account; Disburse all funds of the District, no earlier than January 31, 2024 and no later than March 31, 2022. 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;
4. Receive annual audits as required per Wis. Stats. Sec. 66.1109(3)(c). 5. Provide the Board of Directors through the Tax Commissioner's office on or before June 30th 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; and
6. Encourage the State of Wisconsin, County of Milwaukee and other units of government to support the activities of the District.

The presentation of this Operating Plan to the City of Milwaukee shall be deemed a standing order of the Board of Directors under Sec. 66.60 8 (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.

VI. FUTURE YEAR OPERATING PLANS

A. Phased Development

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

Wisconsin Statutes Sec. 66.1109 (3) (a) requires the BID Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed activities, it focuses upon Year Twenty-Four activities. Additionally, information on specific assessed values, budget amounts and assessment amounts are based solely on current 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 Operating Plan and the BID statute.

In later years, the District Operating Plan will continue to apply the assessment formula, as adjusted, to raise funds to meet the next annual budget. However, the method of assessing shall not be materially altered, except with the approval of a majority of the District Board and 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).

VII. CONTRACTING WITH BID NO. 8

Any contracting 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 provisions of material, it shall follow the requirements of such statutes to the extent applicable. Further, the annual accounting required under Sec 66.608 (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. 66.60 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.

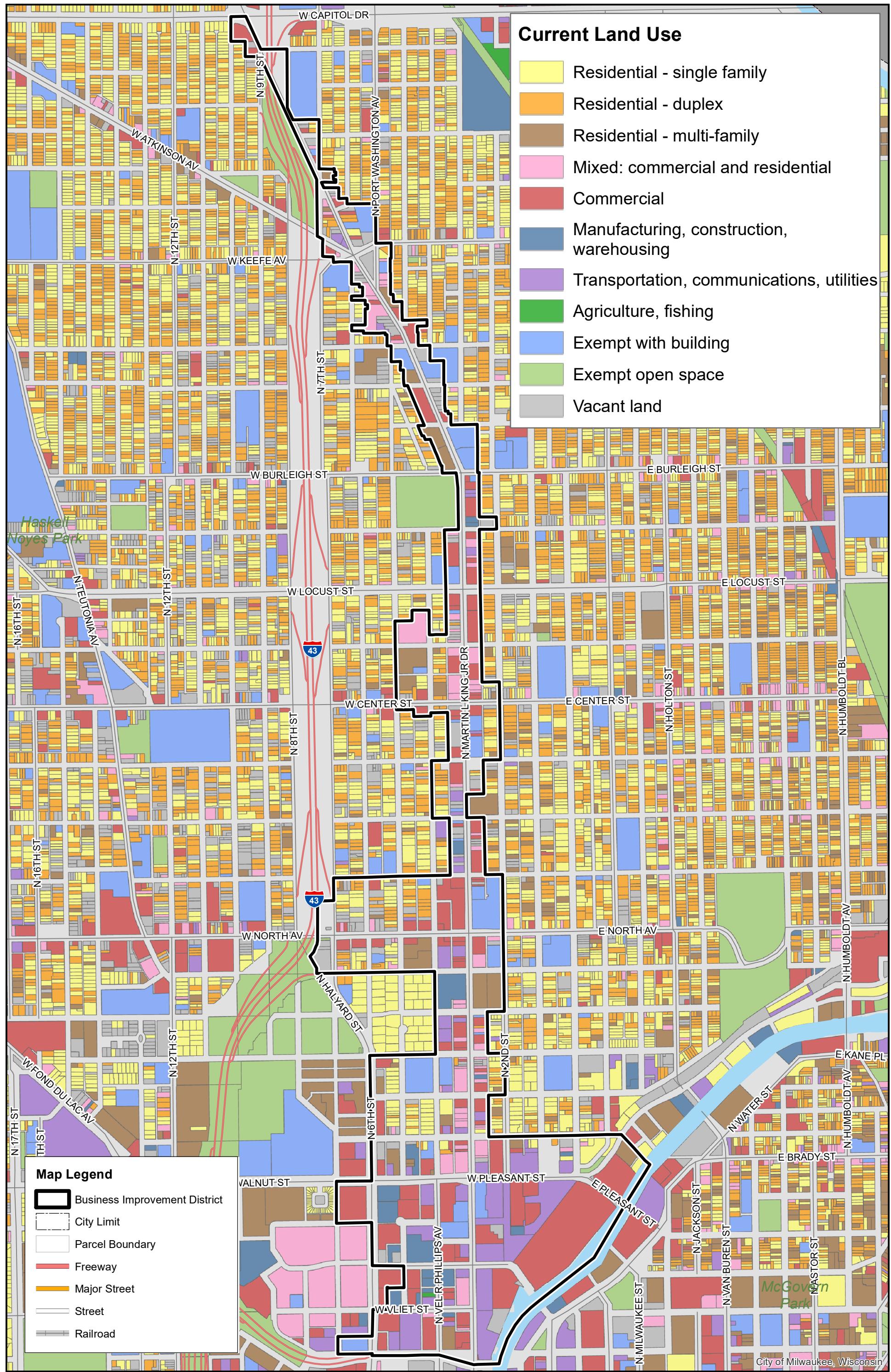
VIII. PETITION TO TERMINATE THE DISTRICT

The City shall consider terminating the District if a petition to terminate is filed with the City Plan Commission in conformity with Wisconsin Statutes section 66.1109(4m).

BID NO. 8: HISTORIC KING DRIVE CITY OF MILWAUKEE

Prepared by the Dept. of City Development Planning Division, 1/29/2021
Source: City of Milwaukee Information Technology Management Division;
Dept. of City Development Commercial Corridors Team

N



Taxkey	Address	BID 8 Assessment
2720334000	715 W VIENNA AV	\$ 145.40
2720337000	3714-3716 N MARTIN L KING JR DR	\$ 429.00
2720722100	3905-3909 N MARTIN L KING JR DR	\$ 138.60
2720723100	3873 N 9TH ST	\$ 582.60
2720905000	3762 N MARTIN L KING JR DR	\$ 199.80
2720907000	3776 N MARTIN L KING JR DR	\$ 141.40
2721301000	3604 N MARTIN L KING JR DR	\$ 495.40
2721303000	3620 N MARTIN L KING JR DR	\$ 222.40
2722001100	3600-3620 N 6TH ST	\$ 151.80
2722004000	3562 N MARTIN L KING JR DR	\$ 362.20
2722012100	3511 N PORT WASHINGTON AV	\$ 157.40
2722013000	3522 N MARTIN L KING JR DR	\$ 337.80
2722014100	3512 N MARTIN L KING JR DR	\$ 143.80
2722019110	3418 N MARTIN L KING JR DR	\$ 185.80
2722102000	3607-3617 N MARTIN L KING JR DR	\$ 406.23
2722104000	3567 N MARTIN L KING JR DR	\$ 589.00
2722105000	3565 N MARTIN L KING JR DR	\$ 247.80
2729993000	3541 N MARTIN L KING JR DR	\$ 139.00
2729998110	3919 N MARTIN L KING JR DR	\$ 1,500.00
2820207000	3442-3444 N PORT WASHINGTON AV	\$ 173.83
2820210100	3414-3420 N PORT WASHINGTON AV	\$ 394.04
2821210000	3309-3315 N MARTIN L KING JR DR	\$ 547.80
2821211000	3305-3307 N MARTIN L KING JR DR	\$ 943.92
2821359000	3404-3406 N PORT WASHINGTON AV	\$ 219.86
2821360000	3408 N PORT WASHINGTON AV	\$ 544.23
2821617000	3232-3236 N MARTIN L KING JR DR	\$ 138.20
2821621110	3210 N MARTIN L KING JR DR	\$ 308.20
2822911000	3338-3356 N MARTIN L KING JR DR	\$ 341.40
2830802000	618 W KEEFE AV	\$ 371.18
2830803100	628 W KEEFE AV	\$ 1,750.00
2830911000	3439-3455 N MARTIN L KING JR DR	\$ 365.40
2830915100	3403-3415 N MARTIN L KING JR DR	\$ 479.73
2830923000	3381-3385 N MARTIN L KING JR DR	\$ 390.20
2830924100	3373-3377 N MARTIN L KING JR DR	\$ 460.60
2830931111	3351-3369 N MARTIN L KING JR DR	\$ 1,189.80
3130020100	2745 N MARTIN L KING JR DR	\$ 1,750.00
3130046110	406 W CENTER ST	\$ 1,750.00
3130156100	2841-2843 N MARTIN L KING JR DR	\$ 269.43
3130157000	2845-2847 N MARTIN L KING JR DR	\$ 440.70
3130158000	2851-2855 N MARTIN L KING JR DR	\$ 694.60
3130159110	311 W LOCUST ST	\$ 678.60
3130214000	3048 N MARTIN L KING JR DR	\$ 168.20
3130215000	3056 N MARTIN L KING JR DR	\$ 168.20
3130216000	3064 N MARTIN L KING JR DR	\$ 822.20
3130217000	3070 N MARTIN L KING JR DR	\$ 225.40
3130515100	2950 N MARTIN L KING JR DR	\$ 265.40

3130518100	2966 N MARTIN L KING JR DR	\$ 741.40
3130520100	2976 N MARTIN L KING JR DR	\$ 715.00
3130752100	3003-3013 N 2ND ST	\$ 153.00
3130753000	3002-3004 N MARTIN L KING JR DR	\$ 545.80
3130754000	3006-3008 N MARTIN L KING JR DR	\$ 757.66
3130826000	3030 N MARTIN L KING JR DR	\$ 1,121.80
3130925000	2747 N VEL R PHILLIPS AV	\$ 129.80
3131141000	2700-2704 N MARTIN L KING JR DR	\$ 809.40
3131142000	2708 N MARTIN L KING JR DR	\$ 176.20
3131143000	2710-2712 N MARTIN L KING JR DR, Unit 5329	\$ 401.96
3131144100	2714-2716 N MARTIN L KING JR DR	\$ 309.00
3131146100	2722-2724 N MARTIN L KING JR DR	\$ 467.92
3131366100	2860 N MARTIN L KING JR DR	\$ 1,388.20
3131707000	2928 N MARTIN L KING JR DR	\$ 287.59
3131801000	2910 N MARTIN L KING JR DR	\$ 1,750.00
3131902000	2817-2819 N MARTIN L KING JR DR	\$ 159.00
3131903000	2813-2815 N MARTIN L KING JR DR	\$ 147.40
3131906000	2801-2803 N MARTIN L KING JR DR	\$ 612.40
3131916111	2801-2821 N VEL R PHILLIPS AV	\$ 3,500.00
3132001110	2933-2957 N MARTIN L KING JR DR	\$ 1,750.00
3132341000	2774 N MARTIN L KING JR DR	\$ 207.62
3132342000	2730 N MARTIN L KING JR DR	\$ 1,095.40
3132361000	2767-2779 N MARTIN L KING JR DR	\$ 545.05
3132391000	2826 N MARTIN L KING JR DR	\$ 3,500.00
3132401000	2719 N MARTIN L KING JR DR	\$ 226.23
3132411000	2703-2707 N MARTIN L KING JR DR	\$ 476.37
3220049000	2532-2534 N MARTIN L KING JR DR	\$ 269.00
3220050000	2536-2538 N MARTIN L KING JR DR	\$ 208.20
3220058100	2578 N MARTIN L KING JR DR	\$ 1,317.80
3220074100	2628 N MARTIN L KING JR DR	\$ 1,500.00
3220075000	2634 N MARTIN L KING JR DR	\$ 195.17
3220079000	233 W CENTER ST	\$ 873.00
3220755100	2354 N MARTIN L KING JR DR	\$ 503.00
3220760000	2372 N MARTIN L KING JR DR	\$ 519.00
3220761000	2378 N MARTIN L KING JR DR	\$ 1,004.60
3220780100	2400-2430 N MARTIN L KING JR DR	\$ 1,750.00
3220781000	2434-2436 N MARTIN L KING JR DR	\$ 299.01
3220785000	2452 N MARTIN L KING JR DR	\$ 378.20
3220786000	2456-2458 N MARTIN L KING JR DR	\$ 325.00
3220789100	2470 N MARTIN L KING JR DR	\$ 1,265.80
3220902100	2669-2671 N MARTIN L KING JR DR	\$ 1,081.00
3220904000	2661-2663 N MARTIN L KING JR DR	\$ 990.13
3220905000	2653-2657 N MARTIN L KING JR DR	\$ 172.20
3220912100	2601-2609 N MARTIN L KING JR DR	\$ 723.80
3220938110	405 W CENTER ST	\$ 830.60
3220972000	2676-2678 N 5TH ST	\$ 394.70
3221060000	2537-2541 N MARTIN L KING JR DR	\$ 155.00

3221062100	2523-2535 N MARTIN L KING JR DR	\$ 315.00
3221089000	2469-2471 N MARTIN L KING JR DR	\$ 911.40
3221095111	2435 N MARTIN L KING JR DR	\$ 1,500.00
3221097000	2425-2427 N MARTIN L KING JR DR	\$ 171.00
3221098000	2417-2423 N MARTIN L KING JR DR	\$ 290.20
3221099000	2411-2415 N MARTIN L KING JR DR	\$ 173.00
3221100100	2403-2409 N MARTIN L KING JR DR	\$ 351.00
3221200100	408-418 W NORTH AV	\$ 1,750.00
3221201000	430 W NORTH AV	\$ 1,750.00
3221218110	2373 N MARTIN L KING JR DR	\$ 1,500.00
3221224112	2323 N MARTIN L KING JR DR	\$ 1,750.00
3221232000	324-332 W NORTH AV	\$ 1,750.00
3221233000	338 W NORTH AV	\$ 921.40
3230652000	642 W NORTH AV	\$ 1,421.40
3230653000	634-636 W NORTH AV	\$ 399.74
3520110100	521-535 W NORTH AV	\$ 969.40
3520205111	1918 N 6TH ST	\$ 401.36
3520208100	1840 N 6TH ST	\$ 3,500.00
3520593123	637 W NORTH AV	\$ 1,500.00
3520604000	634-642 W GARFIELD AV	\$ 417.56
3520615000	2233 N 7TH ST	\$ 360.60
3530190111	2220-2244 N MARTIN L KING JR DR	\$ 1,750.00
3530192000	211-215 W NORTH AV	\$ 286.50
3530203100	2200-2218 N MARTIN L KING JR DR	\$ 1,750.00
3530205100	331-339 W NORTH AV	\$ 1,750.00
3530206000	319-321 W NORTH AV	\$ 1,500.00
3530207000	2241-2245 N MARTIN L KING JR DR	\$ 1,500.00
3530208000	2235-2237 N MARTIN L KING JR DR	\$ 1,051.40
3530214000	2215 N MARTIN L KING JR DR	\$ 1,750.00
3530215000	2213 N MARTIN L KING JR DR	\$ 1,750.00
3530217100	2201-2209 N MARTIN L KING JR DR	\$ 1,750.00
3530234000	501-503 W NORTH AV	\$ 248.40
3530245100	502-A W GARFIELD AV	\$ 1,325.57
3530297000	2107-2111 N MARTIN L KING JR DR	\$ 805.96
3530298000	2101-2105 N MARTIN L KING JR DR	\$ 345.39
3530554110	2044 N MARTIN L KING JR DR	\$ 1,750.00
3530562100	2034-2036 N MARTIN L KING JR DR	\$ 537.13
3530563000	2028-2030 N MARTIN L KING JR DR	\$ 614.52
3530569100	2010-2022 N MARTIN L KING JR DR	\$ 1,750.00
3530577100	2000-2008 N MARTIN L KING JR DR	\$ 994.00
3530579000	2053 N MARTIN L KING JR DR	\$ 1,110.59
3530581100	2050 N VEL R PHILLIPS AV	\$ 738.60
3530581200	2020 N VEL R PHILLIPS AV	\$ 847.80
3530582100	2045-2047 N MARTIN L KING JR DR	\$ 404.20
3530584100	2021-2025 N MARTIN L KING JR DR	\$ 3,500.00
3530585000	2013-2019 N MARTIN L KING JR DR	\$ 1,372.68
3530586000	2007 N MARTIN L KING JR DR	\$ 1,750.00

3530587000	334 W BROWN ST	\$ 3,500.00
3530588000	2001-2003 N MARTIN L KING JR DR	\$ 1,500.00
3530646112	519 W BROWN ST	\$ 991.00
3530664000	1951 N MARTIN L KING JR DR	\$ 915.40
3530665000	1947-1949 N MARTIN L KING JR DR	\$ 575.32
3530667000	1945 N MARTIN L KING JR DR	\$ 225.40
3530668000	1941 N MARTIN L KING JR DR	\$ 212.20
3530669000	1937-1939 N MARTIN L KING JR DR	\$ 530.20
3530674000	338-340 W RESERVOIR AV	\$ 580.60
3530683100	1950 N MARTIN L KING JR DR	\$ 1,305.80
3530690000	1936-1938 N MARTIN L KING JR DR	\$ 580.00
3530691000	1934 N MARTIN L KING JR DR	\$ 1,500.00
3530692000	1926-1928 N MARTIN L KING JR DR	\$ 599.00
3530695000	1920 N MARTIN L KING JR DR	\$ 1,750.00
3530696000	1916-1918 N MARTIN L KING JR DR	\$ 680.36
3530701100	230 W RESERVOIR AV	\$ 1,750.00
3530833111	1832-1848 N MARTIN L KING JR DR	\$ 1,750.00
3530837100	1830 N MARTIN L KING JR DR	\$ 708.20
3530842000	1818 N MARTIN L KING JR DR	\$ 1,750.00
3530845000	1810-1812 N MARTIN L KING JR DR	\$ 965.40
3530846000	1806-1808 N MARTIN L KING JR DR	\$ 605.48
3530851100	1849 N MARTIN L KING JR DR	\$ 1,750.00
3530862100	1825 N MARTIN L KING JR DR	\$ 1,204.46
3530863000	1821 N MARTIN L KING JR DR	\$ 991.20
3530864100	1817-1819 N MARTIN L KING JR DR	\$ 723.09
3530868000	324 W VINE ST	\$ 1,500.00
3530872000	1800 N VEL R PHILLIPS AV	\$ 687.80
3530897100	500-502 W VINE ST	\$ 245.00
3530899000	508-510 W VINE ST	\$ 444.20
3530923000	1751 N MARTIN L KING JR DR	\$ 1,500.00
3530924000	1739-1745 N MARTIN L KING JR DR	\$ 1,500.00
3530925000	1737 N MARTIN L KING JR DR	\$ 538.20
3530940100	1740-1750 N MARTIN L KING JR DR	\$ 1,500.00
3530947000	1724-1726 N MARTIN L KING JR DR	\$ 625.64
3530951000	1718-1722 N MARTIN L KING JR DR	\$ 445.80
3530954000	117 W VINE ST	\$ 325.00
3530963110	1751 N PALMER ST	\$ 1,025.80
3530970000	1737 N PALMER ST	\$ 1,750.00
3531112100	325 W VINE ST	\$ 648.48
3531849000	1801-1807 N MARTIN L KING JR DR, Unit 9	\$ 1,750.00
3531850000	1801-1807 N MARTIN L KING JR DR, Unit 10	\$ 829.00
3531911000	1839 N MARTIN L KING JR DR	\$ 713.00
3531962000	2215 N VEL R PHILLIPS AV	\$ 1,750.00
3531992000	2121 N MARTIN L KING JR DR	\$ 975.80
3532001000	2153 N MARTIN L KING JR DR, Unit 1	\$ 1,750.00
3532002000	2153 N MARTIN L KING JR DR, Unit 2	\$ 1,750.00
3532003000	2153 N MARTIN L KING JR DR, Unit 3	\$ 544.60

3532011000	507-519 W NORTH AV	\$ 249.40
3610104110	124 E PLEASANT ST	\$ 1,500.00
3610105110	100-108 E PLEASANT ST	\$ 3,500.00
3610108110	100 W PLEASANT ST	\$ 3,500.00
3610117110	1702-1728 N VEL R PHILLIPS AV	\$ 281.40
3610120100	300 W WALNUT ST	\$ 1,750.00
3610124000	434-438 W WALNUT ST	\$ 385.00
3610133100	514-518 W WALNUT ST	\$ 1,500.00
3610147112	525 W WALNUT ST	\$ 1,750.00
3610151100	1600 N 6TH ST	\$ 3,500.00
3610163111	425 W WALNUT ST	\$ 1,500.00
3610165110	1631-1647 N VEL R PHILLIPS AV	\$ 1,750.00
3610170100	424 W GALENA ST	\$ 1,750.00
3610173110	1615 N VEL R PHILLIPS AV	\$ 1,500.00
3610184112	1505-1555 N RIVERCENTER DR	\$ 5,000.00
3610198000	1509-1523 N MARTIN L KING JR DR	\$ 910.20
3610199100	315 W COURT ST	\$ 1,750.00
3610202110	324 W CHERRY ST	\$ 1,750.00
3610203100	1501-1505 N MARTIN L KING JR DR	\$ 1,750.00
3610212115	424 W CHERRY ST	\$ 3,500.00
3610239100	518 W CHERRY ST	\$ 1,750.00
3610264000	405-419 W CHERRY ST	\$ 1,500.00
3610265100	1433 N VEL R PHILLIPS AV	\$ 1,500.00
3610273000	1425 N VEL R PHILLIPS AV	\$ 1,367.00
3610275000	422-428 W VLIET ST	\$ 1,380.20
3610276000	1417 N VEL R PHILLIPS AV	\$ 812.60
3610278100	1401 N VEL R PHILLIPS AV	\$ 728.60
3610279100	319 W CHERRY ST	\$ 913.80
3610287100	1434 N VEL R PHILLIPS AV	\$ 1,750.00
3610292100	1414-1420 N VEL R PHILLIPS AV	\$ 125.80
3610297100	1402 N VEL R PHILLIPS AV	\$ 662.60
3610317100	1345 N MARTIN L KING JR DR	\$ 1,750.00
3610318000	1350-1354 N VEL R PHILLIPS AV	\$ 829.40
3610319000	1344-1348 N VEL R PHILLIPS AV	\$ 1,500.00
3610324111	1334 N VEL R PHILLIPS AV	\$ 460.20
3610326000	1333-1335 N MARTIN L KING JR DR	\$ 1,118.60
3610327000	1331 N MARTIN L KING JR DR	\$ 1,500.00
3610332000	419 W VLIET ST	\$ 1,231.00
3610344100	1303 N VEL R PHILLIPS AV	\$ 3,500.00
3610350110	1310-1312 N 6TH ST	\$ 1,500.00
3610351112	520 W MC KINLEY AV	\$ 3,500.00
3611841110	1610 N 2ND ST	\$ 5,000.00
3611842000	111-119 W PLEASANT ST	\$ 5,000.00
3611844000	101 W PLEASANT ST	\$ 5,000.00
3611852121	1542 N 2ND ST	\$ 1,500.00
3611891000	1401-1407 N MARTIN L KING JR DR	\$ 144.74
3611954110	215 W PLEASANT ST	\$ 1,750.00

3611962100	1500 N 2ND ST	\$ 1,750.00
3611963100	101 E PLEASANT ST	\$ 3,500.00
3611971000	1444 N 5TH ST	\$ 1,750.00
3611972000	440 W VLIET ST	\$ 3,500.00
3611991100	1420 N MARTIN L KING JR DR	\$ 1,750.00
3611992000	201-229 W CHERRY ST	\$ 5,000.00
3611993000	1330 N MARTIN L KING JR DR	\$ 3,500.00
3611994100	1254-1320 N MARTIN L KING JR DR	\$ 5,000.00
3612165000	1716 N COMMERCE ST, Unit 5	\$ 1,750.00
3612171000	1415 N 5TH ST	\$ 1,750.00
3612195000	1311 N 6TH ST	\$ 5,000.00
3612201000	1311-1325 N MARTIN L KING JR DR	\$ 3,500.00
3612202000	1301 N MARTIN L KING JR DR	\$ 1,750.00
3612211000	205-219 W GALENA ST	\$ 1,077.80
3612212000	235 W GALENA ST	\$ 5,000.00
3612241100	406-416 W WALNUT ST	\$ 1,750.00
3612291100	424 W WALNUT ST	\$ 1,750.00
		\$ 300,561.53

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

(With Summarized Totals for the Year Ended December 31, 2021)

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's 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 - 14

Independent Auditor's Report

Board of Directors
Historic King Drive Business Improvement District

Opinion

We have audited the accompanying financial statements of Historic King Drive Business Improvement District (a nonprofit organization) which comprise the statement of financial position as of December 31, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Historic King Drive Business Improvement District as of December 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Historic King Drive Business Improvement District and to meet other ethical responsibilities in accordance with the ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Historic King Drive Business Improvement District's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

330 E. Kilbourn Ave., Suite 550
Milwaukee, WI 53202

t. 414.271.1451
f. 414.271.7464
ritzholman.com

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Historic King Drive Business Improvement District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Historic King Drive Business Improvement District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited Historic King Drive Business Improvement District's December 31, 2021, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated August 26, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2021, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Ritz Holman LLP
RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
September 29, 2023

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2022
(With Summarized Totals for December 31, 2021)

ASSETS	2022		2021	
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 627,409		\$ 524,226	
Prepaid Rent and Security Deposit	1,896		900	
Total Current Assets	<u>\$ 629,305</u>		<u>\$ 525,126</u>	
FIXED ASSETS				
Fixed Assets	\$ 12,547		\$ 31,845	
Accumulated Depreciation	---		(31,845)	
Total Fixed Assets	<u>\$ 12,547</u>		<u>\$ ---</u>	
RIGHT-OF-USE ASSETS				
Right-of-Use Asset - Operating Lease	<u>\$ 27,467</u>		<u>\$ ---</u>	
LONG-TERM ASSETS				
Loan Fund	<u>\$ 50,000</u>		<u>\$ 50,000</u>	
TOTAL ASSETS	<u><u>\$ 719,319</u></u>		<u><u>\$ 575,126</u></u>	
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts Payable	\$ 53,716		\$ 2,000	
Payroll Liabilities	14,629		5,017	
Current Portion - Operating Lease	9,295		---	
Total Current Liabilities	<u>\$ 77,640</u>		<u>\$ 7,017</u>	
LONG-TERM LIABILITIES				
Lease Liability - Operating Lease	\$ 27,467		\$ ---	
Less Current Portion - Operating Lease	(9,295)		---	
Advance for Loan Funds	25,000		25,000	
Total Long-Term Liabilities	<u>\$ 43,172</u>		<u>\$ 25,000</u>	
TOTAL LIABILITIES	<u><u>\$ 120,812</u></u>		<u><u>\$ 32,017</u></u>	
NET ASSETS				
Without Donor Restrictions				
Operating Funds	\$ 216,661		\$ 217,402	
Board Designated Funds	200,000		200,000	
With Donor Restrictions	<u>181,846</u>		<u>125,707</u>	
TOTAL NET ASSETS	<u><u>\$ 598,507</u></u>		<u><u>\$ 543,109</u></u>	
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 719,319</u></u>		<u><u>\$ 575,126</u></u>	

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

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)

	2022			2021 Total
	Without Donor Restrictions	With Donor Restrictions	Total	
REVENUE				
BID Assessments	\$ 299,525	\$ ---	\$ 299,525	\$ 294,521
Grants	148,545	140,955	289,500	126,040
Sponsorships	18,650	---	18,650	---
Other Revenue	399	---	399	1,129
Net Assets Released from Restriction	84,816	(84,816)	---	---
Total Revenue	<u>\$ 551,935</u>	<u>\$ 56,139</u>	<u>\$ 608,074</u>	<u>\$ 421,690</u>
EXPENSES				
Program Services	\$ 467,565	\$ ---	\$ 467,565	\$ 273,639
Management and General	70,605	---	70,605	62,088
Fundraising	14,506	---	14,506	10,565
Total Expenses	<u>\$ 552,676</u>	<u>\$ ---</u>	<u>\$ 552,676</u>	<u>\$ 346,292</u>
CHANGE IN NET ASSETS	<u>\$ (741)</u>	<u>\$ 56,139</u>	<u>\$ 55,398</u>	<u>\$ 75,398</u>
Net Assets, Beginning of Year	<u>417,402</u>	<u>125,707</u>	<u>543,109</u>	<u>467,711</u>
NET ASSETS, END OF YEAR	<u>\$ 416,661</u>	<u>\$ 181,846</u>	<u>\$ 598,507</u>	<u>\$ 543,109</u>

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

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)

	Brew City Match	Bader Grant	BID Program Services	Management and General	Fundraising	2022 Total	2021 Total
Salaries and Wages	\$ 27,500	\$ ---	\$ 101,891	\$ 24,599	\$ 10,000	\$ 163,990	\$ 104,681
Payroll Taxes	---	---	10,464	1,992	823	13,279	8,808
Employee Benefits	---	---	7,390	1,438	759	9,587	10,450
Professional Fees	---	67,431	---	28,685	---	96,116	73,473
Grants to Other Organizations	123,430	---	25	---	---	123,455	52,244
Neighborhood Ambassador Program	---	---	32,813	---	---	32,813	32,615
Neighborhood Improvements	10,000	---	45,620	---	---	55,620	12,257
Real Estate Market Service	---	---	---	---	---	---	300
Events and Programs	---	---	16,618	---	---	16,618	11,474
Supplies	---	---	---	1,679	---	1,679	1,984
Telephone	---	---	---	3,125	---	3,125	1,510
Postage	---	---	---	---	---	---	---
Printing	---	---	308	---	---	308	99
Dues, Subscriptions and Library	---	---	2,244	427	173	2,844	4,806
Occupancy	---	---	11,044	2,099	853	13,996	12,000
Conferences and Meetings	---	---	---	10	1,121	1,131	741
Advertising and Website	---	---	10,060	1,912	777	12,749	14,400
Insurance	---	---	---	4,639	---	4,639	3,872
Other Expense	---	---	727	---	---	727	578
TOTALS	\$ 160,930	\$ 67,431	\$ 239,204	\$ 70,605	\$ 14,506	\$ 552,676	\$ 346,292

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

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022
(With Summarized Totals for the Year Ended December 31, 2021)

	<u>2022</u>	<u>2021</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 55,398	\$ 75,398
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
(Acrease) Decrease in Prepaid Rent and Security Deposit	(996)	---
(Dcrease) in Accounts Payable	51,716	350
Increase (Decrease) in Payroll Liabilities	<u>9,612</u>	<u>873</u>
Net Cash Provided by Operating Activities	<u>\$ 115,730</u>	<u>\$ 76,621</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	\$ (12,547)	\$ ---
Net Cash (Used) Provided by Investing Activities	<u>\$ (12,547)</u>	<u>\$ ---</u>
Net Increase in Cash and Cash Equivalents	\$ 103,183	\$ 76,621
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>524,226</u>	<u>447,605</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 627,409</u>	<u>\$ 524,226</u>

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

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE A - Summary of Significant Accounting Policies

Organization

Historic King Drive Business Improvement District (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 develop, redevelop, maintain, operate and promote the area of Historic King Drive that is within the BID boundary.

Historic King Drive Business Improvement District is exempt from tax as an affiliate of a governmental unit under Section 509(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.

Fixed Assets

Fixed assets are recorded at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets.

Contributions and Grant Revenue

Contributions received and unconditional promises to give are measured at fair value and are reported as increases in net assets. Contributions are considered available for the Organization's general operations and included in net assets without donor restrictions unless specifically restricted by a donor. A restricted contribution is reported in revenue and net assets without donor restrictions when the restriction is met within the same reporting period as the contribution is received. Contributions received restricted for a purpose not yet met or to support a future period are included in net assets with donor restrictions. When a donor restriction from a prior year 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. Conditional contributions are not recognized as revenue 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 if the barrier is not overcome.

Net assets restricted for acquisition of building or equipment are reported as net assets with donor restrictions until the specified asset is placed in service when the net assets are released to net assets without donor restrictions.

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

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.

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 \$10,000, 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. The Organization has elected to use the risk free interest rate as a practical expedient on building and equipment under operating leases.

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. Salaries, wages and related costs are allocated based on estimates of time and effort. Other expenses are allocated based on management's estimate of the benefit to the functions.

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.

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE B - Accounting Standards Changes and Future Accounting Pronouncement

Accounting Standards Changes

The Organization's financial statements include implementation of the following accounting standards updates:

Accounting Standards Update 2020-07, Not-for-Profit entities (Topic 958), Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. This update requires contributed nonfinancial assets to be reported as a separate line in the statement of activities. A financial statement note is required to provide disaggregated contributed nonfinancial assets by category including: the type of contributed nonfinancial asset; qualitative information about the monetization or utilization of the nonfinancial assets; the policy about the monetization or utilization of nonfinancial assets; a description of restrictions, valuation, and the market used to determine the fair value. The amendments in this update are applied on a retrospective basis. The implementation of this standard has not materially affected the financial statements of the Organization.

Accounting Standards Update 2020-08, Codification Improvements to Subtopic 310-20, Receivables – Nonrefundable Fees and Other Costs. This update clarifies that an entity should reevaluate whether a callable debt security is within the scope of paragraph 310-20-32-33 for each reporting period. This amendment impacts the effective yield of an existing individual callable debt security. Amendments in this update are applied on a prospective basis as of the beginning of the period of adoption for existing or newly purchased callable debt securities. The implementation of this standard has not materially affected the financial statements of the Organization.

Accounting Standards Update 2016-02, Leases (Topic 842), which supersedes existing guidance in Topic 840, Leases. The FASB subsequently issued the following additional ASUs, which amend and clarify Topic 842: ASU 2018-01, Land Easement Practical Expedient for Transition to Topic 842; ASU 2018-10, Codification Improvements to Topic 842, Leases; ASU 2018-11, Leases (Topic 842): Targeted Improvements; ASU 2018-20, Narrow-scope Improvements for Lessors; ASU 2019-01, Leases (Topic 842): Codification Improvements; ASU 2020-05, Leases (Topic 842): Lessors—Certain Leases with Variable Lease Payments; and ASU 2021-09, Leases (Topic 842): Discount Rate for Lessees That Are Not Public Business Entities. Topic 842 amends both lessor and lessee accounting with the most significant change being the requirement for lessees to recognize right-to-use (ROU) assets and lease liabilities on the statement of financial position for operating leases.

The Organization adopted the leasing standards effective January 1, 2022, using the modified retrospective approach with January 1, 2022, as the initial date of application. Using this method, a cumulative-effect adjustment to net assets is recognized in the period of adoption. The Organization elected to use all available practical expedients provided in the transition guidance. These allowed the Organization to not reassess the identification, classification and initial direct costs of lessor agreements and to use hindsight in lessee and lessor agreements for determining lease term and right-of-use asset impairment. The adoption did not have a material impact on the Organization's statement of financial position or statement of activities.

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE B - Accounting Standards Changes and Future Accounting Pronouncement (continued)

Future Accounting Pronouncement

Accounting Standards Update 2016-13, Financial Instruments - Credit Losses (Topic 326) will be effective for fiscal years beginning after December 15, 2022. The main objective of this update is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. To achieve this objective, the amendments in this update replace the incurred loss impairment methodology in current generally accepted accounting principles with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates, including exploring more forward-looking alternatives.

NOTE C - Comparative Financial Information

The financial information shown for 2021 in the accompanying financial statements is included to provide a basis for comparison with 2022 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 with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

NOTE D - Liquidity

The Organization maintains cash and cash equivalents on hand to fund general operating expenditures. At December 31, 2022, financial assets available for general expenditure within the next year totaled \$445,563, which represents cash and cash equivalents of \$627,409 less amounts subject to donor restrictions of \$181,846.

The Organization manages its cash flow to coincide with the annual budget cycle. The assessment revenue is received from the City in February each year.

The Organization has designated \$200,000 of its cash and cash equivalents for ongoing projects for streetscaping and a catalytic project.

NOTE E - Concentration of Risk

The Organization maintains its cash balances at a financial institution. Accounts at the institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2022, the Organization's uninsured cash balances total \$397,409.

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE F - Loan Fund and Advance for Loan Funds

The Organization advanced \$25,000 to Wisconsin Women's Business Initiative Corporation (WWBIC) to established a loan fund during 2015. During 2016, an addition to the loan fund of \$25,000 was advanced from a grant from North Shore Bank. At such time as the Organization discontinues the loan program, the loan funds would be returned to the Organization and to North Shore Bank. As of December 31, 2022, WWBIC has loans outstanding from these funds totaling \$24,142.

NOTE G - Operating Lease

During 2022, the Organization had a month-to-month operating lease for office space in Milwaukee, Wisconsin. Rent expense was \$12,900 for the year ended December 31, 2022.

In addition, the Organization entered into a new lease for office space in October 2022, with a commencement date of December 1, 2022, and a termination date of November 30, 2025. Monthly lease payments are \$800 plus common area maintenance fees of \$296. Rent expense was \$1,096 for the year ended December 31, 2022.

Lease Cost and Cash Flow Information

The following summarizes the line items in the statements of activities which include the components of lease expense for the year ended June 30, 2022:

The following summarizes cash flow information related to leases for the year ended December 31, 2022:

	<u>Amount</u>
Operating Lease – Operating Cash Flows Fixed Payments	\$800
Operating Lease – Operating Cash Flows Liability Reduction	\$769

The following summarizes lease term and discount rate averages as of December 31, 2022:

Weighted Average Lease Term – Operating Leases	2.92 Years
Weighted Average Discount Rate – Operating Leases	1.36%

Maturities of Leases

The maturities of lease liabilities as of December 31, 2022, were as follows:

<u>Year Ending December 31:</u>	<u>Operating</u>
2023	\$ 9,600
2024	9,600
2025	<u>8,800</u>
Total Lease Payments	<u>\$28,000</u>
Less Present Value Discount	<u>(533)</u>
Present Value of Lease Liabilities	<u><u>\$27,467</u></u>

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE H - Concentration of Revenue

The Organization receives property assessment income from individual property owners which is collected by the City of Milwaukee. The Organization's operations rely on the availability of these funds. Approximately 49% of the Organization's revenue was from the property assessments collected by the City of Milwaukee for the year ended December 31, 2022.

The Organization received a \$177,500 grant from the Local Initiative Support Corporation to support the Brew City Match Program which was 29% of the revenue and a grant from Bader Philanthropies of \$112,000 which was 18% of revenue.

NOTE I - 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 Historic King Drive area neighborhood. The assessment is calculated based on assessed values of the properties as of every fall. The assessment levied on properties was \$125 plus \$4/1,000 for every dollar of assessed property value. The maximum assessment is based on property assessed value as follows:

Tier 1	Values between \$1 and \$500,000	\$1,500
Tier 2	Values between \$501,000 and \$1.5 million	\$1,750
Tier 3	Values between \$1.5 million and \$3.5 million	\$3,500
Tier 4	Values higher than \$3.5 million	\$5,000

For mixed use properties, the assessment applies only to the percentage of commercial space included on the parcel.

NOTE J - Net Assets

The Organization has net assets subject to donor restrictions at December 31, 2022, which include the following:

LISC - Brew City Match	\$ 96,386
Bader Philanthropies - Business Consulting	44,569
Victory Over Violence	<u>40,891</u>
Total	<u>\$181,846</u>

The Organization has designated \$200,000 of its cash and cash equivalents for ongoing projects for streetscaping and a catalytic project.

NOTE K - Conditional Grants

The Organization entered into a grant agreement dated August 15, 2022, with the City of Milwaukee to install street amenities including signage, sculpture and public art, tree guards, trash cans and benches, to facilitate redevelopment efforts in the area, in an amount not to exceed \$735,000. The Organization will receive these funds on a reimbursement basis in 2023 and 2024.

HISTORIC KING DRIVE BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE L - Subsequent Events

The Organization has evaluated events and transactions occurring after December 31, 2022, through September 29, 2023, the date the financial statements are available to be issued, for possible adjustments to the financial statements or disclosures.

September 29, 2023

To the Board of Directors
Historic King Drive Business Improvement District

We have audited the financial statements of Historic King Drive Business Improvement District for the year ended December 31, 2022, and have issued our report thereon dated September 29, 2023. Professional standards require that we provide you with the information about our responsibilities under *Generally Accepted Auditing Standards* as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 7, 2022.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Historic King Drive Business Improvement District are described in Note A to the financial statements. The Organization has made required accounting standards updates which are described in Note B to the financial statements.

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus.

All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the expense allocation to program, management and fundraising on the statement of functional expenses is based on management's estimate of costs attributable to each function or program.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Ritz Holman LLP

Serving business, nonprofits, individuals and trusts.

330 E. Kilbourn Ave., Suite 550
Milwaukee, WI 53202

t. 414.271.1451
f. 414.271.7464
ritzholman.com

To the Board of Directors
Historic King Drive Business Improvement District
Page Two

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The misstatements detected as a result of audit procedures and corrected by management that were material, either individually or in the aggregate, to the financial statements taken as a whole include the following:

Capitalize leasehold improvements and furniture	\$12,547
Record lease right-of-use asset and liability	27,467
Record accounts payable	53,616
Record accrued salaries and payroll taxes	9,164

Disagreements With Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 29, 2023.

Management Consultations With Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship, and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of Historic King Drive Business Improvement District and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



RITZ HOLMAN LLP
Certified Public Accountants

2023

YEAR IN REVIEW

HISTORIC
KING
DRIVE



WHERE REAL MILWAUKEE HAPPENS

Historic King Drive

414.265.5809

www.kingdriveis.com



8 COMMUNITY EVENTS
ATTRACTED 630
ATTENDEES



OUR GROWING
NETWORK:
1k Facebook Followers
1k Instagram Followers



293

VOLUNTEER
HOURS
DEDICATED
TO DISTRICT
PROJECTS

FAST FACTS

- 62 Blocks
- 3,714 Employed in district
- 534 Businesses
- 20 Restaurants
- 74 Retailers
- 9 Vacant Storefronts
- 175 Residential Units
- 8 Annual Events
- 1m Annual Visitors
- 60% Percent Destination Visitors



Major Accomplishments

- Completed strategic plan for organization success
- Celebrated 30 years of success at annual meeting
- LOCAL AWARDS:**
 - Legacy Award: **Dr. Bruce Hamilton**
 - Dream Award: **SPINN MKE**
 - Affiliate Award: **PWR Forward Media**



RECOGNITIONS & AWARDS



STATE AWARDS:

- Best New Business: **HoneyBee Sage Wellness & Apothecary**



\$7k IN SERVICES & TRAINING &
5 BUSINESSES ASSISTED
VIA WISCONSIN MAIN STREET

TRANSFORMING HISTORIC KING DRIVE



King Drive BID days celebration featured stops at dozens of retailers and restaurants to highlight the diverse offerings available on King Drive.



Milwaukee's Juneteenth celebration is the longest-running Juneteenth celebration in the United States, with multiple King Drive area events and businesses participating.



Five properties saw significant investment in the district in the past year. Historic King Drive is fortunate to have multiple businesses that are experts in design able to assist with quality restoration projects.

REINVESTMENT STATS 2023



5 Properties Improved

3 New Businesses

\$1M Private \$ Invested

\$100+ Grants Awarded

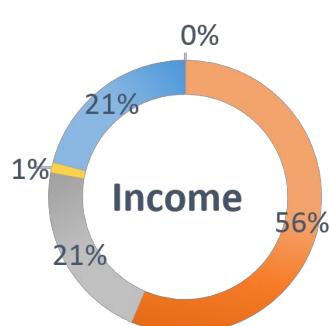
Annual Events

Bronzeville Week
Juneteenth
BID Days
Harvest Fest
BID Industry Mixers

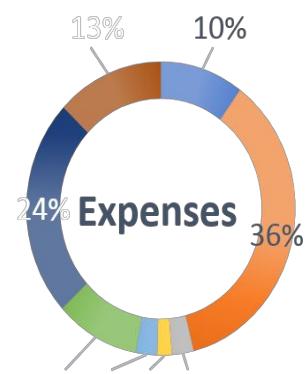
**BE A PART OF OUR
SUCCESS! CALL US WITH
IDEAS OR FOR VOLUNTEER
OPPORTUNITIES**



Budget Breakdown



■ Program Activities
■ BID
■ Project Partners
■ Sponsorship
■ Grants



■ Office & Admin
■ Staffing
■ Business & Property Projects
■ Events
■ Marketing
■ Streetscape & Improvements
■ Partner Projects
■ Consultants

New Brand



Strategic Framework



Historic King Drive BID



Mission: The mission of the Historic King Drive BID 8 to improve the district by fostering a culture that enjoys an authentic experience while attracting businesses.

North Star: Aligning stakeholders towards a future vision of King Drive as a vibrant, inclusive destination where its unique history is shared and celebrated.

