

Summary of Changes in 2023 Operating Plan

- Section III(A)
(Page 2) – Noted refocusing on core “clean, safe and friendly” services.
- Section III(A)
(Page 3) – Foreshadowed upcoming strategic planning and the District’s role in the City’s Downtown Plan.
- Section III(B)(3)
(Page 7) – Noted that special projects may be either economic development or place-making.
- Section III(B)(4)
(Page 8) – Updated extent of homelessness initiative.
- Section III(C)
(Page 9) – Updated budget and assessment information.
- Section III(D)(2)
(Page 11) – Updated 4th – 9th largest office buildings to determine board categories.
- Section VII(D) (Page 20) – Anticipated another five year extension of BID 21’s sunset.
- Appendix D – Updated budget; mill rate is currently \$1.53 per \$1,000 of assessable value (down 1¢ from last year).

**BUSINESS IMPROVEMENT DISTRICT NO. 21
MILWAUKEE DOWNTOWN
YEAR TWENTY-SIX OPERATING PLAN**

SEPTEMBER 8, 2022

TABLE OF CONTENTS

	Page No.
I. INTRODUCTION	1
II. DISTRICT BOUNDARIES	2
III. PROPOSED OPERATING PLAN.....	2
A. Plan Objectives	2
B. Proposed Activities.....	3
C. Proposed Expenditures and Financing Method	9
D. Organization of the District Board	10
E. Relationship to Milwaukee Downtown, Inc. and Alliance for Downtown Parking and Transportation, Inc.	14
IV. METHOD OF ASSESSMENT	15
A. Annual Assessment Rate and Method	15
B. Excluded and Exempt Property	15
V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY.....	16
A. Enhanced Safety and Cleanliness	16
B. City Role in District Operation.....	16
VI. PLAN APPROVAL PROCESS	17
A. Public Review Process	17
VII. FUTURE YEAR OPERATING PLANS	17
A. Changes	17
B. Early Termination of the District	18
C. Amendment, Severability and Expansion	19
D. Automatic Termination Unless Affirmatively Extended.	20

APPENDICES

- A. Wisconsin Statutes section 66.1109
- B. Map of District Boundaries
- C. Listing of Properties Included in the District
- D. Proposed 2023 Budget
- E. Strategic Plan Priorities and Goals

I. INTRODUCTION

Under Wisconsin Statutes section 66.1109, cities are authorized to create Business Improvement Districts ("BIDs") upon the petition of at least one property owner within the proposed district. The purpose of the BID statute is ". . . to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities." 1983 Wis. Act 184, Section 1, legislative declaration. See Appendix A.

On or about July 16, 1997, the City of Milwaukee (the "City") received a petition from property owners which requested creation of a BID known as the Milwaukee Downtown Management District (the "District"). On October 14, 1997, the Common Council of the City adopted resolution no. 970900, creating the District and approving the initial operating plan for the District (the "Initial Operating Plan"). On November 4, 1997, the Mayor of the City appointed members to the board of the District (the "Board") in accordance with the requirements set forth in Article III.D. of the Initial Operating Plan.

On or about August 20, 2008, owners of additional properties on the fringes of the District's original boundaries petitioned the City to expand the District to include their properties. On October 29, 2008, the Common Council of the City adopted resolution no. 080617, expanding the District boundaries.

The original purpose of the District was to sustain the competitiveness of Downtown and ensure a safe, clean environment conducive to business activity. In connection with strategic planning conducted in 2011 and updated in 2014, a new mission and vision for the District surfaced. The District adopted as a new mission "to lead and inspire believers in Milwaukee to engage in efforts that build Downtown as the thriving, sustainable, innovative and vibrant heart of the community". The District's vision is "to be an economic catalyst. . ." causing Downtown to emerge as a premier destination of choice and Milwaukee to become a renowned world-class region.

Pursuant to the BID statute, this Year Twenty-Six Operating Plan (the "Operating Plan") for the District has been prepared to establish the services proposed to be offered by the District, proposed expenditures by the District and the special assessment method applicable to properties within the District for its twenty-sixth year of operation. This Plan has been developed by the District Board with technical assistance from the Department of City Development, the Department of Public Works and the Police Department.

II. DISTRICT BOUNDARIES

When created in 1997, the District boundaries covered approximately 120 square blocks and encompassed the City's Downtown. The original District boundaries extended to North 4th Street and North 10th Street to the west; West St. Paul Avenue, the Menomonee River, and West Clybourn Street to the south; Lake Michigan to the east and Schlitz Park to the north. As a result of an expansion in 2008 and subsequent adjustments of taxable parcels, the District's current boundaries include expansion areas adjacent to its original boundaries and approximate 110 square blocks. The District's current boundaries extend to I-43 on the west; West St. Paul Avenue, the Menomonee River and West Clybourn Street to the south; Lake Michigan and North Van Buren Street to the east; and Schlitz Park and McKinley Street to the north, as shown in Appendix B of this Operating Plan. A narrative listing of the properties now included in the District is set forth in Appendix C.

III. PROPOSED OPERATING PLAN

A. Plan Objectives

The historic objectives of the District are to increase pedestrian traffic Downtown and to better enable Downtown to compete for customers with suburban residential and commercial areas. Post COVID, the District is refocusing on its core “clean, safe and friendly” services to encourage workers to return to Downtown offices, In addition, as a result of 2018 strategic planning, the District has committed to elevate its role in Downtown economic development.

Since its inception, the District has attempted to achieve its objectives by, among other methods, supplementing the maintenance and security services provided by the City in order to increase the safety and cleanliness (and the perceived safety and cleanliness) of Downtown. The City will continue to provide its current level of maintenance and policing services. The City and the District have entered into the cooperation agreement on file in the District's office (the "Cooperation Agreement"). For several years, the District also has sought to achieve its objectives by marketing Downtown as a great place to live, work and play and by working with like-minded associates to attract and retain businesses.

The District's 2018 strategic planning update articulated new objectives, including: (1) to reposition the District as a driver of economic prosperity in Downtown; (2) to play a leadership role on catalytic projects, including the HOP MKE Streetcar, West Wisconsin Avenue renaissance, Sculpture Milwaukee, Brighten the Passage, the first Downtown dog exercise area,

the Cathedral Square Park “Frame the Square” Project and various public art and space making projects; and (3) to harness the energy and vibrancy of diverse Downtown residents, young professionals and other Downtown believers to position them for leadership roles in the Downtown community. A summary of the District's objectives and priorities arising out of its 2014 strategic plan and 2018 rapid refresh are attached hereto as Appendix E. To respond to current market challenges, the District intends to undertake additional strategic planning in 2023. The District also has led efforts to update the City of Milwaukee’s comprehensive plan for Downtown.

In addition, since its creation in 1997, the District has championed Downtown’s equity and diversity. The District will continue to advocate, listen and build bridges to help end systemic racism and to create an exceptional quality of life environment for all members of its community regardless of age, race, gender or sexual orientation. The District pledges to do its part in advancing and advocating for a community of tolerance, peace and understanding.

B. Proposed Activities

The District offers Downtown owners and occupants additional safety personnel, enhanced sidewalk cleaning, supplemental public space maintenance and integrated marketing and promotional services to complement the base level of services currently being provided by the City. As a supplement to City services, the District retains and manages its own safety and maintenance contracts and develops and implements its own marketing initiatives. The District has hired a chief executive officer (or CEO), who reports to the Board, to implement and manage the day to day activities of the District, to supervise all District staff and independent contractors and to spearhead updated strategic planning objectives. District staff supervised by the CEO may include an economic development director, a marketing/events/social media coordinator, an environment specialist, an executive assistant and/or up to four interns or other support staff. The following are the activities proposed by the District for calendar year 2023. The District may, from time to time and as it deems necessary, adjust the size and scope of the activities and staffing levels described below, but only so long as such adjustments in activities and staff are part of the activities identified in this Operating Plan. The District may not undertake new activities except as included in duly approved operating plans for future years.

1. Public Service Ambassadors Program. The District will continue to sponsor a Public Service Ambassador Program to provide safety and

goodwill services to Downtown, supplemental to existing City police services. The aim of the program is to increase the public's comfort and sense of security through a visible, uniformed presence in addition to law enforcement.

The District may implement this program either by hiring staff directly or by hiring independent contractors to provide staff. In either case, a PSA director, who will report to the CEO, will be hired to manage this program, hire and supervise staff and maintain communications with police. Public Service Ambassadors ("PSAs"), including shift supervisors, will be retained to provide approximately 28,080 on-duty hours subject to dictates from the District. The District, in cooperation with the City Police Department, Visit Milwaukee and other City departments and resources, will develop an intensive initial training program, as well as on-going in-service and field training, for PSAs. Training will focus on available City services, preventing and reporting crime, dealing with panhandlers and the homeless, applicable sanitation and building codes, radio communications, first aid and CPR, Milwaukee history and local attractions, general retailing, communications skills and interactions with residents and visitors. For a portion of their training PSAs will be paired with police officers or experienced PSAs patrolling their beats. Training will be supplemented by a book of Operating Rules and Procedures serving as a guide for handling both common and unusual incidents.

Following their training, uniformed but unarmed PSAs will be assigned "beats" to patrol on foot. Beat assignments will be based on the amount of foot traffic in the area, hours of business operation, special event schedules, police beat assignments, crime statistics and trends, and Responsible Hospitality Task Force recommendations for night-time economy management. Generally, PSAs will be deployed on beats to maximize the provision of security services during peak hours like weekday lunch hours, before and after business hours at burgeoning nighttimes and for special events. PSAs shall employ smart phone/GIS tracking technology to determine appropriate PSA deployment. A schedule for deploying PSAs on their beats shall be developed by the District's CEO together with the PSA director and altered as appropriate for weather, redeployment for special events and for changing circumstances.

PSAs' primary responsibilities will be to assist and direct workers, shoppers, diners, sports fans, club-goers and visitors, and to observe and report suspicious behavior. PSAs must familiarize themselves with the businesses and residents in their beats and be able to recognize suspicious behavior. PSAs will be supplied with uniforms to create an official but approachable appearance and will be equipped with smart phone-type devices to report any incidents to a PSA supervisor/dispatcher linked directly to the City Police Department. One PSA supervisor/dispatcher shall be on duty or on call whenever PSAs are on patrol. Using handheld smart phone-type devices, the PSA supervisor will maintain communications among PSAs, other Downtown security personnel and City police.

The City Police Department shall provide the District with the ability to monitor police calls for service. The District will permit any on-duty police officers assigned to the Downtown area to work out of the District office. The agreement between the District and the City Police Department regarding services to be provided is more fully described in the letter from Chief of Police Arthur L. Jones dated July 17, 1997 on file in the District's office.

The District will pursue partnerships with other service providers. These partnerships may include development of a policy for referring panhandlers and the homeless to appropriate resources and/or working with other Downtown security resources to share information and develop response strategies. The District also has designated one PSA position specifically to coordinate homelessness outreach.

2. Clean Sweep Ambassadors Program. The District will continue to sponsor a Clean Sweep Ambassador Program to provide additional sidewalk cleaning and public space maintenance, to implement special projects and, more generally, to introduce an active, positive force in Downtown.

The District may provide cleaning, maintenance, graffiti removal and landscaping services in any manner deemed reasonable by the District Board, including hiring staff directly or hiring independent contractors to provide staff. In any event, a CSA director will be selected, who will report to the District's CEO, to manage this program, hire and supervise staff and serve as a liaison among City departments and property owners and businesses. During the summer months, a minimum of 11.5 full-time equivalent Clean Sweep Ambassadors ("CSAs") will report directly to the CSA

director. Fewer CSAs may service the District during the winter months. Full-time CSA staff will be trained in maintenance, safety and informational services and furnished with identifiable uniforms. In addition, the District may retain other staff and/or independent contractors as it deems reasonable to perform the tasks necessary to implement the program.

The maintenance efforts of CSAs, other staff and independent contractors retained, paid and uniformed by the District will complement the efforts of the City Department of Public Works. CSAs will manually sweep sidewalks and riverwalks, pick up litter and remove graffiti each day. Weather permitting, CSAs will mechanically sweep public sidewalks and riverwalks in a rotation consistent with the City's street sweeping schedule--with approximately one fifth of the District being swept each working day. From April through October, CSAs will also power wash and steam clean sidewalks and clean, maintain, water, plant and weed tree wells and planters. CSAs will be assigned "beats" depending on the public use of the area and the need for services. A schedule for deploying CSAs and their tasks, shall be developed by the District's CEO and the CSA director and altered as appropriate for restrictions imposed by weather and redeployment as necessary in the judgment of District staff.

In addition to their daily cleaning and maintenance duties, the District may deploy CSAs to accomplish special projects. These projects may range from the installation and removal of holiday lights to set up and clean up for special events to "Super-Block" clean up.

In servicing all aspects of the CSA program, CSAs and other staff servicing this program will maintain a friendly and helpful presence Downtown. Working during busy hours in recognizable uniforms, they will create an aura, not only of cleanliness, but also of safety. CSAs will be trained in crime resistance and to furnish helpful information and directions to residents and visitors. CSAs will remain in contact with the District office and its other resources using handheld PDA-type devices.

3. Economic Development; Marketing; Business Recruitment and Retention. In furtherance of its 2018 strategic planning objectives, District staff, generally, and an economic development director, in particular, shall strive to attract, retain and grow businesses paying family-supporting wages in Downtown Milwaukee. District efforts

shall include, but not be limited to, maintaining relevant market and demographic data, linking business and government resources and providing and/or identifying expertise to assist in business growth.

District staff will coordinate and/or contract to implement public relations programming to promote the cleaner, safer, friendlier Downtown being created through District efforts. Marketing and programming will aim to encourage increased use of Downtown, to attract businesses to locate, remain and expand in Downtown and to convince both constituents of the District and potential users that Downtown is a positive destination with unique qualities and amenities.

District staff will continue the District's marketing campaign based on a fresh "Downtown" theme. District staff will continue an internal communications program to inform members about District activities and benefits. Internal communications may include a semi-annual newsletter, an annual report, various print and e-mail notices and increased social media. District staff will maintain an umbrella-advertising theme, graphics package and media relations program. District staff will cross sell Downtown's assets with various seasonal promotions.

In addition, District staff will develop and/or contract for other marketing initiatives, attractions and/or events promoting Downtown. These marketing initiatives may include a comprehensive marketing campaign targeted at appropriate constituencies and/or traveling information kiosks and/or similar devices which may be staffed and deployed at various events (inside and outside of Downtown) to increase District visibility and outreach.

District staff will strive to attract and retain synergistic businesses. District staff will administer, together with the City of Milwaukee, a program of grants and forgivable loans for retailers and landlords to upgrade storefront spaces within the District. The District also will allocate up to \$85,000 in additional funding for catalytic economic development and spacemaking special projects, provided that each project must be approved by the District Board consistent with criteria adopted and applied by the Board.

The District may also sponsor or co-sponsor recurring special events such as the Holiday Lights Festival, Downtown Dining Week, Taste

and Toast, Downtown Employee Appreciation Week and Tunes at Noon.

The District will continue its sponsorship of the annual holiday lighting each November. Each year, the District will cause lighting purchased by the District in previous years and remaining in good condition to be reinstalled. In addition, the District may spend and/or solicit additional money as it deems necessary to purchase additional and/or replacement holiday lighting. For the winter of 2022-2023, the District will sponsor the twenty-fourth annual Holiday Lights Festival in Downtown. This festival will continue previous year's street lighting efforts and implement intense lighting displays in select Downtown parks such as Pere Marquette Park, Zeidler Union Square and Cathedral Square.

The District may undertake other economic development and/or marketing initiatives and programming reasonably estimated to attract and retain businesses, residents and tourists to Downtown as deemed appropriate by the District Board.

The District may contract with Milwaukee Downtown, Inc. to coordinate and implement the marketing initiatives described above, as well as related activities. In connection with contracting with Milwaukee Downtown, Inc., the District intends to donate approximately \$1,585,644 to Milwaukee Downtown, Inc. to provide operating funds necessary to implement marketing initiatives and related activities.

4. Initiative to Combat Homelessness. Based on concerns raised by its stakeholders, the District spearheaded initiatives to address chronic homelessness and aggressive panhandling. Such initiatives include funding and raising funds to support a Downtown Homeless Outreach Coordinator, a Downtown Community Prosecutor and a PSA position dedicated to homelessness outreach.
5. Contracting to Extend Activities/Services Outside of the District. Given the District's success, various constituencies periodically request the District to extend activities or provide services outside of the District boundaries. The District is authorized to contract to extend its activities and/or services outside District boundaries and/or to area residents so long as, by majority vote of the Board, any such contract is deemed to (a) advance the District's objectives and (b) provide activities and/or services on a revenue-neutral basis

such that the District avoids incurring any costs not directly benefiting properties within the District.

C. Proposed Expenditures and Financing Method

The 2023 proposed annual operating budget for the District is \$4,447,723. \$4,417,873 will be the amount received from District assessments from properties within the District. \$29,850 is additional income that is anticipated to come from several sources. See Appendix D. Of these amounts, \$903,600 will finance the Public Service Ambassadors Program, \$1,214,549 will fund the Clean Sweep Ambassadors Program, \$1,894,924 will pay for economic development, marketing, promotions and business retention and recruitment efforts, including placemaking efforts, and \$434,650 will be reserved for administrative expenses and a contingency (including, without limitation, the salaries of a full-time CEO, an economic development director, a marketing/events/social media coordinator, an environment specialist, an executive assistant, interns and other District staff, legal fees, insurance costs and office expenses). In the event that the Board reasonably determines that amounts allocated to any particular program are not needed for that program, unneeded amounts for one program may be used for another program. In addition, any funds collected but unspent pursuant to previous years' operating plans and any unanticipated voluntary contributions or other income will be made available in 2023 (for any purpose set forth in this Operating Plan, including without limitation for core services, public information, marketing, promotions and/or economic development efforts). The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

The Board shall approve an annual operating budget for the District each year. Prior to approving any annual operating budget, the District will mail a public hearing notice and make available a copy of the proposed annual operating plan and budget to all owners of real property within the District. In addition, a Class 2 notice of the public hearing will be published in a local newspaper of general circulation, and the notice, annual operating plan and budget will be posted on the District's website. The District Board will hold a public hearing and approve the annual operating plan and budget for the District for that year. If any year's annual operating budget exceeds the prior year's annual operating budget by 4% or more, such budget must be approved by a 2/3 majority of the entire District Board. (This Year Twenty-Six Operating Plan was unanimously approved by _____ Board members in attendance at the Board meeting of September 8, 2022. Any capital improvements costing more than \$15,000

each or \$40,000 in the aggregate for any one year must be approved by a 2/3 majority of the entire District Board. For the purposes of this Operating Plan, "capital improvement" means any physical item that is permanently affixed to real estate including, without limitation, street lighting and sidewalk improvements. The term "capital improvement" shall not include, among other things, any maintenance equipment or supply, any communications equipment, any vehicles, any seasonal improvement or any holiday lighting or decorations. After the District Board has approved the annual operating plan and budget, they will be sent to the City for approval, adoption and inclusion in the City's annual budget for that year.

The 2022 assessed valuation of all property subject to assessment within the original District boundaries was approximately \$2,895,381,285 . The method of assessing annual operating expenses against properties located within the District is set forth in Article IV of this Operating Plan. Any change in the method of assessing annual operating expenses against properties located within the District must be approved by a 3/4 majority of the entire District Board and a majority of the Common Council of the City. Subsequent revisions to this Operating Plan will specify any additional assessment methodologies and amounts for operating expenses. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the aggregate property tax assessed valuation of all property assessed by the District.

The District may not borrow funds without approval of a 2/3 majority of the entire District Board.

D. Organization of the District Board

The Mayor shall appoint members to the District Board. The Board shall be responsible for 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 section 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 - 19 members.
2. Composition -
 - (a) Three members shall be representatives of each of the three largest (as measured by assessed valuation) multi-tenant office buildings in the District. In 2023, U.S. Bank Center (777 and 811 East Wisconsin Avenue), 411 East Wisconsin Avenue and 833 East Michigan Avenue are the three largest office buildings.
 - (b) Two members shall be representatives of the fourth through the ninth largest (as measured by assessed valuation) multi-tenant office buildings in the District. In 2023, 790 North Water Street, Schlitz Park (at the intersection of 2nd and Pleasant Streets), 100 East Wisconsin Avenue, The Milwaukee Center (107 East Kilbourn Avenue), 875 East Wisconsin Avenue and Plaza East (330 East Kilbourn Avenue) are the fourth through the ninth largest multi-tenant office buildings.
 - (c) Three members shall be representatives of any multi-tenant office buildings in the District.
 - (d) Three members shall be representatives of owner-occupied or single tenant buildings in the District with assessed valuations in excess of \$5,000,000. One member from this category shall be a representative of The Northwestern Mutual Life Insurance Company.
 - (e) One member shall be an owner or operator of a street-level retail business located within the District (which business may, but need not, be a restaurant).
 - (f) Two members shall be representatives of hotels located within the District. Such hotels shall not be owned or controlled by the same or related entities or individuals.
 - (g) One member shall be a representative of a tax-exempt entity making a voluntary contribution to the District of not less than \$45,000 annually.

- (h) Two members shall be "at large" members who shall not represent any particular constituency but who shall be owners or occupants of real property located within the District used for commercial purposes.
- (i) Two members shall be the immediate two past chairs of the District Board.

For purposes of measuring the assessed valuations of any building or site set forth above, all contiguous buildings and/or sites connected above- or below-ground, separated only by an intervening street and with identical ownership shall be included as one building or site. (For example, the U.S. Bank Center, consisting of property located at 777 and 811 East Wisconsin Avenue, constitutes one site.) Each year, the Board shall reconfirm the assessed valuations, ownerships and occupancies of all properties located within the District. If the assessed valuation, ownership or occupancy of any particular building or site in any year ceases to satisfy the criteria set forth above, the Board shall rearrange such building or site in the appropriate category. In addition to the composition requirements set forth above, one member of the Board shall also be a member of the board of directors of Westtown Association as long as the Westtown Association remains in existence, and one member of the Board shall also be a member of the board of directors of East Town Association as long as the East Town Association remains in existence. In satisfying the categories for Board members set forth above, the geographic representation of Board members shall be varied to the extent possible.

- 3. Term - Appointments to the Board shall generally be for a period of three years. To the extent possible, the terms of members representing each of the categories set forth in subparagraph (2) above shall be staggered so that the terms of not more than 60% of the representatives of any one category shall expire simultaneously. Despite the expiration of a Board member's term, the member shall continue to serve, subject to the by-laws adopted by the Board, until the member's successor is appointed.
- 4. Compensation - None.
- 5. Meetings - All meetings of the Board shall be governed by the Wisconsin Open Meetings Law if and as legally required.

6. Record Keeping - Files and records of the Board's affairs shall be kept pursuant to public record requirements.
7. Staffing and Office - The Board may employ staff and/or contract for staffing services pursuant to this Operating Plan and subsequent modifications thereof. In 2023, the Board may employ a full-time CEO, a full-time executive assistant, an economic development director, a marketing/events/social media coordinator, an environmental specialist and/or up to four interns and other support staff. The Board shall maintain an office for the District, which shall be centrally located in Downtown. The District's current office is located at 301 West Wisconsin Avenue, Suite 106. All District staff, including PSAs and CSAs, may work out of the District office or other approved spaces.
8. Meetings - The Board shall meet regularly, at least once quarterly. The Board has adopted rules of order (by-laws) to govern the conduct of its meetings. In the event of a tie in any matter on which an even number of Board Members vote, the vote of the Chair shall be deemed the tie-breaker.
9. Executive Committee - The Board shall elect from its members a chair, a vice-chair, a secretary, a treasurer and an assistant secretary who, together with the immediate past Chair of the Board, shall comprise an Executive Committee of the Board. At least one member of the Executive Committee shall be elected from the category of members set forth in subparagraphs (2)(a) or (b) above. Moreover, the member representing The Northwestern Mutual Life Insurance Company under subparagraph (2)(d) above shall be elected to some office on the Executive Committee. The immediate past chair of the Board shall serve on the Executive Committee until the current Chair ceases to serve as Chair, in which case the immediately past serving Chair shall become immediate past Chair. The Executive Committee shall be authorized to oversee the day to day operations of the District, subject to the by-laws adopted by the Board. In the event of a tie in any matter on which all officers vote, the vote of the Chair shall be deemed the tie-breaker.
10. Non-voting Members - At the option of a majority of the members of the Board, representatives of Visit Milwaukee, the Milwaukee Development Corporation, the Metropolitan Milwaukee Association of Commerce, and one or more significant Milwaukee arts venues (and/or similar organizations) may be invited to attend meetings of the Board or Executive Committee as nonvoting members.

11. Emeritus Members – By resolution of a majority of the members of the Board, former Board members who have demonstrated extraordinary service to the District may be appointed "emeritus" members in honor and recognition of their exceptional contributions.
12. No public bidding – Notwithstanding anything herein to the contrary and/or any contrary decisions by the Board relative to specific contracts, the District shall not be subject to any prevailing wage and/or public bidding requirements under either Wisconsin Statutes and/or City of Milwaukee ordinances.

E. RELATIONSHIP TO MILWAUKEE DOWNTOWN, INC. AND ALLIANCE FOR DOWNTOWN PARKING AND TRANSPORTATION, INC.

The District is a separate entity from Milwaukee Downtown, Inc., a private, not for profit corporation, exempt from taxation under section 501(c)(3) of the Internal Revenue Code, notwithstanding the fact that some or all of the members, officers and directors of each entity may be shared. Milwaukee Downtown, Inc. shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Board may contract with Milwaukee Downtown, Inc. to provide marketing and promotional services to the District and to retain an economic development director. The Board shall donate operating funds to Milwaukee Downtown, Inc. to facilitate the provision of such services and staffing, all in accordance with this Operating Plan.

The District and Milwaukee Downtown, Inc. are also separate entities from Alliance for Downtown Parking and Transportation, Inc. (the "Alliance"), a private, not for profit corporation, notwithstanding the fact that the District Board appoints all members to the board of directors of the Alliance. The Alliance shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Board may work in tandem with the Alliance and other Downtown commercial organizations to improve and mitigate adverse parking and transportation issues impacting Downtown Milwaukee and to promote positive parking and transportation options within the area, consistent with the purposes of this Operating Plan.

IV. METHOD OF ASSESSMENT

A. Annual Assessment Rate and Method

The annual assessment for District operating expenses will be levied against each property within the District in direct proportion to the commercial assessed value of each property for real property tax purposes on record with the District as of the date the District held the public hearing regarding its Year Twenty-Six Operating Plan (September 8, 2022). No owner of property within the District shall be eligible to receive or be subject to any reductions or increases in its assessment as a result of a decrease or increase in the assessed value for their property occurring after such date. The Board may, however, at its sole option, consider updated assessment information until the Common Council approves this Operating Plan. In addition, the amount of an assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the District.

Appendix C identifies each property included in the District and shows the proposed BID assessment for each property for the twenty-sixth year of operation. Such proposed assessments are based on the assessed value and classification estimated in 2022 pursuant to the foregoing formula.

In addition, any amounts due to the District from a property owner pursuant to a contract between the District and the property owner may, at the option of the District Board, become a special assessment or special charge against that property upon 30 days' prior written notice to the property owner.

B. Excluded and Exempt Property

The BID statute requires explicit consideration of certain classes of property. In compliance with the law, the following statements are provided.

1. Wisconsin Statutes section 66.1109(1)(f)(1m): The District will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this Operating Plan because it is assumed that they will benefit from development in the District.
2. Wisconsin Statutes section 66.1109(5)(a): Property used exclusively for residential purposes will not be assessed. Mixed use properties

containing some residential use will be assessed by the District consistent with applicable law.

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

V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY

A. Enhanced Safety and Cleanliness

Under Wisconsin Statutes section 66.1109(1)(f)(4), this Operating Plan is required to specify how the creation of the District promotes the orderly development of the City. The District will enhance the safety and cleanliness of Downtown and, consequently, encourage commerce in the City. Increased business activity in the City will increase sales tax revenues and property tax base.

B. City Role in District Operation

The City has committed to assisting owners and occupants in the District to promote its objectives. To this end, the City has played a significant role in creation of the District and in the implementation of this Operating Plan. In furtherance of its commitment, the City shall:

1. Perform its obligations and covenants under the Cooperation Agreement.
2. Provide technical assistance to the District in the adoption of this and subsequent operating plans and provide such other assistance as may be appropriate.
3. Collect assessments, maintain the same in a segregated account and disburse monies to the Board.

4. Receive annual audits as required per Wisconsin Statutes section 66.1109(3)(c).
5. Provide the Board, through the Office of Assessment, on or before July 1 of each year, and periodically update, with the official City records on the assessed value of each tax key number within the District as of January 1 of each year for purposes of calculating the District assessments.
6. Promptly appoint and confirm members to the Board, consistent with this Operating Plan.

VI. PLAN APPROVAL PROCESS

A. Public Review Process

The BID statute establishes a specific process for reviewing and approving operating plans. Pursuant to the statutory requirements, the following process will be followed:

1. The District shall submit its proposed Operating Plan to the Department of City Development.
2. The Community and Economic Development Committee of the Common Council will review the proposed Operating Plan at a public meeting and will make a recommendation to the full Common Council.
3. The Common Council will act on the proposed Operating Plan.
4. If adopted by the Common Council, the proposed Operating Plan is sent to the Mayor for his approval.
5. If approved by the Mayor, this Year Twenty-Six Operating Plan for the District is approved and the Mayor will appoint, in accordance with Article III.D., new members to the Board to replace Board members whose terms have expired or who have resigned.

VII. FUTURE YEAR OPERATING PLANS

A. Changes

It is anticipated that the District will continue to revise and develop this Operating Plan annually, in response to changing needs and opportunities

in the District, in accordance with the purposes and objectives defined in this Operating Plan.

Wisconsin Statutes section 66.1109(3)(b) requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed activities, information on specific assessed values, budget amounts and assessment amounts are based solely upon current conditions. Greater detail about subsequent years' 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 3/4 majority of the entire District Board and consent of the City of Milwaukee. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the aggregate property tax assessed valuation of all property assessed by the District. Further, as set forth in Article III.C. above, a 2/3 majority of the entire District Board must approve increases in the District operating budget exceeding 4% of the prior year's budget and capital improvement expenditures of over \$15,000 in any one instance or of \$40,000 in the aggregate in any one year.

B. Early Termination of the District

The City shall consider terminating the District if the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified herein, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all property assessed under the Operating Plan, file a petition with the City Plan Commission requesting termination of the District. On or after the date such a petition is filed, neither the Board nor the City may enter into any new obligations by contract or otherwise until the expiration of thirty (30) days after the date a public hearing is held and unless the District is not terminated.

Within thirty (30) days after filing of a petition, the City Plan Commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a Class 2 notice. Before publication, a copy of the notice with a copy of the Operating Plan and a copy of the detail map showing the boundaries of the District shall be sent by certified mail to all owners of real property within the District.

Within thirty (30) days after the date of such hearing, every owner of property assessed under the Operating Plan may send a written notice to the City Plan Commission indicating, if the owner signed a petition, that the owner retracts the owner's request to terminate the District or, if the owner did not sign the petition, that the owner requests termination of the District.

If, after the expiration of thirty (30) days after the date of the public hearing, by petition or subsequent notification and after subtracting any retractions, the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified in the Operating Plan, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all properties assessed under the Operating Plan have requested the termination of the District, the City shall terminate the District on the date that the obligation with the latest completion date entered into to implement the Operating Plan expires.

C. Amendment, Severability and Expansion

This District has been created under authority of Wisconsin Statutes section 66.1109. Except as set forth in the next sentence, should any court find any portion of this statute invalid or unconstitutional its decision will not invalidate or terminate the District and this Operating Plan shall be amended to conform to the law without need of re-establishment. Should any court find invalid or unconstitutional the organization of the entire District Board, any requirement for a 2/3 or 3/4 majority vote of the District Board, the budgeting process or the automatic termination provision of this or any subsequent Operating Plan, the District shall automatically terminate and this Operating Plan shall be of no further force and effect.

Should the legislature amend the statute to narrow or broaden the definition of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this Operating Plan may be amended by a 2/3 majority of the entire District Board and a majority of the Common Council of the City of Milwaukee as and when they conduct their annual Operating

Plan approval and without necessity to undertake any other act. This is specifically authorized under section 66.1109(3)(b).

D. Automatic Termination Unless Affirmatively Extended.

The District Board shall not incur obligations extending beyond thirty years from the date on which the District was created. At the end of the twenty-ninth year of the District's existence, the District Board shall prepare an operating plan for the thirtieth year that contemplates termination of the District at the commencement of the thirtieth year as set forth in Wisconsin Statutes section 66.1109(3)(b), unless the owners of property assessed by the District having a valuation equal to 60% of the valuation of all property assessed by the District affirmatively vote to continue the District.

In addition, the Board may elect by majority vote to terminate the District if the City is in default of any obligation or covenant of the City set forth in the Cooperation Agreement. In such event, the District shall terminate as set forth in Wisconsin Statutes section 66.1109(4m).

APPENDIX A

Wisconsin Statutes section

Updated 2017–18 Wis. Stats. Published and certified under s. 35.18. August 1, 2020.

167 Updated 17–18 Wis. Stats.

MUNICIPAL LAW 66.1109

(b) Designation by the planning commission of the boundaries of a reinvestment neighborhood or area recommended by it to be designated and submission of the recommendation to the local legislative body.

(c) Adoption by the local legislative body of a resolution which:

1. Describes the boundaries of a reinvestment neighborhood or area with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the neighborhood or area. The boundaries may, but need not, be the same as those recommended by the planning commission.

2. Designates the reinvestment neighborhood or area as of a date provided in the resolution.

3. Contains findings that the area to be designated constitutes a reinvestment neighborhood or area.

History: 1977 c. 418; 1979 c. 361 s. 112; 1985 a. 29 s. 3200 (14); 1999 a. 150 s. 479; Stats. 1999 s. 66.1107; 2001 a. 104.

66.1108 Limitation on weekend work. (1) DEFINITIONS. In this section:

(a) “Construction project” means a project involving the erection, construction, repair, remodeling, or demolition, including any alteration, painting, decorating, or grading, of a private facility, including land, a building, or other infrastructure that is directly related to onsite work of a residential or commercial real estate development project.

(b) “Political subdivision” means a city, village, town, or county.

(2) CONSTRUCTION PROJECTS; WEEKEND WORK. (a) A political subdivision may not prohibit a private person from working on the job site of a construction project on a Saturday. A political subdivision may not impose conditions that apply to a private person who works on a construction project on a Saturday that are inapplicable to, or more restrictive than the conditions that apply to, such a person who works on a construction project during weekdays.

(b) If a political subdivision has enacted an ordinance or adopted a resolution before April 5, 2018, that is inconsistent with par. (a), that portion of the ordinance or resolution does not apply and may not be enforced.

History: 2017 a. 243.

66.1109 Business improvement districts. (1) In this section:

(a) “Board” means a business improvement district board appointed under sub. (3) (a).

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

(c) “Chief executive officer” means a mayor, city manager, village president or town chairperson.

(d) “Local legislative body” means a common council, village board of trustees or town board of supervisors.

(e) “Municipality” means a city, village or town.

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

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

1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.

2. The kind, number and location of all proposed expenditures within the business improvement district.

3. A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

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

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

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

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

(a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. (b) has petitioned the municipality for creation of a business improvement district.

(b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.

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

(d) Within 30 days after the hearing under par. (c), the owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan, or the owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan, have not filed a petition with the planning commission protesting the proposed business improvement district or its proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the municipality.

(2m) A municipality may annex territory to an existing business improvement district if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation of the territory, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the business improvement district shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. (c), the owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be

2017–18 Wisconsin Statutes updated through 2019 Wis. Act 186 and through all Supreme Court and Controlled Substances Board Orders filed before and in effect on August 1, 2020. Published and certified under s. 35.18. Changes effective after August 1, 2020, are designated by NOTES. (Published 8–1–20)

annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan, have not filed a petition with the planning commission protesting the annexation.

(3) (a) The chief executive officer shall appoint members to a business improvement district board to implement the operating plan. Board members shall be confirmed by the local legislative body and shall serve staggered terms designated by the local legislative body. The board shall have at least 5 members. A majority of board members shall own or occupy real property in the business improvement district.

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the business improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the business improvement district, including expenditures and revenues. The report shall include one of the following:

1. If the cash balance in the segregated account described under sub. (4) equaled or exceeded \$300,000 at any time during the period covered by the report, the municipality shall obtain an independent certified audit of the implementation of the operating plan.

2. If the cash balance in the segregated account described under sub. (4) was less than \$300,000 at all times during the period covered by the report, the municipality shall obtain a reviewed financial statement for the most recently completed fiscal year. The statement shall be prepared in accordance with generally accepted accounting principles and include a review of the financial statement by an independent certified public accountant.

(cg) For calendar years beginning after December 31, 2018, the dollar amount at which a municipality is required to obtain an independent certified audit under par. (c) 1. and the dollar amount at which a municipality is required to obtain a reviewed financial statement under par. (c) 2. shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2017, as determined by the federal department of labor. Each amount that is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10.

(cr) The municipality shall obtain an additional independent certified audit of the implementation of the operating plan upon termination of the business improvement district.

(d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all powers necessary or convenient to implement the operating plan, including the power to contract.

(4) All special assessments received from a business improvement district and all other appropriations by the municipality or other moneys received for the benefit of the business improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than

special assessments, to pay the costs of audits and reviewed financial statements required under sub. (3) (c), or on order of the board for the purpose of implementing the operating plan. On termination of the business improvement district by the municipality, all moneys collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the business improvement district, in the same proportion as the last collected special assessment.

(4g) A municipality may convert a business improvement district under this section into a neighborhood improvement district under s. 66.1110 if an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located in the business improvement district petitions the municipality for the conversion. If the municipality approves the petition, the board shall consider and may make changes to the operating plan under s. 66.1110 (4) (b).

(4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

(a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.

(b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. (c) and unless the business improvement district is not terminated under par. (e).

(c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.

(d) Within 30 days after the date of hearing under par. (c), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.

(e) If after the expiration of 30 days after the date of hearing under par. (c), by petition under this subsection or subsequent notification under par. (d), and after subtracting any retractions under par. (d), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

(5) (a) Real property used exclusively for residential purposes and real property that is exempted from general property taxes

under s. 70.11 may not be specially assessed for purposes of this section.

(b) A municipality may terminate a business improvement district at any time.

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

(d) If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. 70.11 or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.

History: 1983 a. 184; 1989 a. 56 s. 258; 1999 a. 150 s. 539; Stats. 1999 s. 66.1109; 2001 a. 85; 2017 a. 59, 70, 189.

66.1110 Neighborhood improvement districts. (1) In this section:

(a) “Board” means a neighborhood improvement district board elected under sub. (4) (a).

(b) “Chief executive officer” means a mayor, city manager, village president, or town chairperson.

(c) “Local legislative body” means a common council, village board of trustees, or town board of supervisors.

(d) “Municipality” means a city, village, or town.

(e) “Neighborhood improvement district” means an area within a municipality consisting of nearby but not necessarily contiguous parcels, at least some of which are used for residential purposes and are subject to general real estate taxes, and property that is acquired and owned by the board if the local legislative body approved acquisition of the property under sub. (4) (d) as part of its approval of the initial operating plan under sub. (3) (e).

(f) “Operating plan” means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation, and promotion of a neighborhood improvement district.

(g) “Owner” means the owner of real property that is located within the boundaries, or the proposed boundaries, of a neighborhood improvement district.

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

(2) An operating plan shall include at least all of the following elements:

(a) The special assessment method applicable to the neighborhood improvement district.

(b) The kind, number, and location of all proposed expenditures within the neighborhood improvement district.

(c) A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

(d) A description of how the creation of the neighborhood improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

(e) A statement as to whether the local legislative body authorizes the board to own real property and, if so, a description of the real property to be owned, the purpose of the ownership, and a statement of to whom the real property will be transferred if the neighborhood improvement district is terminated.

(f) A legal opinion that pars. (a) to (e) have been complied with.

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

(a) An owner of real property subject to general real estate taxes and located in the proposed neighborhood improvement dis-

trict designated under par. (b) has petitioned the municipality for creation of a neighborhood improvement district.

(b) The planning commission has designated a proposed neighborhood improvement district and adopted its proposed initial operating plan.

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

(d) Within 30 days after the hearing under par. (c), one of the following has not filed a petition with the planning commission protesting the proposed neighborhood improvement district or its proposed initial operating plan:

1. The owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan.

2. The owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the neighborhood improvement district. The local legislative body shall publish a class 2 notice under ch. 985 regarding the meeting at which the local legislative body will vote on whether to adopt the proposed initial operating plan for the neighborhood improvement district. Before publication, a copy of the notice shall be sent by certified mail to all owners of real property within the proposed neighborhood improvement district.

(4) (a) 1. If the local legislative body adopts the proposed initial operating plan under sub. (3) (e), it shall determine the size of board, which shall consist of at least 5 members, all of whom shall own or occupy real property in the neighborhood improvement district.

2. The number of board members who represent commercial and residential property, respectively, shall be set by the local legislative body, as closely as possible, in the same proportion as is the aggregate valuation of commercial property in the neighborhood improvement district to the total assessed value of all property in the district, and the aggregate valuation of residential property in the district to the total assessed value of all property in the district.

3. The local legislative body shall set the time and place for a meeting at which members of the board will be elected, and shall publish a class 2 notice under ch. 985 that contains this information. The notice shall specify that all individuals who either own or occupy real property within the neighborhood improvement district are eligible to serve on the board and vote at the election.

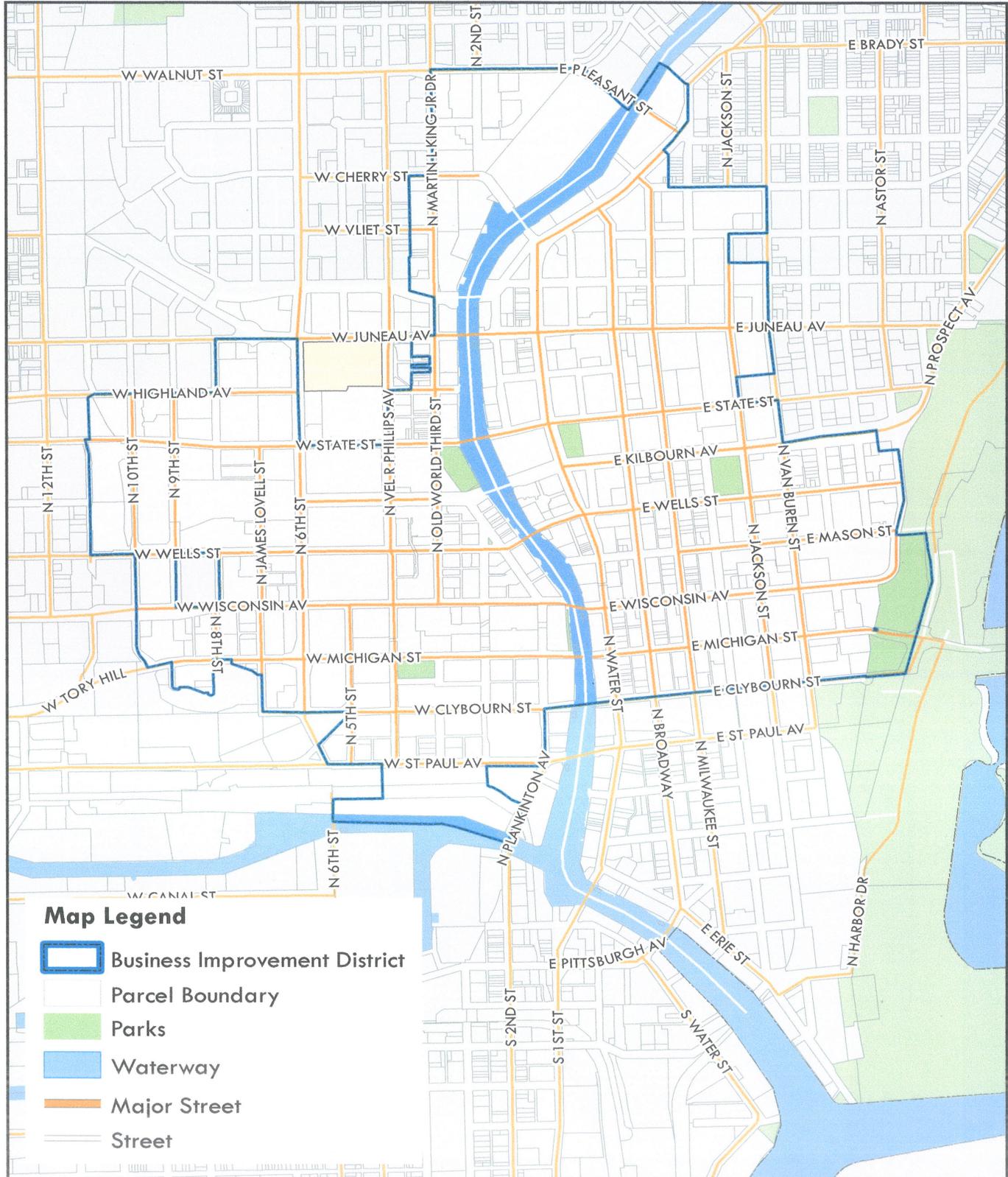
4. At the meeting, the individuals who own or occupy real property shall be divided into 2 groups. One group shall consist of those individuals who own or occupy commercial property, and one group shall consist of those individuals who own or occupy residential property. Each group shall elect from among its members the number of board members set to represent its group by the local legislative body under subd. 2.

5. Board members elected under subd. 4. shall serve a one year term, and may be reelected. Annually, the number of board members who represent commercial and residential properties,

APPENDIX B

BID NO. 21: MILWAUKEE DOWNTOWN CITY OF MILWAUKEE

Prepared by the Dept. of City Development Planning Division, 8/12/2020
Source: City of Milwaukee Information Technology Management Division;
Dept. of City Development Commercial Corridors Team



Document Path: S:\GIS and Data Projects\2020\20-08-12_BID21\Bid 21_RevisedMap_2020.mxd

APPENDIX C

Narrative listing of properties

APPENDIX D
2023 Budget

BUSINESS IMPROVEMENT DISTRICT #21
CLEAN*SAFE*FRIENDLY
2023 BUDGET

INCOME

2023 BID #21 Assessments
(Based on a mill rate of \$1.53 per \$1,000 of
assessed value) \$ 4,417,873

Additional Income \$ 29,850

TOTAL INCOME \$ 4,447,723

EXPENSES

Clean Sweep Ambassador Program
 Sidewalk Cleaning \$ 803,600
 Landscaping \$ 405,949
 Graffiti Removal \$ 5,000
\$ 1,214,549 (27% of total)

Public Service Ambassador Program \$ 903,600 (20% of total)

Administrative \$ 434,650 (10% of total)

Economic Development/Marketing/Business
Retention/Recruitment \$ 1,894,924 (43% of total)

TOTAL EXPENSES \$ 4,447,723

APPENDIX E

Milwaukee Downtown BID #21 Strategic Plan - Updated V6 – New Objectives

Mission¹ Statement

We lead and inspire believers in Milwaukee to engage in efforts that build Downtown as the thriving, sustainable, innovative, and vibrant heart of the community.

Vision² Statement

Milwaukee Downtown is an economic catalyst. Downtown emerges as a premier destination of choice. Milwaukee becomes a renowned world class city (suggested change to "region" from "city").

Proposed Top Priorities

- Priority 1** -- Downtown Economic Development Leader: Reposition BID 21 as a driver of economic prosperity of Milwaukee's Downtown
- Priority 2** -- Leadership position on Catalytic Projects including the Street Car, West Wisconsin Initiative, new arena/convention center, Park East Corridor, and technology/innovation incubator (new)
- Priority 3** -- Energy and vibrancy of downtown: Harness the energy and vibrancy of diverse downtown residents, young professionals and other downtown believers to position them for leadership roles in the Downtown community. (new)

¹ Mission: Broad description of what we do, with/for whom we do it, our distinctive competence, and why we do it.

² Vision: Image or description of future impact we intend to have in the future.

MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021
(With Summarized Totals for the Year Ended December 31, 2020)

MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report	1 - 3
Combined Statement of Financial Position.....	4
Combined Statement of Activities	5
Combined Statement of Functional Expenses	6
Combined Statement of Cash Flows	7
Notes to the Combined Financial Statements	8 - 17
Combined Schedule of Activities by Organization.....	18
Combined Schedule of Functional Revenue and Expenses Without Donor Restrictions	19

Independent Auditor's Report

Board of Directors
Milwaukee Downtown Business Improvement District No. 21 and Affiliate

Opinion

We have audited the accompanying combined financial statements of Milwaukee Downtown Business Improvement District No. 21 and Affiliate (a nonprofit organization) which comprise the combined statement of financial position as of December 31, 2021, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the combined financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Milwaukee Downtown Business Improvement District No. 21 and Affiliate. as of December 31, 2021, 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 Milwaukee Downtown Business Improvement District No. 21 and Affiliate 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 Milwaukee Downtown Business Improvement District No. 21 and Affiliate'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

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 Milwaukee Downtown Business Improvement District No. 21 and Affiliate'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 Milwaukee Downtown Business Improvement District No. 21 and Affiliate'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 Milwaukee Downtown Business Improvement District No. 21 and Affiliate's December 31, 2020, financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated September 8, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Board of Directors
Milwaukee Downtown Business Improvement District No. 21 and Affiliate

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combined schedule of activities by organization and combined schedule of functional revenue and expenses without donor restrictions are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.


RITZ HOLMAN LLP
Certified Public Accountants

Milwaukee, Wisconsin
September 1, 2022

MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2021
(With Summarized Totals for December 31, 2020)

ASSETS	2021	2020
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,613,749	\$ 2,209,679
Accounts Receivable	446,915	307,327
Pledges Receivable	74,250	103,150
Prepaid Expenses	33,293	39,704
Deposits	---	3,183
Inventory	85,171	83,093
Total Current Assets	<u>\$ 2,253,378</u>	<u>\$ 2,746,136</u>
FIXED ASSETS		
Holiday Light Fixtures	\$ 394,462	\$ 356,107
Clean Sweep Equipment	225,160	219,570
Equipment	235,078	234,043
Leasehold Improvements	17,766	17,766
Intangible Assets - Website	68,240	59,544
Total Fixed Assets	<u>\$ 940,706</u>	<u>\$ 887,030</u>
Less: Accumulated Depreciation	(487,798)	(413,098)
Less: Accumulated Amortization	(39,361)	(26,795)
Net Fixed Assets	<u>\$ 413,547</u>	<u>\$ 447,137</u>
OTHER ASSETS		
Pledges Receivable	\$ 254,250	\$ 103,150
Less Current Portion of Pledges Receivable	(74,250)	(103,150)
Investments	521,142	---
Total Other Assets	<u>\$ 701,142</u>	<u>\$ ---</u>
TOTAL ASSETS	<u>\$ 3,368,067</u>	<u>\$ 3,193,273</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 443,212	\$ 479,886
Deferred Rent Abatement	716	699
Current Portion of Long-Term Liabilities	19,769	19,189
Total Current Liabilities	<u>\$ 463,697</u>	<u>\$ 499,774</u>
LONG-TERM LIABILITIES		
Capital Lease	\$ 4,514	\$ 7,035
Assessment Settlement Liability	70,984	87,651
Less Current Portion of Long-Term Liabilities	(19,769)	(19,189)
Total Long-Term Liabilities	<u>\$ 55,729</u>	<u>\$ 75,497</u>
Total Liabilities	<u>\$ 519,426</u>	<u>\$ 575,271</u>
NET ASSETS		
Without Donor Restrictions		
Operating	\$ 1,738,370	\$ 1,923,852
Board Designated	751,684	468,459
Total Net Assets Without Donor Restrictions	<u>\$ 2,490,054</u>	<u>\$ 2,392,311</u>
With Donor Restrictions	358,587	225,691
Total Net Assets	<u>\$ 2,848,641</u>	<u>\$ 2,618,002</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 3,368,067</u>	<u>\$ 3,193,273</u>

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

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
 COMBINED STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (With Summarized Totals for the Year Ended December 31, 2020)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2021 Total</u>	<u>2020 Total</u>
REVENUE				
Assessment Income	\$ 4,170,000	\$ ---	\$ 4,170,000	\$ 4,170,000
Contributions	82,974	416,536	499,510	316,428
Special Events Income	1,000	---	1,000	3,900
Key to Change	4,857	---	4,857	6,067
Government Grants	718,199	---	718,199	501,977
In-Kind Revenue	206,403	---	206,403	31,855
Interest Income	6,610	---	6,610	27,141
Ornament and Merchandise Sales	16,326	---	16,326	18,034
Gain (Loss) on Disposal of Fixed Assets	(587)	---	(587)	600
Miscellaneous Income	3,866	---	3,866	3,415
Net Assets Released from Restrictions	283,640	(283,640)	---	---
Total Revenue	<u>\$ 5,493,288</u>	<u>\$ 132,896</u>	<u>\$ 5,626,184</u>	<u>\$ 5,079,417</u>
EXPENSES				
Program	\$ 5,108,953	\$ ---	\$ 5,108,953	\$ 4,455,078
General and Administrative	252,829	---	252,829	272,271
Fundraising	33,763	---	33,763	38,383
Total Expenses	<u>\$ 5,395,545</u>	<u>\$ ---</u>	<u>\$ 5,395,545</u>	<u>\$ 4,765,732</u>
CHANGE IN NET ASSETS	\$ 97,743	\$ 132,896	\$ 230,639	\$ 313,685
Net Assets at Beginning of Year	<u>2,392,311</u>	<u>225,691</u>	<u>2,618,002</u>	<u>2,304,317</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,490,054</u>	<u>\$ 358,587</u>	<u>\$ 2,848,641</u>	<u>\$ 2,618,002</u>

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

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
 COMBINED STATEMENT OF FUNCTIONAL EXPENSES
 FOR THE YEAR ENDED DECEMBER 31, 2021
 (With Summarized Totals for the Year Ended December 31, 2020)**

EXPENSES	Program	General and Administrative	Fundraising	2021 Total	2020 Total
Salaries and Wages	\$ 422,992	\$ 70,710	\$ 27,306	\$ 521,008	\$ 550,271
Contract Services -					
Public Service Ambassadors	662,526	---	---	662,526	608,833
Clean Sweep Ambassadors	630,321	---	---	630,321	567,357
Planter Maintenance	382,247	---	---	382,247	351,695
Other Program Services	1,290,460	3,804	26	1,294,290	1,098,572
Employee Benefits	100,560	14,170	3,543	118,273	116,270
Payroll Taxes	28,684	3,216	804	32,704	35,031
Postage and Shipping	9,087	84	17	9,188	7,703
Occupancy	157,653	2,354	471	160,478	48,605
Utilities	22,779	727	145	23,651	23,064
Equipment Rental and Maintenance	41,964	---	---	41,964	33,401
Insurance	16,917	4,960	180	22,057	20,592
Depreciation and Amortization	71,514	16,684	---	88,198	82,618
Personal Property Tax	6,761	---	---	6,761	5,804
Event Entertainment	6,605	---	---	6,605	8,566
Event Decoration	52,085	---	---	52,085	40,848
Food and Beverages	50,127	3,222	---	53,349	4,499
Supplies	63,656	7,288	---	70,944	75,501
Accounting Fees	3,504	76,324	---	79,828	91,097
Legal Fees	12,745	21,655	---	34,400	46,138
Dues, Licenses and Permits	56,284	6,349	---	62,633	22,276
Bank Charges	881	992	---	1,873	2,730
Cost of Goods Sold	15,072	---	---	15,072	13,087
Assessment Settlement Expense	---	11,607	---	11,607	---
Advertising and Marketing	635,838	---	---	635,838	728,805
Donations to Others	330,583	---	---	330,583	104,215
Information Technology	17,512	4,670	1,168	23,350	20,399
Awards and Promotions	8,636	459	92	9,187	14,046
Bad Debt Expense	---	3,500	---	3,500	30,125
Travel	9,292	---	---	9,292	2,547
Interest	651	---	---	651	1,118
Miscellaneous	1,017	54	11	1,082	9,919
TOTALS	\$ 5,108,953	\$ 252,829	\$ 33,763	\$ 5,395,545	\$ 4,765,732

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

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021
(With Summarized Totals for the Year Ended December 31, 2020)**

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 230,639	\$ 313,685
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities		
Depreciation and Amortization	88,198	82,618
Unrealized Loss on Investments	4,939	228
(Gain) Loss on Disposal of Fixed Assets	587	(600)
Donated Capital Assets	---	(18,646)
Donated Stock	(5,363)	(5,874)
(Increase) Decrease in Accounts Receivable	(139,588)	(296,699)
(Increase) Decrease in Pledges Receivable	(151,100)	117,100
(Increase) Decrease in Prepaid Expenses	6,411	(26,127)
(Increase) Decrease in Deposits	3,183	19,702
(Increase) Decrease in Due from Sculpture Milwaukee	---	698,229
(Increase) Decrease in Inventory	(2,078)	(63)
Increase (Decrease) in Accounts Payable	(36,674)	149,216
Increase (Decrease) in Deferred Rent Abatement	17	699
Increase (Decrease) in Assessment Settlement Liability	(16,667)	(16,667)
	<u>\$ (17,496)</u>	<u>\$ 1,016,801</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Sale of Investments	\$ 5,363	\$ 5,646
Purchases of Investments	(526,081)	---
Proceeds from Sale of Fixed Assets	---	600
Purchase of Fixed Assets	(55,195)	(138,260)
	<u>\$ (575,913)</u>	<u>\$ (132,014)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Capital Lease	\$ (2,521)	\$ (2,631)
	<u>\$ (2,521)</u>	<u>\$ (2,631)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	\$ (595,930)	\$ 882,156
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,209,679</u>	<u>1,327,523</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,613,749</u>	<u>\$ 2,209,679</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Donated Stock	\$ 5,363	\$ 5,874
Interest Expense	651	1,118

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

MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE A - Summary of Significant Accounting Policies

Organization

The Milwaukee Downtown Business Improvement District No. 21 (MDBID) was created by the Common Council of the City of Milwaukee pursuant to Wisconsin Statutes. The mission of MDBID is to lead and inspire believers in Milwaukee to engage in efforts that build Downtown as the thriving, sustainable, innovative, and vibrant heart of the community.

Milwaukee Downtown Business Improvement District No. 21 is exempt from tax as an affiliate of a governmental unit under Section 501(a) of the Internal Revenue Code.

Combined Financial Statements

The combined financial statements include the accounts of Milwaukee Downtown Business Improvement District No. 21 and Milwaukee Downtown, Inc. (MDI). MDI is incorporated as a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is not classified as a private foundation. MDI's board of directors is appointed by MDBID. All significant intercompany transactions and accounts are eliminated.

Accounting Method

The financial statements of Milwaukee Downtown Business Improvement District No. 21 and Affiliate 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.

At December 31, 2021, the Organization had \$358,587 of net assets with time and purpose donor restrictions.

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.

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE A - Summary of Significant Accounting Policies (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.

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.

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.

Inventory

Inventory consists of holiday ornaments which are recorded at cost.

Fixed Assets

Fixed assets are recorded at cost. Depreciation is computed on a straight-line basis over the estimated useful lives of assets. The Organizations capitalize items greater than \$1,000.

Allowance for Uncollectible Accounts

Management believes all receivables will be collected in accordance with the terms of the agreement. Thus, no allowance for uncollectible accounts is necessary at year-end.

Functional Expenses

The Organization allocates costs based on their functional and natural classification in the statement of functional expenses. Program costs are those associated with carrying out the mission of the Organization; management costs are those for management of the Organization including accounting, office expense, human resources, budgeting or board of directors costs; and fundraising costs are those attributed to the solicitation of contributions. Whenever possible, the Organization allocates costs directly to program, management or fundraising. The cost of individuals that participate in more than one function are allocated to each function based on that individual's time in each function. Other costs that relate to more than one function are allocated based on their estimated share in each function.

MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE B - Comparative Financial Information

The financial information shown for 2020 in the accompanying financial statements is included to provide a basis of comparison with 2021. The comparative information is summarized by total only, not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity to generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

NOTE C - Accounting Changes

Accounting Standards Update 2020-07, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets (Topic 958) will be effective for fiscal years beginning after June 15, 2021. The amendments in this update are required and provide new presentation and disclosure requirements about contributed nonfinancial assets to nonprofits, including additional disclosure requirements for recognized contributed services. Contributed nonfinancial assets will be required to be reported as a separate line in the statement of activities. A financial statement note will be 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, required to be presented retrospectively to all periods presented, will not change the recognition and measurement requirements for those assets.

Accounting Standards Update 2016-02, Leases (Topic 842) will be effective for fiscal years beginning after December 15, 2021. This update requires the recognition of lease assets and lease liabilities on the statement of financial position measured at the present value of lease payments and requires disclosure of key information about the leasing arrangements.

Accounting Standards Update 2020-08, Receivables – Nonrefundable Fees and Other Costs (Topic 310-20) will be effective for fiscal years beginning after December 15, 2021. The amendments in this update represent changes to clarify the codification. An organization shall apply the amendment prospectively. This amendment impacts the effective yield of an existing individual callable debt security.

Accounting Standards Update 2016-13, Financial Instruments - Credit Losses (Topic 326) will be effective for fiscal years beginning after December 15, 2023. 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 GAAP 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.

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE D - Liquidity

The Organization has financial assets available to meet cash needs for general expenditure consisting of the following:

Cash and Cash Equivalents	\$1,613,749
Accounts Receivable	446,915
Pledges Receivable	<u>74,250</u>
 Total Financial Assets	 <u>\$2,134,914</u>

Financial assets of \$358,587 are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the combined statement of financial position date. The accounts and pledges receivable are subject to implied time restrictions but are expected to be collected within one year. The Organization structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE E - Fair Value Measurements

The Organization has adopted the Financial Accounting Standards Board guidance on fair value measurements. A three-tier hierarchy is used to maximize the use of observable market data inputs and minimize the use of unobservable inputs, and to establish classification of fair value measurements for disclosure purposes. Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar assets in active or inactive markets. Financial assets valued using Level 3 inputs are based primarily on valuation models with significant unobservable pricing inputs and which result in the use of management estimates.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2021:

<u>Investment Category</u>	<u>Fair Value</u>	<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Cash and Cash Equivalents	\$121,116	\$121,116	\$ ---	\$ ---
Fixed Income	<u>400,026</u>	<u>400,026</u>	---	---
Total	<u>\$521,142</u>	<u>\$521,142</u>	<u>\$ ---</u>	<u>\$ ---</u>

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE F - Pledges Receivable

Pledges receivable consist of the following at December 31, 2021:

<u>Source</u>	<u>Amount</u>
Economic Development	\$ 21,000
Holiday Lights	225,000
Dog Park	250
Other	<u>8,000</u>
Total	<u>\$254,250</u>

Future collections for the year ended December 31, 2021, are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 74,250
2023	45,000
2024	45,000
2025	45,000
2026	<u>45,000</u>
Total	<u>\$254,250</u>

NOTE G - Assessment Income

In order to provide revenues to support the MDBID's mission, the Common Council of the City of Milwaukee enforced an assessment on property located within a specified downtown area. The assessment is calculated based on the assessed values of the properties as of every fall. The assessment levied on the downtown properties was \$.00153 for every dollar of assessed property value for the year ended December 31, 2021. Resulting assessment revenues recorded in 2021 were \$4,170,000.

NOTE H - Commitments

MDBID has various management contracts for landscaping, holiday street decorations, public service ambassadors, and clean sweep ambassadors which expire December 31, 2021.

Future payments for the year ended December 31, 2021, are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$2,062,614
2023	2,156,154
2024	<u>474,175</u>
Total	<u>\$4,692,943</u>

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE I - Grants to Others

The Organization awards grants to its affiliate, Milwaukee Downtown, Inc. The grant for the year ended December 31, 2021, was \$1,983,162 and is for the accomplishment of the Affiliate's objectives.

The Organization also provided donations to others of \$330,583 for the year ended December 31, 2021, consisting of:

<u>Purpose</u>	<u>Amount</u>
Key to Change	\$ 79,857
MKE It Back	250,000
Other	<u>726</u>
Total	<u>\$330,583</u>

NOTE J - Operating Leases

In January 2019, the Organization had an operating lease for the rental of a building in Milwaukee, Wisconsin. Starting August 1, 2019, the Organization occupied the building. Due to leasehold improvements in the new location, the lease was amended so that payments begin on February 1, 2020, and expire on January 1, 2030. Total occupancy expense for the year ended December 31, 2021, was \$49,678.

During 2019, the Organization signed a non-cancelable postage meter lease with monthly payments of \$151 to FP Mailing Solutions. The lease ends on October 31, 2024.

Future minimum lease payments under operating leases that have remaining terms in excess of one year for the year ended December 31, 2021, are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 54,553
2023	55,874
2024	56,943
2025	56,803
2026	58,219
Thereafter	<u>188,817</u>
Total	<u>\$471,209</u>

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE K - Capital Lease

The Organization signed a lease for a copier under a capital lease with capitalized cost of \$12,922. Accumulated depreciation for the year ended December 31, 2021, relating to this copier was \$9,476. Depreciation expense reported in the statement of activities includes \$2,584 for the copier under the capital lease.

Total future payments are as follows:

<u>For the Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$3,102	\$393	\$3,495
2023	<u>1,412</u>	<u>45</u>	<u>1,457</u>
Total	<u>\$4,514</u>	<u>\$438</u>	<u>\$4,952</u>

NOTE L - Assessment Settlement Liability

The Organization entered into another settlement agreement with the City of Milwaukee regarding business improvement property tax assessments. The Organization has agreed in good faith partnership to pay a total of \$120,985 beginning in 2019 with 7 equal installments and a final payment in 2026. The balance of the obligations is \$70,984 as of December 31, 2021.

Future minimum settlement payments for the year ended December 31, 2021, are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$16,667
2023	16,667
2024	16,667
2025	16,667
2026	<u>4,316</u>
Total	<u>\$70,984</u>

NOTE M - Concentration of Risk

The Organization maintains its cash balances in one financial institution. The combined account balances are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each financial institution. At December 31, 2021, the Organization's uninsured cash balances total \$1,112,528.

The Organization received property assessment income from the City of Milwaukee. The Organization's operations rely on the availability of these funds. For the year ended December 31, 2021, 74% of the Organization's revenue was from the City of Milwaukee.

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE N - Board Designated Net Assets

Board designated net assets as of December 31, 2021, consist of the following:

<u>Designation</u>	<u>Amount</u>
Holiday Lights	\$344,658
Office Equipment	8,305
Economic Development	90,013
Website	29,955
BID Operations	50,000
Key To Change	100,000
Clean Sweep Equipment	<u>128,753</u>
Total	<u>\$751,684</u>

NOTE O - Net Assets With Donor Restrictions

Net assets with donor restrictions as of December 31, 2021, consist of the following:

<u>Purpose-Restricted</u>	<u>Amount</u>
Holiday Lights	\$225,000
Imagine MKE	8,000
Brighten the Passage	20,002
Dog Park	9,866
Economic Development	21,000
Cathedral Square Art	10,000
Tunes at Noon	10,000
Key to Change	<u>54,719</u>
Total	<u>\$358,587</u>

NOTE P - In-Kind Revenue

The Organization received \$206,403 of goods, rent, prize packages and services, which consisted of the following as of December 31, 2021:

<u>Source</u>	<u>Amount</u>
Drone Light Show	\$ 33,840
Downtown Employee Appreciation Week Food	28,870
Wisconsin Center District Office Space	113,400
Placemaking Site Analysis	4,000
Donated Trees for Holiday Lights	8,909
Audio and Visual Services	9,200
General, Administrative, and Fundraising	<u>8,184</u>
Total	<u>\$206,403</u>

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
NOTES TO THE COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021**

NOTE Q - Conditional Contributions

The Organization has several contracts with governmental agencies which include specific use stipulations requiring funds be used only on qualifying expenses determined by the grant contract and allowable cost policies. The Organization will not receive the grant funds unless spent on the required activity and within the allowable cost guidance. As of December 31, 2021, the Organization has \$1,013,396 available for its programs through May 1, 2022.

NOTE R - Advertising and Marketing

The Organization uses advertising and marketing to promote its programs among the audiences it serves. Advertising and marketing costs are expensed as incurred. Advertising and marketing expense for the year ended December 31, 2021, was \$635,838.

NOTE S - SEP Retirement Contribution

The Organization has a SEP plan that covers all employees who worked at MDBID for at least one year. Eligible wages are based on total calendar year wages. The Organization made a contribution of 10% of eligible wages and incurred expenses of \$47,640 during 2021.

NOTE T - Income Tax

The MDI is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is classified as other than a private foundation. Management has reviewed all tax positions recognized in previously filed tax returns and those expected to be taken in future tax returns. As of December 31, 2021, MDI had no amounts related to unrecognized income tax benefits and no amounts related to accrued interest and penalties. MDI does not anticipate any significant changes to unrecognized income tax benefits over the next year.

NOTE U - Subsequent Events

The Organization has evaluated events and transactions occurring after December 31, 2021, the date of the most recent statement of financial position, through the date financial statements are available to be issued, September 1, 2022, for possible adjustment to the financial statements or disclosures. The Organization has determined that the following subsequent event needs to be disclosed:

In July 2022, the Organization renewed management contracts for public service ambassadors, and clean sweep ambassadors.

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
COMBINED SCHEDULE OF ACTIVITIES BY ORGANIZATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(With Summarized Totals for the Year Ended December 31, 2020)**

	Milwaukee Downtown Business Improvement District No. 21	Milwaukee Downtown, Inc. ("Affiliate")	2021 Total	2020 Total
REVENUE				
Assessment Income	\$ 4,170,000	\$ ---	\$ 4,170,000	\$ 4,170,000
Contributions	---	499,510	499,510	316,428
Special Events Income	---	1,000	1,000	3,900
Key to Change	---	4,857	4,857	6,067
Government Grants	20,000	698,199	718,199	501,977
In-Kind Revenue	2,600	203,803	206,403	31,855
Interest Income	5,850	760	6,610	27,141
Ornament and Merchandise Sales	---	16,326	16,326	18,034
Loss on Disposal of Equipment	---	(587)	(587)	600
Miscellaneous Income	3,866	---	3,866	3,415
TOTAL REVENUE	\$ 4,202,316	\$ 1,423,868	\$ 5,626,184	\$ 5,079,417
EXPENSES				
Salaries and Wages	\$ 297,729	\$ 223,279	\$ 521,008	\$ 550,271
Contract Services -				
Public Service Ambassadors	662,526	---	662,526	608,833
Clean Sweep Ambassadors	630,321	---	630,321	567,357
Planter Maintenance	382,247	---	382,247	351,695
Other Program Services	7,174	1,287,116	1,294,290	1,098,572
Employee Benefits	70,850	47,423	118,273	116,270
Payroll Taxes	16,082	16,622	32,704	35,031
Postage and Shipping	1,678	7,510	9,188	7,703
Occupancy	49,678	110,800	160,478	48,605
Utilities	14,546	9,105	23,651	23,064
Equipment Rental and Maintenance	---	41,964	41,964	33,401
Insurance	17,969	4,088	22,057	20,592
Depreciation and Amortization	---	88,198	88,198	82,618
Personal Property Tax	---	6,761	6,761	5,804
Event Entertainment	---	6,605	6,605	8,566
Event Decoration	---	52,085	52,085	40,848
Food and Beverages	4,603	48,746	53,349	4,499
Supplies	12,711	58,233	70,944	75,501
Accounting Fees	34,117	45,711	79,828	91,097
Legal Fees	28,873	5,527	34,400	46,138
Dues, Licenses and Permits	12,439	50,194	62,633	22,276
Bank Charges	---	1,873	1,873	2,730
Ornament and Merchandise Purchases	---	15,072	15,072	13,087
Assessment Settlement Expense	11,607	---	11,607	---
Advertising and Marketing	---	635,838	635,838	728,805
Donations to Others	---	330,583	330,583	104,215
Information Technology	23,350	---	23,350	20,399
Awards and Promotions	9,187	---	9,187	14,046
Travel	738	8,554	9,292	2,547
Bad Debt Expense	---	3,500	3,500	30,125
Interest	---	651	651	1,118
Miscellaneous	1,082	---	1,082	9,919
TOTAL EXPENSES	\$ 2,289,507	\$ 3,106,038	\$ 5,395,545	\$ 4,765,732
CHANGE IN NET ASSETS BEFORE TRANSFER	\$ 1,912,809	\$ (1,682,170)	\$ 230,639	\$ 313,685
TRANSFER	(1,983,162)	1,983,162	---	---
CHANGE IN NET ASSETS	\$ (70,353)	\$ 300,992	\$ 230,639	\$ 313,685

**MILWAUKEE DOWNTOWN BUSINESS IMPROVEMENT DISTRICT NO. 21 AND AFFILIATE
COMBINED SCHEDULE OF FUNCTIONAL REVENUE AND EXPENSES WITHOUT DONOR RESTRICTIONS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Holiday Lights	Events and Marketing	Retention Recruitment and Economic Development	Recovery Efforts	Key to Change	Miscellaneous Programs	Clean Sweep Public Service Ambassadors, and Landscaping	Total Program	General and Administrative	Fundraising	Total
REVENUE											
Property Assessments	\$ ---	\$ ---	\$ ---	\$ ---	\$ ---	\$ 4,170,000	\$ ---	\$ 4,170,000	\$ ---	\$ ---	\$ 4,170,000
Program Revenue	16,826	500	---	---	---	---	---	17,326	---	---	17,326
Contributions and Grants											
Unrestricted	68,750	7,000	704,697	---	4,857	726	20,000	806,030	---	---	806,030
Investment Income	---	---	---	---	66	---	---	66	6,544	---	6,610
In-Kind Revenue	43,240	32,099	125,984	2,350	---	---	2,444	206,117	260	26	206,403
Miscellaneous Income	---	---	---	---	---	---	---	---	3,866	---	3,866
Gain on Disposal of Assets	---	---	---	---	---	---	---	---	(587)	---	(587)
Net Assets Released from Restriction	49,750	---	158,452	---	75,438	---	---	283,640	---	---	283,640
TOTAL REVENUE	\$ 178,566	\$ 39,599	\$ 989,133	\$ 2,350	\$ 80,361	\$ 4,170,726	\$ 22,444	\$ 5,483,179	\$ 10,083	\$ 26	\$ 5,493,288
EXPENSES											
Salaries and Wages	\$ 14,356	\$ 28,712	\$ 156,627	\$ ---	\$ ---	\$ 119,092	\$ 104,205	\$ 422,992	\$ 70,710	\$ 27,306	\$ 521,008
Contract Services -											
Public Service Ambassadors	---	---	---	---	---	---	662,526	662,526	---	---	662,526
Clean Sweep Ambassadors	---	---	---	---	---	---	630,321	630,321	---	---	630,321
Planter Maintenance	---	---	---	---	---	---	382,247	382,247	---	---	382,247
Other Contracted Services	267,473	54,079	877,424	84,903	312	---	6,269	1,290,460	3,804	26	1,294,290
Employee Benefits	3,413	6,826	37,236	---	---	28,312	24,773	100,560	14,170	3,543	118,273
Payroll Taxes	974	1,947	10,621	---	---	8,076	7,066	28,684	3,216	804	32,704
Postage and Shipping	1,624	5,873	13	---	---	1,577	---	9,087	84	17	9,188
Occupancy	---	---	113,400	---	---	---	44,253	157,653	2,354	471	160,478
Utilities	9,105	---	---	---	---	13,674	---	22,779	727	145	23,651
Equipment Rental and Maintenance	15,063	1,694	16,620	1,382	---	---	7,205	41,964	---	---	41,964
Insurance	---	---	26	---	---	16,891	---	16,917	4,960	180	22,057
Depreciation and Amortization	26,378	21,036	4,522	4,536	---	---	15,042	71,514	16,684	---	88,198
Personal Property Tax	---	---	---	---	---	---	6,761	6,761	---	---	6,761
Event Entertainment	520	4,785	1,300	---	---	---	---	6,605	---	---	6,605
Event Decoration	47,169	3,922	994	---	---	---	---	52,085	---	---	52,085
Food and Beverages	3,983	41,142	1,403	2,218	---	---	1,381	50,127	3,222	---	53,349
Supplies	7,665	21,172	8,109	20,353	---	6,357	---	63,656	7,288	---	70,944
Accounting Fees	---	---	3,269	235	---	---	---	3,504	76,324	---	79,828
Legal Fees	---	---	5,527	---	---	7,218	---	12,745	21,655	---	34,400
Dues, Licenses and Permits	2,555	4,946	42,563	---	---	6,220	---	56,284	6,349	---	62,633
Bank Charges	299	---	322	---	192	39	29	881	992	---	1,873
Cost of Goods Sold	14,201	871	---	---	---	---	---	15,072	---	---	15,072
Assessment Settlement Expense	---	---	---	---	---	---	---	---	11,607	---	11,607
Advertising and Marketing	132,016	411,899	35,057	56,866	---	---	---	635,838	---	---	635,838
Donations to Others	---	---	---	250,000	79,857	726	---	330,583	---	---	330,583
Information Technology	---	---	---	---	---	17,512	---	17,512	4,670	1,168	23,350
Awards and Promotions	---	---	---	---	---	8,636	---	8,636	459	92	9,187
Bad Debt Expense	---	---	---	---	---	---	---	---	3,500	---	3,500
Travel	1,482	2,096	4,976	---	---	738	---	9,292	---	---	9,292
Interest	---	---	---	---	---	---	651	651	---	---	651
Miscellaneous	---	---	---	---	---	1,017	---	1,017	54	11	1,082
TOTAL EXPENSES	\$ 548,276	\$ 611,000	\$ 1,320,009	\$ 420,493	\$ 80,361	\$ 280,338	\$ 1,848,476	\$ 5,108,953	\$ 252,829	\$ 33,763	\$ 5,395,545
CHANGE IN NET ASSETS	\$ (369,710)	\$ (571,401)	\$ (330,876)	\$ (418,143)	\$ ---	\$ 3,890,388	\$ (1,826,032)	\$ 374,226	\$ (242,746)	\$ (33,737)	\$ 97,743



MESSAGE FROM CEO + BOARD CHAIR

A quarter century ago, a group of visionary business leaders led by Tom Bernacchi and Shel Lozoff recognized a need to bring clean, safe and friendly services to Downtown Milwaukee.

Thus, they founded Milwaukee Downtown, BID #21. They recognized that quality of life is important – to residents, employees, business owners, developers, property owners and guests alike – and that the perception of clean, safe and friendly is paramount to a destination's success.

By establishing BID #21, they helped make greater Milwaukee competitive in the region, and made its central business district a player on the national and global stage. People began to take Milwaukee seriously.

Sadly, many of those early leaders are no longer with us to appreciate the fruits of their labors. They include Tom Bernacchi, Gary Grunau, Debra Usinger, Joe Weirick and Gerald Rappaport, to name just a few.

Therefore, we dedicate this report on our silver anniversary year to those early visionaries who made it all possible.

Our quarter century of success is due in large part to the fact that our organization has always been nimble and innovative, adapting to the needs of all our stakeholders. That quality has served us well over the past several challenging years. We've made pandemic and post-pandemic accommodations not only to our core services, but also to our events and recruitment initiatives.

We continue to seek new ways to counter the impacts of COVID and entice employees and guests downtown. Through events, concerts, new public art and more, our team has reimagined ways to reactivate our public spaces. Some of our proudest moments in the last year include the unveiling of the new Giannis Antetokounmpo mural on the side of Wisconsin Avenue's 600 EAST building, which netted global attention in 18 countries, and year-round activation of Red Arrow Park, which generated tons of local buzz with new programming like Downtown Ice CAPE-ade, Big Truck Day and Heart(beats) of the City.

We also made significant progress in updating the Downtown Area Plan – Connec+ing MKE: Downtown Plan 2040 – a process that will set the stage for how the district looks and feels over the next 10-20 years. We and our partners at the Department of City Development are committed to a robust public engagement strategy, which is underway and ongoing, to ensure downtown is a place where every resident in every neighborhood feels welcome and connected to our city.

With two public sessions on Connec+ing MKE hosted to date and unprecedented participation on our virtual platform, Engage MKE, we are inspired by the ideas and enthusiasm to help Downtown Milwaukee shine on.

So, as we reflect on our 25-year history and our path forward, the future is bright. Downtown's next generation of visionaries is ready to make an impact.

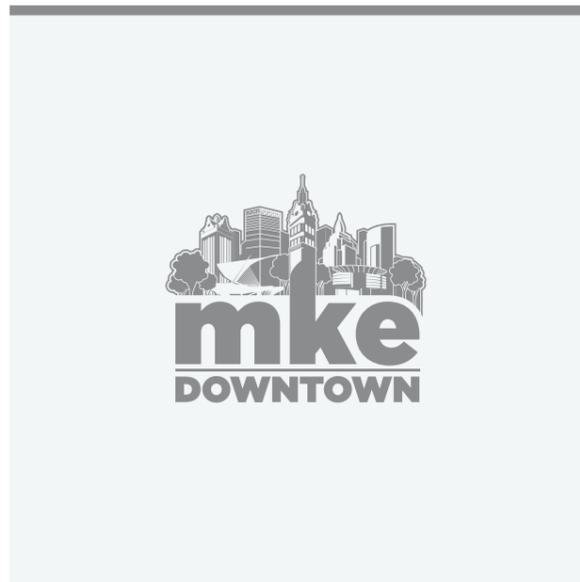
Thank you for your continued confidence in our mission.



Beth Weirick
CEO
Milwaukee Downtown,
BID #21

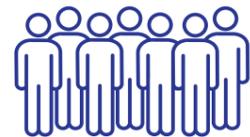


Joseph Ullrich
BOARD CHAIR
Milwaukee Downtown,
BID #21



25
YEARS

A SNAPSHOT OF OUR SILVER LEGACY



90,700+ WORKERS
12.1% INCREASE SINCE 2010



3.5% OF THE CITY'S LANDMASS, DOWNTOWN GENERATES 22.1% OF THE CITY'S TOTAL TAX BASE

\$7.4+ M INVESTMENT FUELED BY \$190,000 IN BDLP FUNDS



130,270+ JINGLE BUS RIDERS



\$4.6+ B

INVESTED IN MAJOR PUBLIC AND PRIVATE PROJECTS (SINCE 2010)

2,400+ UNSHELTERED CITIZENS HOUSED (SINCE 2015)

240,000+

RIDERS SERVICED BY MILWAUKEE TROLLEY LOOP (2004 - 2017)

25 YEARS



53.6%

AVERAGE PERCENT OF DOWNTOWN DINING WEEK PATRONS INTRODUCED TO A NEW RESTAURANT EACH YEAR

\$1.3 B*
IN BID #21 TOTAL PROPERTY VALUE (1997)



\$4.0 B*
IN BID #21 TOTAL PROPERTY VALUE (2022)



4.4 M HOSPITALITY CONTACTS
MADE BY PUBLIC SERVICE AMBASSADORS



4.5+ M GALLONS OF GARBAGE HAULED AWAY



60,000+ TWITTER FOLLOWERS GAINED

23,867

SANTA'S MAILBOX LETTERS DELIVERED

27,440+ GRAFFITI TAGS REMOVED (SINCE 2000)



29 PERMANENT MURALS ADDED TO BUILDINGS AND UTILITY BOXES

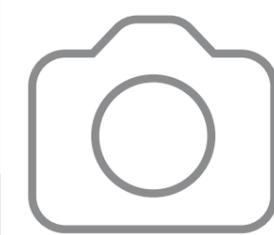


9.8+ M BROCHURES DISTRIBUTED BY PUBLIC SERVICE AMBASSADORS



809,000+

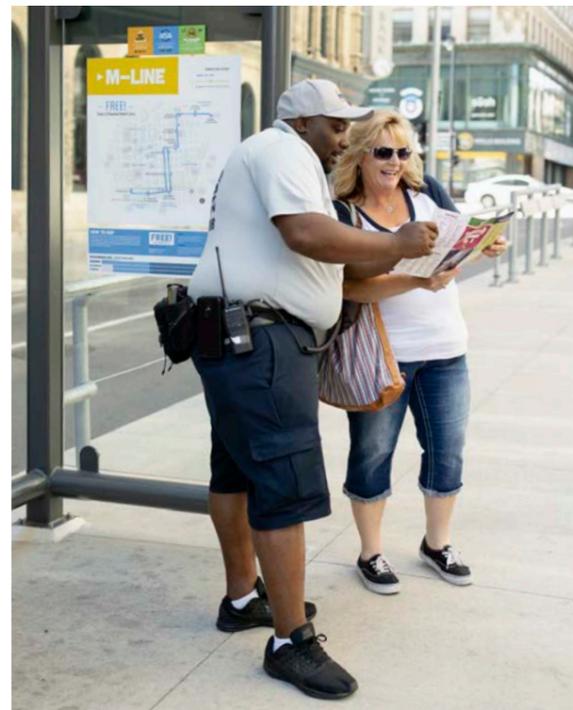
ESTIMATED DINERS SERVED DURING DOWNTOWN DINING WEEK (SINCE 2006)



35,000+ INSTAGRAM FOLLOWERS GAINED

*Boundaries and assessment methodology have changed slightly over the years.

Providing Solid Silver Services



CORE PROGRAMS

PUBLIC SERVICE AMBASSADORS

Nothing says "Welcome Downtown!" like a bright, shiny smile. Fortunately, our 21 Public Service Ambassadors (or PSAs) are up to the job. They patrol the district from 9 a.m. to 5 p.m., Monday through Saturday, and from 11 a.m. to 7 p.m. on Sundays, assisting guests and working closely with business managers and property owners.

They're our front line for welcoming guests and employees back downtown. As such, they made 23,200 hospitality assistance contacts with guests over the past year, and they hosted more than a dozen Welcome Back fairs in office lobbies during the summer of 2022. What's more, our PSAs provide an extra set of eyes for Milwaukee's police and fire departments, and regularly communicate with the Downtown Security Network to ensure the safety of all who visit.

CLEAN SWEEP AMBASSADORS

Downtown Milwaukee gleams the way it does thanks to our Clean Sweep Ambassadors (or CSAs). Job #1 for them is ridding downtown of litter, gum and assorted detritus. In addition to power washing the district's sidewalks, they empty the trash bins along the RiverWalk, as well as 60 additional bins throughout the district, and they set out trash and recycling bins for the Night Market. Last year alone, they collected 405,550 gallons of garbage.

But we're not just talking trash. Our trusty CSAs also install and maintain the holiday lights in Cathedral Square and Pere Marquette Parks during our annual Milwaukee Holiday Lights Festival. They ensure that Downtown Employee Appreciation Week runs smoothly. Plus, new this year, they oversaw setup and breakdown of our new Heart(beat)s of the City concert series. They do all this and so much more.



GRAFFITI REMOVAL TEAM

When the call goes out, our Graffiti Removal Team springs into action, obliterating unsightly tags within 24 hours of discovery. That helps to deter other vandals from sullying our gorgeous downtown. In the last year alone, our PSAs removed 2,995 pieces of graffiti, bringing our grand total to 27,440 tags removed since 2000.

LANDSCAPE CREW

Everything is coming up roses (and other lovely flora) for our Landscape Crew. Over the past year, they maintained 377 garden beds and planters throughout the district, as well as more than 75 hanging baskets in targeted corridors along Wisconsin Avenue, the RiverWalk and Dr. Martin Luther King Jr. Drive (formerly Old World Third Street). In addition, the crew assisted with plantings for the Active Streets program in the Old World Third Street Entertainment District and on Jefferson Street.



HOMELESS OUTREACH

Milwaukee County now leads the nation in the fight to end homelessness. The U.S. Department of Housing and Urban Development (HUD) recently recognized Milwaukee as having the lowest unsheltered population per capita of any community in the nation.

Much of this success can be attributed to our adoption of the Milwaukee County Housing Division's holistic Housing First program and our creation of a Community Intervention Team in 2015. Since then, Milwaukee has seen a 92% reduction in its unsheltered population. This effort has reduced public service costs and provided permanent supportive housing to more than 2,400 individuals.

Milwaukee Downtown continues to support Housing First through its Key to Change campaign. Donations are accepted at seven key-shaped meters throughout Downtown Milwaukee, as well as online



at keytochangemke.com. This helps finance the Housing First Endowment Fund, provide assistance with application fees and security deposits for participants, and employ a Downtown Homeless Outreach Coordinator.

In addition, a Public Service Ambassador Homeless Outreach Coordinator has been assigned to work in tandem with the Downtown Homeless Outreach Coordinator to build rapport with our unsheltered citizens. Last year, the PSA Homeless Outreach Coordinator had 1,223 interactions with unsheltered individuals and distributed 201 care packages.

Serving Fun on a Silver Platter



SPECIAL EVENTS

DOWNTOWN DINING WEEK(S) 2021

There was such an appetite to support our downtown restaurants last year that we hosted both a winter and a summer edition of Downtown Dining Week in 2021. Participating restaurants provided options for dine-in, carryout, curbside and outdoor dining, as well as a new family-style option. During the summer edition, 87% of diner surveys rated the food, service and environment as good to excellent. In addition, 57.8% of respondents neither lived nor worked downtown, and 44% were first-time diners at the restaurants they patronized.

DOWNTOWN EMPLOYEE APPRECIATION WEEK 2021

Last year's Downtown Employee Appreciation Week was a very special event, being the first full in-person edition since the onset of the pandemic. Designed to be a "spirit week" for downtown's workforce, the five-day celebration last August and September featured trivia contests, bocce ball games, Moment of Movement fitness sessions, Milwaukee Kayak Company expeditions and more. Along the way, we gave away 14,000 lunch items and 1,500 prizes, and received over \$22,370 in product donations.



MILWAUKEE HOLIDAY LIGHTS FESTIVAL 2021

Once again, Downtown Milwaukee shone more brightly than usual over the holidays. Credit goes to the half-million holiday lights that illuminated the Milwaukee Holiday Lights Festival. Each year, Milwaukee Downtown festoons Pere Marquette Park, Zeidler Union Square, Cathedral Square, Wisconsin Avenue, the RiverWalk and Old World Third Street with more than 500,000 twinkling lights. This past winter was no exception.

We launched this year's six-week Festival with a virtual Kickoff Extravaganza that aired on WISN Channel 12. It began with a pre-recorded presentation at the Pabst Theater and concluded with a spectacular light show over the city featuring 300 computerized drones. The show aired three nights, netting over 71,000 impressions.

In addition, some 70 schools and organizations decorated "Community Spirit Park" at Cathedral Square. We offered a five-episode Jingle Bus Tour podcast in both English and Spanish with the help of iHeart Radio, and it was downloaded more than 1,660 times. Plus, more than 1,500 kids who posted letters to Santa's Mailbox got responses from the big guy.

Other Festival events included Cocoa with the Clauses, two pop-up Santa Camps, three Christmas Cavalcades with the Clauses, and holiday portraits with pooches, where 75 dog portraits were taken to benefit the MKE Dog Park.



POP'S POP-UP PUMPKIN PATCH 2021

Last year, we carved up some Halloween fun with a one-day event in Turners' Alley. Families shopped for pumpkins and enjoyed spook-tacular entertainment.

TASTE & TOAST 2022

Happy hour was extra happy for one week in March at 17 downtown bars, restaurants and lounges. They offered a variety of specials on food and beverages to celebrate Taste & Toast 2022. Of 180 participants surveyed, 43.9% neither lived nor worked downtown and 47.2% were patronizing an establishment for the first time. Some 60% only participated in Taste & Toast, while another 19.4% extended their visit with dinner. The Taste & Toast web page had nearly 13,000 views, and social media posts generated more than 63,800 impressions.

DOWNTOWN EMPLOYEE APPRECIATION WEEK 2022

Spirit week for our downtown workforce made an especially large splash in mid-August. Downtown Employee Appreciation Week 2022 marked the return of the popular I Work Downtown Happy Hour, and featured several new events, including The Morning Jolt, a scavenger hunt, a Lakeshore State Park bonfire and a Canoemobile. With the assistance of 54 downtown partners and prize contributors, who provided \$37,258 worth of in-kind donations, we gave away some 15,000 lunch items and 2,650 prizes.



Speaking with a Silver Tongue



25
YEARS



MARKETING

SOCIAL MEDIA

Social media has become a critical tool for communicating downtown events, projects and amenities. In 2022, Milwaukee Downtown followers on Facebook, Twitter and Instagram topped 138,200. We had an astounding engagement rate of 5.85% on Facebook, where the average rate is 1%. What's more, our Twitter feed had a 0.9% rate and our Instagram feed had a 7.01% rate, both of which are above industry standards. In total, we made more than 5.84 million impressions across all three platforms this year.

PUBLIC RELATIONS

We made a lot of news over the past year, and we made sure the news outlets knew about it. Our PR team pitched the media on a wide variety of topics related to Milwaukee Downtown projects and programs. That resulted in more than 28.8 million earned media impressions and over \$1.6 million in earned media value. That's great news.

MKE IT BACK CAMPAIGN

We returned to the airwaves from June through August this year with our lively "MKE It Back" television and radio commercials, which encouraged visitors and employees to return to the district. We targeted the campaign to metro Milwaukee residents within a 15-mile radius of downtown. It made 15.9 million paid media impressions.

Forging a Silver Standard



ECONOMIC DEVELOPMENT

KEEPING TABS ON OUR GROWTH AND INVESTMENT

Due in large part to our investors, leaders and downtown believers, the total property value within BID #21's boundaries has grown significantly over the last 25 years, outpacing the City of Milwaukee as a whole.

Beyond the boundaries of BID #21, Milwaukee's greater downtown area is enjoying one of its most substantial growth periods, adding record investment over the past decade. Since 2010, we've seen over \$4.6 billion in completed development projects, and more than \$2.5 billion in projects that are under construction or proposed to start soon. From the Lower East Side to Walker's Point, the greater downtown area has experienced significant growth over the last ten-plus years, highlighted by:

- ★ 21.2% population growth since 2010, to more than 42,275 residents
- ★ 4.3 million sq. ft. of new or renovated office space
- ★ 9,500 new housing units
- ★ 2,750 new hotel rooms
- ★ 90,700 estimated employees, a 12.1% increase since 2010
- ★ 30.6% share of all jobs in the City of Milwaukee

MAINTAINING A TOOLBOX OF INCENTIVES

Milwaukee Downtown continues to be a go-to resource for businesses in the district when it comes to economic support programs, be it our own programs, or local, state and federal programs. That includes the BID #21 Business Development Loan Pool and WEDC Main Street Bounceback Grants. Through the Main Street Bounceback Grant program, Milwaukee Downtown has assisted more than 75 new and expanding businesses in securing over \$750,000 in grant funding. Plus, in 2021 we created the "MKE It Back" grant and a grant advisory committee comprised of BID #21 board members and staff. That year, the committee awarded \$250,000 of BID funds to 72 small businesses in the district.

MONITORING RETURN-TO-WORK TRENDS

As employees have been going back to their offices following the pandemic, we've been monitoring their rate of return and the dynamics they're experiencing in the workplace. To do this, we developed a survey for employers, which we've administered four times since employees have started returning to work. Some 70 downtown employers, who manage over 23% of our pre-pandemic workforce, responded to the latest survey in August, 2022.

These employers estimate that approximately 60% of workers will have returned to the office for regular work by the fall of 2022, with slight increases throughout the rest of the year. That's trending above Kastle's Back to Work Barometer, which indicates about a 43% return average among 10 major U.S. cities that Kastle monitors.

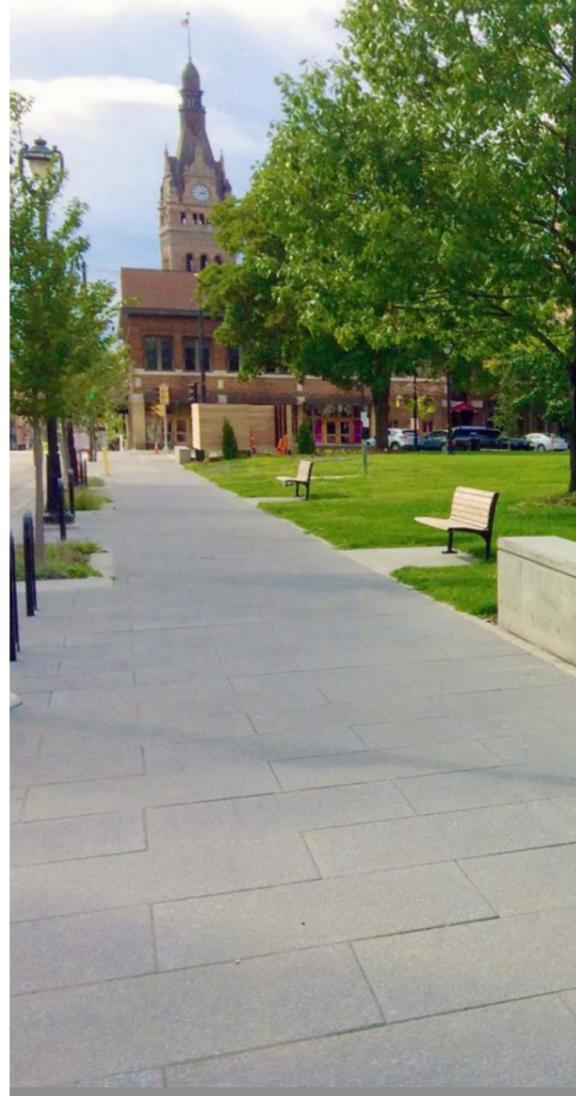


MKE DOG PARK

All of our furry friends will soon have their own place to run and play in Downtown Milwaukee. Efforts are currently underway to establish our first-ever public dog park beneath I-794, along Plankinton Avenue and Clybourn Street. The site will be transformed into a dynamic 12,000-plus sq. ft. dog run, featuring:

- ★ Separated small and large dog areas
- ★ Synthetic turf that's easy on the paws
- ★ Water stations
- ★ Security lighting
- ★ Decorative fencing
- ★ Access to and expansion of the RiverWalk
- ★ An abundance of shade
- ★ Various sponsorable elements

We've already established numerous community partnerships, and public donations are now being accepted at mkedogpark.com. Watch for more exciting announcements soon.



FRAME THE SQUARE

Milwaukee Downtown teamed up with Cathedral Square Friends over the past year to Frame the Square, a \$1.85 million public space project. It includes a wide range of perimeter improvements for Cathedral Square Park, including new sidewalks, benches and bike racks, a storage enclosure for East Town Association, utility screening, landscaping and more. The result is simply gorgeous.



DOWNTOWN'S NIGHTTIME ECONOMY

We are once again shining a light on Downtown Milwaukee's nightlife by re-engaging the Responsible Hospitality Institute, a nonprofit organization that advises cities on best practices for after-dark economies. Our last assessment from the Institute resulted in a series of successful initiatives, such as the Downtown Neighbors Association, Brighten the Passage and CODE Red, a hospitality-focused police deployment strategy. Our reassessment contains recommendations from peer cities on the best approaches for creating a nighttime economy office with the City of Milwaukee – all in an effort to foster safe, vibrant, dynamic and viable entertainment districts.



DOWNTOWN AREA PLAN

The City of Milwaukee's Department of City Development and BID #21 have been co-leading an update to the Downtown Area Plan, *Connec-ing MKE: Downtown Plan 2040*. The new plan will guide land use decisions, redevelopment of key sites, and improvements to streets and public spaces over the next 10-20 years. A key component of the plan is public engagement. We've generated unprecedented engagement with the plan through *Engage MKE*, focus groups and community presentations with the goal of hearing from residents in every zip code. So far, we've reached 11,250 visitors who have provided 1,066 comments to date. The updated plan is expected to be adopted in the spring of 2023.



ADVOCACY

Taking a leadership position on catalytic downtown projects is one of our top priorities. Milwaukee Downtown continues to advocate for:

- ★ Small businesses, Bus Rapid Transit, bike lanes, the revitalization of the Broadway connection, expansion of The Hop streetcar line, Milwaukee Tool TID support, Van Buren TID support, the return of micro-mobility scooters, and bringing new companies and investors to the central business district.
- ★ The Move Forward MKE initiative, a proposed 1% sales tax increase that would ease property taxes and provide critical funding for public services, maintaining facilities and investing in the future.
- ★ The Revitalize Our Cities Coalition, an organization that brings together dozens of peer cities to design tools for converting obsolete office buildings to new uses.
- ★ The NAIOP Public Policy Committee and WEDC's Connect Communities program.
- ★ Positive coverage of downtown developments in the media.
- ★ Best practice research in the post-COVID environment, such as how to reinvent the use of "third spaces."
- ★ The Main Street Bounceback program, which has provided over \$750,000 in grant funding to more than 75 downtown small businesses.

ACTIVE STREETS

We took it to the streets for the third year in a row this past May. Active Streets for Business is a successful summertime program championed by Milwaukee Downtown. It helped our businesses get through and recover from the pandemic, and now it's helping us test new ways to activate downtown's public spaces. For example, we expanded outdoor seating areas where people congregate and socialize, adding 150 seats along Jefferson Street and in the Old World Third Street Entertainment District on Dr. Martin Luther King Jr. Drive.

Fashioning a City of Silver



PLACEMAKING PROJECTS

PUBLIC ART

We continue to surprise and delight pedestrians and motorists with stunning public art. This year, downtown denizens enjoyed the creations of a wide assortment of both local and international artists.

French artist JR brought his Inside Out Project to the district in the summer of 2021. The world's largest interactive public art exhibit, it advocates a pathway to citizenship for millions of undocumented essential workers. Since its inception, its traveling photo booth has produced 400,000 portraits in 138 countries. The tour stop served as the conclusion to our Jumpst(ART) Downtown campaign, a summerlong effort to reanimate our sidewalks and public spaces through arts and culture during the pandemic.

At the start of the year, we added two new murals in The Avenue's skywalks – one by The Couto Brothers and the other by Dave Watkins. A few months later, we

celebrated 414 Day with the addition of a five-story mural by Sid Ylagan on the exterior of the Plankinton Arcade's elevator shaft.

Milwaukee Downtown co-commissioned a 26 ft. high by 16 ft. wide mural depicting the programs and services offered by Grand Avenue Club, a non-profit organization that assists individuals with mental illness. We also provided funding for a variety of youth-led public art projects, in support of County Executive David Crowley's "The Year of the Youth" initiative.

Plus, in partnership with the Milwaukee Bucks, BID #21 also commissioned Mauricio Ramirez to create a photorealistic mural of Giannis Antetokounmpo on the façade of the 600 EAST building. We celebrated its completion with a homecoming pep rally and ribbon cutting before the final game of the 2022 NBA playoffs. It received international attention, including media coverage in 18 countries, as well as on ESPN and NBC Sports.



REIMAGINE RED ARROW PARK

Imagine, for a moment, Red Arrow Park. Now, reimagine it active and vibrant 365 days a year. That's what we did with Reimagine Red Arrow Park, a multi-year, public-private partnership with the twin goals of enhancing this centralized public space and fostering civic life in the heart of the community.

We added colorful, commercial grade umbrellas and beach lounge chairs to the bistro tables and chairs we purchased for the park in 2021. We also added an assortment of year-round programming.

- ★ In December, families skated with some of America's local Olympic greats and future Olympic hopefuls.
- ★ In February, we hosted our first Downtown Ice CAPE-ade, a free community event where everyone's favorite costumed superheroes donned skates and joined some 250 skaters on the "Slice of Ice" rink.
- ★ In May, a fleet of municipal vehicles and equipment descended on the perimeter of Red Arrow Park for Big Truck Day. A family event held in honor of National Public Works Week, kids ages 2 to 7 were allowed to explore eight DPW vehicles and two MFD fire engines.
- ★ All summer long, the park hosted Heart(beats) of the City powered by MGIC, a 14-week lunchtime concert and food truck series featuring some of the area's top bands. Designed to attract workers back downtown, the event saw 250-1,000 attendees each week.



SUMMER IN THE CITY CAMPAIGN

Milwaukee Downtown's summer 2022 season was spectacularly successful, thanks in large part to the Summer in the City campaign. At its heart was a dedicated web page that highlighted the abundance of accessible downtown activities that were being offered this past summer. Beginning in spring, we drew attention to the campaign by giving away Summer in the City swag at Welcome Back fairs located in various downtown office buildings. We also partnered with Saint Kate - The Arts Hotel for a \$500 Summer in the City staycation photo contest.

PNC PRESENTS TUNES@NOON

Returning to a full in-person 14-week season, PNC presents Tunes@Noon brought live lunchtime musical performances to 411 East Wisconsin Center's courtyard every Thursday this past summer. Some 25-45 folks attended each week, and many enjoyed grab-and-go lunches from Davians Café.

Taking into account Tunes@Noon, Heart(beats) of the City, Jazz in the Park, the RiverWalk Commons Concert Series and Downtown Employee Appreciation Week, Milwaukee Downtown presented 79 hours of live music in our district's public spaces during the summer of 2022.

DR. MARTIN LUTHER KING JR. DRIVE STREET NAMING

We were proud to coordinate the unveiling of Downtown Milwaukee's new Dr. Martin Luther King Jr. Drive street sign on January 18, 2022. Approximately 300 community members attended the event, which marked the renaming of Old World Third Street. Held on Martin Luther King Jr. Day, it featured remarks by Governor Tony Evers, Mayor Cavalier Johnson and Alderwoman Milele Coggs. BID #21 also assisted businesses along the Drive with retargeting their websites and updating online map services.



Going for the Gold



WHAT'S ON TAP FOR 2023 AND BEYOND

Looking at the big picture for the year ahead, Milwaukee Downtown will continue to position our district as an attractive place to work, play and do business. What's more, we will continue to focus on quality-of-life initiatives, and we will continue to seek ways to engage with Milwaukee's youth.

Over the next year, we plan to adopt and implement Connec+ing MKE: Downtown Plan 2040, our updated Downtown Area Plan that lays out a roadmap for land use, development, redevelopment and improvements over the next 10-20 years. We'll also work to implement recommendations from the Responsible Hospitality Institute for creating a safe, dynamic and diverse nightlife in Downtown Milwaukee's entertainment districts.

Projects on the horizon in 2023 include our largest public art installation to-date, Lightfield by HYBYCOZO, which will transform Cathedral Square Park with eight stunning sculptures and 16 hanging lanterns. New holiday décor treatments will be coming to Wisconsin Avenue for the 2023 Milwaukee Holiday Lights Festival. Plus, we're optimistic that we'll break ground on the MKE Dog Park in the next year.

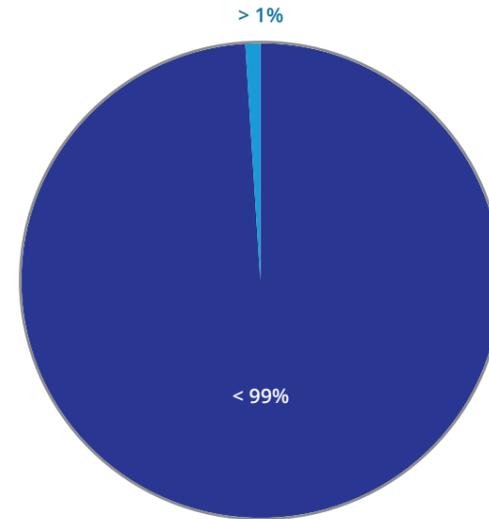
If all of this is any indication, our next 25 years look bright, indeed.

25
YEARS

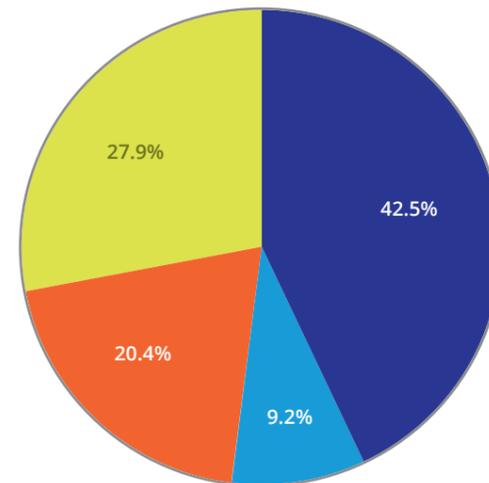
2022 BUDGET

Representing approximately 150 square blocks and nearly 500 property owners, Milwaukee Downtown, BID #21 collected \$4.17 million in assessments to fund its core programs and initiatives.

- **Assessments:** \$4,170,000
- **Additional Income:** \$79,000
- TOTAL: \$4,249,000**



- **Clean Sweep Ambassador Program:** (Sidewalk Cleaning: \$796,911, Landscaping: \$385,750, Graffiti Removal: \$5,000) \$1,187,661 **(27.9%)**
- **Public Service Ambassador Program:** \$866,673 **(20.4%)**
- **Administrative:** \$390,295 **(9.2%)**
- **Economic Development/Marketing/ Business Retention/Recruitment:** \$1,804,371 **(42.5%)**



Please note: Milwaukee Downtown, Inc. annual contributions, sales and event fees are not reflected in this budget.

BOARD OF DIRECTORS

Joseph G. Ullrich

CHAIR
U.S. Bank Corporate Real Estate

Kevin Kennedy

VICE CHAIR
Northwestern Mutual

Tammy Babisch

SECRETARY
Colliers International

John Creighton

ASSISTANT SECRETARY
CBRE | JCI

Kevin Behl

TREASURER
Madison Medical Affiliates

Katie Falvey

The Marcus Corporation

Mark Flaherty

Jackson Street Holdings LLC

Kim Guerrero

411 East Wisconsin | Colliers International

Tom Irgens

Irgens

Susan Johnson

Colliers International

Patricia Keating Kahn

PK2group

Regan Kennedy

Crestlight Capital

George Meyer

Kahler Slater

Phyllis M. Resop

Pentagon Property Management

Conor Ward

WEC Energy Group

Scott Welsh

Inland Companies/Colliers-Wisconsin

Mike Zimmerman

MGIC

Mark Niehaus

EX-OFFICIO MEMBER
Milwaukee Symphony Orchestra

Peggy Williams Smith

EX-OFFICIO MEMBER
VISIT Milwaukee

STAFF



Beth Weirick
CEO



Lesia Ryerson
EXECUTIVE ASSISTANT



Matt Dorner
ECONOMIC
DEVELOPMENT DIRECTOR



Rebecca Sue Button
MARKETING, EVENTS &
SOCIAL MEDIA DIRECTOR



Gabriel Yeager
DOWNTOWN
ENVIRONMENT SPECIALIST



WWW.MILWAUKEEDOWNTOWN.COM

Summary of Changes in 2023 Operating Plan

- Section III(A)
(Page 2) – Noted refocusing on core “clean, safe and friendly” services.
- Section III(A)
(Page 3) – Foreshadowed upcoming strategic planning and the District’s role in the City’s Downtown Plan.
- Section III(B)(3)
(Page 7) – Noted that special projects may be either economic development or place-making.
- Section III(B)(4)
(Page 8) – Updated extent of homelessness initiative.
- Section III(C)
(Page 9) – Updated budget and assessment information.
- Section III(D)(2)
(Page 11) – Updated 4th – 9th largest office buildings to determine board categories.
- Section VII(D) (Page 20) – Anticipated another five year extension of BID 21’s sunset.
- Appendix D – Updated budget; mill rate is currently \$1.53 per \$1,000 of assessable value (down 1¢ from last year).

**BUSINESS IMPROVEMENT DISTRICT NO. 21
MILWAUKEE DOWNTOWN
YEAR TWENTY-SIX OPERATING PLAN**

SEPTEMBER 8, 2022

TABLE OF CONTENTS

	Page No.
I. INTRODUCTION	1
II. DISTRICT BOUNDARIES	2
III. PROPOSED OPERATING PLAN.....	2
A. Plan Objectives	2
B. Proposed Activities.....	3
C. Proposed Expenditures and Financing Method	9
D. Organization of the District Board	10
E. Relationship to Milwaukee Downtown, Inc. and Alliance for Downtown Parking and Transportation, Inc.	14
IV. METHOD OF ASSESSMENT	15
A. Annual Assessment Rate and Method	15
B. Excluded and Exempt Property	15
V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY.....	16
A. Enhanced Safety and Cleanliness	16
B. City Role in District Operation.....	16
VI. PLAN APPROVAL PROCESS	17
A. Public Review Process	17
VII. FUTURE YEAR OPERATING PLANS	17
A. Changes	17
B. Early Termination of the District	18
C. Amendment, Severability and Expansion	19
D. Automatic Termination Unless Affirmatively Extended.	20

APPENDICES

- A. Wisconsin Statutes section 66.1109
- B. Map of District Boundaries
- C. Listing of Properties Included in the District
- D. Proposed 2023 Budget
- E. Strategic Plan Priorities and Goals

I. INTRODUCTION

Under Wisconsin Statutes section 66.1109, cities are authorized to create Business Improvement Districts ("BIDs") upon the petition of at least one property owner within the proposed district. The purpose of the BID statute is ". . . to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities." 1983 Wis. Act 184, Section 1, legislative declaration. See Appendix A.

On or about July 16, 1997, the City of Milwaukee (the "City") received a petition from property owners which requested creation of a BID known as the Milwaukee Downtown Management District (the "District"). On October 14, 1997, the Common Council of the City adopted resolution no. 970900, creating the District and approving the initial operating plan for the District (the "Initial Operating Plan"). On November 4, 1997, the Mayor of the City appointed members to the board of the District (the "Board") in accordance with the requirements set forth in Article III.D. of the Initial Operating Plan.

On or about August 20, 2008, owners of additional properties on the fringes of the District's original boundaries petitioned the City to expand the District to include their properties. On October 29, 2008, the Common Council of the City adopted resolution no. 080617, expanding the District boundaries.

The original purpose of the District was to sustain the competitiveness of Downtown and ensure a safe, clean environment conducive to business activity. In connection with strategic planning conducted in 2011 and updated in 2014, a new mission and vision for the District surfaced. The District adopted as a new mission "to lead and inspire believers in Milwaukee to engage in efforts that build Downtown as the thriving, sustainable, innovative and vibrant heart of the community". The District's vision is "to be an economic catalyst. . ." causing Downtown to emerge as a premier destination of choice and Milwaukee to become a renowned world-class region.

Pursuant to the BID statute, this Year Twenty-Six Operating Plan (the "Operating Plan") for the District has been prepared to establish the services proposed to be offered by the District, proposed expenditures by the District and the special assessment method applicable to properties within the District for its twenty-sixth year of operation. This Plan has been developed by the District Board with technical assistance from the Department of City Development, the Department of Public Works and the Police Department.

II. DISTRICT BOUNDARIES

When created in 1997, the District boundaries covered approximately 120 square blocks and encompassed the City's Downtown. The original District boundaries extended to North 4th Street and North 10th Street to the west; West St. Paul Avenue, the Menomonee River, and West Clybourn Street to the south; Lake Michigan to the east and Schlitz Park to the north. As a result of an expansion in 2008 and subsequent adjustments of taxable parcels, the District's current boundaries include expansion areas adjacent to its original boundaries and approximate 110 square blocks. The District's current boundaries extend to I-43 on the west; West St. Paul Avenue, the Menomonee River and West Clybourn Street to the south; Lake Michigan and North Van Buren Street to the east; and Schlitz Park and McKinley Street to the north, as shown in Appendix B of this Operating Plan. A narrative listing of the properties now included in the District is set forth in Appendix C.

III. PROPOSED OPERATING PLAN

A. Plan Objectives

The historic objectives of the District are to increase pedestrian traffic Downtown and to better enable Downtown to compete for customers with suburban residential and commercial areas. Post COVID, the District is refocusing on its core “clean, safe and friendly” services to encourage workers to return to Downtown offices, In addition, as a result of 2018 strategic planning, the District has committed to elevate its role in Downtown economic development.

Since its inception, the District has attempted to achieve its objectives by, among other methods, supplementing the maintenance and security services provided by the City in order to increase the safety and cleanliness (and the perceived safety and cleanliness) of Downtown. The City will continue to provide its current level of maintenance and policing services. The City and the District have entered into the cooperation agreement on file in the District's office (the "Cooperation Agreement"). For several years, the District also has sought to achieve its objectives by marketing Downtown as a great place to live, work and play and by working with like-minded associates to attract and retain businesses.

The District's 2018 strategic planning update articulated new objectives, including: (1) to reposition the District as a driver of economic prosperity in Downtown; (2) to play a leadership role on catalytic projects, including the HOP MKE Streetcar, West Wisconsin Avenue renaissance, Sculpture Milwaukee, Brighten the Passage, the first Downtown dog exercise area,

the Cathedral Square Park “Frame the Square” Project and various public art and space making projects; and (3) to harness the energy and vibrancy of diverse Downtown residents, young professionals and other Downtown believers to position them for leadership roles in the Downtown community. A summary of the District's objectives and priorities arising out of its 2014 strategic plan and 2018 rapid refresh are attached hereto as Appendix E. To respond to current market challenges, the District intends to undertake additional strategic planning in 2023. The District also has led efforts to update the City of Milwaukee’s comprehensive plan for Downtown.

In addition, since its creation in 1997, the District has championed Downtown’s equity and diversity. The District will continue to advocate, listen and build bridges to help end systemic racism and to create an exceptional quality of life environment for all members of its community regardless of age, race, gender or sexual orientation. The District pledges to do its part in advancing and advocating for a community of tolerance, peace and understanding.

B. Proposed Activities

The District offers Downtown owners and occupants additional safety personnel, enhanced sidewalk cleaning, supplemental public space maintenance and integrated marketing and promotional services to complement the base level of services currently being provided by the City. As a supplement to City services, the District retains and manages its own safety and maintenance contracts and develops and implements its own marketing initiatives. The District has hired a chief executive officer (or CEO), who reports to the Board, to implement and manage the day to day activities of the District, to supervise all District staff and independent contractors and to spearhead updated strategic planning objectives. District staff supervised by the CEO may include an economic development director, a marketing/events/social media coordinator, an environment specialist, an executive assistant and/or up to four interns or other support staff. The following are the activities proposed by the District for calendar year 2023. The District may, from time to time and as it deems necessary, adjust the size and scope of the activities and staffing levels described below, but only so long as such adjustments in activities and staff are part of the activities identified in this Operating Plan. The District may not undertake new activities except as included in duly approved operating plans for future years.

1. Public Service Ambassadors Program. The District will continue to sponsor a Public Service Ambassador Program to provide safety and

goodwill services to Downtown, supplemental to existing City police services. The aim of the program is to increase the public's comfort and sense of security through a visible, uniformed presence in addition to law enforcement.

The District may implement this program either by hiring staff directly or by hiring independent contractors to provide staff. In either case, a PSA director, who will report to the CEO, will be hired to manage this program, hire and supervise staff and maintain communications with police. Public Service Ambassadors ("PSAs"), including shift supervisors, will be retained to provide approximately 28,080 on-duty hours subject to dictates from the District. The District, in cooperation with the City Police Department, Visit Milwaukee and other City departments and resources, will develop an intensive initial training program, as well as on-going in-service and field training, for PSAs. Training will focus on available City services, preventing and reporting crime, dealing with panhandlers and the homeless, applicable sanitation and building codes, radio communications, first aid and CPR, Milwaukee history and local attractions, general retailing, communications skills and interactions with residents and visitors. For a portion of their training PSAs will be paired with police officers or experienced PSAs patrolling their beats. Training will be supplemented by a book of Operating Rules and Procedures serving as a guide for handling both common and unusual incidents.

Following their training, uniformed but unarmed PSAs will be assigned "beats" to patrol on foot. Beat assignments will be based on the amount of foot traffic in the area, hours of business operation, special event schedules, police beat assignments, crime statistics and trends, and Responsible Hospitality Task Force recommendations for night-time economy management. Generally, PSAs will be deployed on beats to maximize the provision of security services during peak hours like weekday lunch hours, before and after business hours at burgeoning nighttimes and for special events. PSAs shall employ smart phone/GIS tracking technology to determine appropriate PSA deployment. A schedule for deploying PSAs on their beats shall be developed by the District's CEO together with the PSA director and altered as appropriate for weather, redeployment for special events and for changing circumstances.

PSAs' primary responsibilities will be to assist and direct workers, shoppers, diners, sports fans, club-goers and visitors, and to observe and report suspicious behavior. PSAs must familiarize themselves with the businesses and residents in their beats and be able to recognize suspicious behavior. PSAs will be supplied with uniforms to create an official but approachable appearance and will be equipped with smart phone-type devices to report any incidents to a PSA supervisor/dispatcher linked directly to the City Police Department. One PSA supervisor/dispatcher shall be on duty or on call whenever PSAs are on patrol. Using handheld smart phone-type devices, the PSA supervisor will maintain communications among PSAs, other Downtown security personnel and City police.

The City Police Department shall provide the District with the ability to monitor police calls for service. The District will permit any on-duty police officers assigned to the Downtown area to work out of the District office. The agreement between the District and the City Police Department regarding services to be provided is more fully described in the letter from Chief of Police Arthur L. Jones dated July 17, 1997 on file in the District's office.

The District will pursue partnerships with other service providers. These partnerships may include development of a policy for referring panhandlers and the homeless to appropriate resources and/or working with other Downtown security resources to share information and develop response strategies. The District also has designated one PSA position specifically to coordinate homelessness outreach.

2. Clean Sweep Ambassadors Program. The District will continue to sponsor a Clean Sweep Ambassador Program to provide additional sidewalk cleaning and public space maintenance, to implement special projects and, more generally, to introduce an active, positive force in Downtown.

The District may provide cleaning, maintenance, graffiti removal and landscaping services in any manner deemed reasonable by the District Board, including hiring staff directly or hiring independent contractors to provide staff. In any event, a CSA director will be selected, who will report to the District's CEO, to manage this program, hire and supervise staff and serve as a liaison among City departments and property owners and businesses. During the summer months, a minimum of 11.5 full-time equivalent Clean Sweep Ambassadors ("CSAs") will report directly to the CSA

director. Fewer CSAs may service the District during the winter months. Full-time CSA staff will be trained in maintenance, safety and informational services and furnished with identifiable uniforms. In addition, the District may retain other staff and/or independent contractors as it deems reasonable to perform the tasks necessary to implement the program.

The maintenance efforts of CSAs, other staff and independent contractors retained, paid and uniformed by the District will complement the efforts of the City Department of Public Works. CSAs will manually sweep sidewalks and riverwalks, pick up litter and remove graffiti each day. Weather permitting, CSAs will mechanically sweep public sidewalks and riverwalks in a rotation consistent with the City's street sweeping schedule--with approximately one fifth of the District being swept each working day. From April through October, CSAs will also power wash and steam clean sidewalks and clean, maintain, water, plant and weed tree wells and planters. CSAs will be assigned "beats" depending on the public use of the area and the need for services. A schedule for deploying CSAs and their tasks, shall be developed by the District's CEO and the CSA director and altered as appropriate for restrictions imposed by weather and redeployment as necessary in the judgment of District staff.

In addition to their daily cleaning and maintenance duties, the District may deploy CSAs to accomplish special projects. These projects may range from the installation and removal of holiday lights to set up and clean up for special events to "Super-Block" clean up.

In servicing all aspects of the CSA program, CSAs and other staff servicing this program will maintain a friendly and helpful presence Downtown. Working during busy hours in recognizable uniforms, they will create an aura, not only of cleanliness, but also of safety. CSAs will be trained in crime resistance and to furnish helpful information and directions to residents and visitors. CSAs will remain in contact with the District office and its other resources using handheld PDA-type devices.

3. Economic Development; Marketing; Business Recruitment and Retention. In furtherance of its 2018 strategic planning objectives, District staff, generally, and an economic development director, in particular, shall strive to attract, retain and grow businesses paying family-supporting wages in Downtown Milwaukee. District efforts

shall include, but not be limited to, maintaining relevant market and demographic data, linking business and government resources and providing and/or identifying expertise to assist in business growth.

District staff will coordinate and/or contract to implement public relations programming to promote the cleaner, safer, friendlier Downtown being created through District efforts. Marketing and programming will aim to encourage increased use of Downtown, to attract businesses to locate, remain and expand in Downtown and to convince both constituents of the District and potential users that Downtown is a positive destination with unique qualities and amenities.

District staff will continue the District's marketing campaign based on a fresh "Downtown" theme. District staff will continue an internal communications program to inform members about District activities and benefits. Internal communications may include a semi-annual newsletter, an annual report, various print and e-mail notices and increased social media. District staff will maintain an umbrella-advertising theme, graphics package and media relations program. District staff will cross sell Downtown's assets with various seasonal promotions.

In addition, District staff will develop and/or contract for other marketing initiatives, attractions and/or events promoting Downtown. These marketing initiatives may include a comprehensive marketing campaign targeted at appropriate constituencies and/or traveling information kiosks and/or similar devices which may be staffed and deployed at various events (inside and outside of Downtown) to increase District visibility and outreach.

District staff will strive to attract and retain synergistic businesses. District staff will administer, together with the City of Milwaukee, a program of grants and forgivable loans for retailers and landlords to upgrade storefront spaces within the District. The District also will allocate up to \$85,000 in additional funding for catalytic economic development and spacemaking special projects, provided that each project must be approved by the District Board consistent with criteria adopted and applied by the Board.

The District may also sponsor or co-sponsor recurring special events such as the Holiday Lights Festival, Downtown Dining Week, Taste

and Toast, Downtown Employee Appreciation Week and Tunes at Noon.

The District will continue its sponsorship of the annual holiday lighting each November. Each year, the District will cause lighting purchased by the District in previous years and remaining in good condition to be reinstalled. In addition, the District may spend and/or solicit additional money as it deems necessary to purchase additional and/or replacement holiday lighting. For the winter of 2022-2023, the District will sponsor the twenty-fourth annual Holiday Lights Festival in Downtown. This festival will continue previous year's street lighting efforts and implement intense lighting displays in select Downtown parks such as Pere Marquette Park, Zeidler Union Square and Cathedral Square.

The District may undertake other economic development and/or marketing initiatives and programming reasonably estimated to attract and retain businesses, residents and tourists to Downtown as deemed appropriate by the District Board.

The District may contract with Milwaukee Downtown, Inc. to coordinate and implement the marketing initiatives described above, as well as related activities. In connection with contracting with Milwaukee Downtown, Inc., the District intends to donate approximately \$1,585,644 to Milwaukee Downtown, Inc. to provide operating funds necessary to implement marketing initiatives and related activities.

4. Initiative to Combat Homelessness. Based on concerns raised by its stakeholders, the District spearheaded initiatives to address chronic homelessness and aggressive panhandling. Such initiatives include funding and raising funds to support a Downtown Homeless Outreach Coordinator, a Downtown Community Prosecutor and a PSA position dedicated to homelessness outreach.
5. Contracting to Extend Activities/Services Outside of the District. Given the District's success, various constituencies periodically request the District to extend activities or provide services outside of the District boundaries. The District is authorized to contract to extend its activities and/or services outside District boundaries and/or to area residents so long as, by majority vote of the Board, any such contract is deemed to (a) advance the District's objectives and (b) provide activities and/or services on a revenue-neutral basis

such that the District avoids incurring any costs not directly benefiting properties within the District.

C. Proposed Expenditures and Financing Method

The 2023 proposed annual operating budget for the District is \$4,447,723. \$4,417,873 will be the amount received from District assessments from properties within the District. \$29,850 is additional income that is anticipated to come from several sources. See Appendix D. Of these amounts, \$903,600 will finance the Public Service Ambassadors Program, \$1,214,549 will fund the Clean Sweep Ambassadors Program, \$1,894,924 will pay for economic development, marketing, promotions and business retention and recruitment efforts, including placemaking efforts, and \$434,650 will be reserved for administrative expenses and a contingency (including, without limitation, the salaries of a full-time CEO, an economic development director, a marketing/events/social media coordinator, an environment specialist, an executive assistant, interns and other District staff, legal fees, insurance costs and office expenses). In the event that the Board reasonably determines that amounts allocated to any particular program are not needed for that program, unneeded amounts for one program may be used for another program. In addition, any funds collected but unspent pursuant to previous years' operating plans and any unanticipated voluntary contributions or other income will be made available in 2023 (for any purpose set forth in this Operating Plan, including without limitation for core services, public information, marketing, promotions and/or economic development efforts). The Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

The Board shall approve an annual operating budget for the District each year. Prior to approving any annual operating budget, the District will mail a public hearing notice and make available a copy of the proposed annual operating plan and budget to all owners of real property within the District. In addition, a Class 2 notice of the public hearing will be published in a local newspaper of general circulation, and the notice, annual operating plan and budget will be posted on the District's website. The District Board will hold a public hearing and approve the annual operating plan and budget for the District for that year. If any year's annual operating budget exceeds the prior year's annual operating budget by 4% or more, such budget must be approved by a 2/3 majority of the entire District Board. (This Year Twenty-Six Operating Plan was unanimously approved by _____ Board members in attendance at the Board meeting of September 8, 2022. Any capital improvements costing more than \$15,000

each or \$40,000 in the aggregate for any one year must be approved by a 2/3 majority of the entire District Board. For the purposes of this Operating Plan, "capital improvement" means any physical item that is permanently affixed to real estate including, without limitation, street lighting and sidewalk improvements. The term "capital improvement" shall not include, among other things, any maintenance equipment or supply, any communications equipment, any vehicles, any seasonal improvement or any holiday lighting or decorations. After the District Board has approved the annual operating plan and budget, they will be sent to the City for approval, adoption and inclusion in the City's annual budget for that year.

The 2022 assessed valuation of all property subject to assessment within the original District boundaries was approximately \$2,895,381,285 . The method of assessing annual operating expenses against properties located within the District is set forth in Article IV of this Operating Plan. Any change in the method of assessing annual operating expenses against properties located within the District must be approved by a 3/4 majority of the entire District Board and a majority of the Common Council of the City. Subsequent revisions to this Operating Plan will specify any additional assessment methodologies and amounts for operating expenses. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the aggregate property tax assessed valuation of all property assessed by the District.

The District may not borrow funds without approval of a 2/3 majority of the entire District Board.

D. Organization of the District Board

The Mayor shall appoint members to the District Board. The Board shall be responsible for 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 section 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 - 19 members.
2. Composition -
 - (a) Three members shall be representatives of each of the three largest (as measured by assessed valuation) multi-tenant office buildings in the District. In 2023, U.S. Bank Center (777 and 811 East Wisconsin Avenue), 411 East Wisconsin Avenue and 833 East Michigan Avenue are the three largest office buildings.
 - (b) Two members shall be representatives of the fourth through the ninth largest (as measured by assessed valuation) multi-tenant office buildings in the District. In 2023, 790 North Water Street, Schlitz Park (at the intersection of 2nd and Pleasant Streets), 100 East Wisconsin Avenue, The Milwaukee Center (107 East Kilbourn Avenue), 875 East Wisconsin Avenue and Plaza East (330 East Kilbourn Avenue) are the fourth through the ninth largest multi-tenant office buildings.
 - (c) Three members shall be representatives of any multi-tenant office buildings in the District.
 - (d) Three members shall be representatives of owner-occupied or single tenant buildings in the District with assessed valuations in excess of \$5,000,000. One member from this category shall be a representative of The Northwestern Mutual Life Insurance Company.
 - (e) One member shall be an owner or operator of a street-level retail business located within the District (which business may, but need not, be a restaurant).
 - (f) Two members shall be representatives of hotels located within the District. Such hotels shall not be owned or controlled by the same or related entities or individuals.
 - (g) One member shall be a representative of a tax-exempt entity making a voluntary contribution to the District of not less than \$45,000 annually.

- (h) Two members shall be "at large" members who shall not represent any particular constituency but who shall be owners or occupants of real property located within the District used for commercial purposes.
- (i) Two members shall be the immediate two past chairs of the District Board.

For purposes of measuring the assessed valuations of any building or site set forth above, all contiguous buildings and/or sites connected above- or below-ground, separated only by an intervening street and with identical ownership shall be included as one building or site. (For example, the U.S. Bank Center, consisting of property located at 777 and 811 East Wisconsin Avenue, constitutes one site.) Each year, the Board shall reconfirm the assessed valuations, ownerships and occupancies of all properties located within the District. If the assessed valuation, ownership or occupancy of any particular building or site in any year ceases to satisfy the criteria set forth above, the Board shall rearrange such building or site in the appropriate category. In addition to the composition requirements set forth above, one member of the Board shall also be a member of the board of directors of Westtown Association as long as the Westtown Association remains in existence, and one member of the Board shall also be a member of the board of directors of East Town Association as long as the East Town Association remains in existence. In satisfying the categories for Board members set forth above, the geographic representation of Board members shall be varied to the extent possible.

- 3. Term - Appointments to the Board shall generally be for a period of three years. To the extent possible, the terms of members representing each of the categories set forth in subparagraph (2) above shall be staggered so that the terms of not more than 60% of the representatives of any one category shall expire simultaneously. Despite the expiration of a Board member's term, the member shall continue to serve, subject to the by-laws adopted by the Board, until the member's successor is appointed.
- 4. Compensation - None.
- 5. Meetings - All meetings of the Board shall be governed by the Wisconsin Open Meetings Law if and as legally required.

6. Record Keeping - Files and records of the Board's affairs shall be kept pursuant to public record requirements.
7. Staffing and Office - The Board may employ staff and/or contract for staffing services pursuant to this Operating Plan and subsequent modifications thereof. In 2023, the Board may employ a full-time CEO, a full-time executive assistant, an economic development director, a marketing/events/social media coordinator, an environmental specialist and/or up to four interns and other support staff. The Board shall maintain an office for the District, which shall be centrally located in Downtown. The District's current office is located at 301 West Wisconsin Avenue, Suite 106. All District staff, including PSAs and CSAs, may work out of the District office or other approved spaces.
8. Meetings - The Board shall meet regularly, at least once quarterly. The Board has adopted rules of order (by-laws) to govern the conduct of its meetings. In the event of a tie in any matter on which an even number of Board Members vote, the vote of the Chair shall be deemed the tie-breaker.
9. Executive Committee - The Board shall elect from its members a chair, a vice-chair, a secretary, a treasurer and an assistant secretary who, together with the immediate past Chair of the Board, shall comprise an Executive Committee of the Board. At least one member of the Executive Committee shall be elected from the category of members set forth in subparagraphs (2)(a) or (b) above. Moreover, the member representing The Northwestern Mutual Life Insurance Company under subparagraph (2)(d) above shall be elected to some office on the Executive Committee. The immediate past chair of the Board shall serve on the Executive Committee until the current Chair ceases to serve as Chair, in which case the immediately past serving Chair shall become immediate past Chair. The Executive Committee shall be authorized to oversee the day to day operations of the District, subject to the by-laws adopted by the Board. In the event of a tie in any matter on which all officers vote, the vote of the Chair shall be deemed the tie-breaker.
10. Non-voting Members - At the option of a majority of the members of the Board, representatives of Visit Milwaukee, the Milwaukee Development Corporation, the Metropolitan Milwaukee Association of Commerce, and one or more significant Milwaukee arts venues (and/or similar organizations) may be invited to attend meetings of the Board or Executive Committee as nonvoting members.

11. Emeritus Members – By resolution of a majority of the members of the Board, former Board members who have demonstrated extraordinary service to the District may be appointed "emeritus" members in honor and recognition of their exceptional contributions.
12. No public bidding – Notwithstanding anything herein to the contrary and/or any contrary decisions by the Board relative to specific contracts, the District shall not be subject to any prevailing wage and/or public bidding requirements under either Wisconsin Statutes and/or City of Milwaukee ordinances.

E. RELATIONSHIP TO MILWAUKEE DOWNTOWN, INC. AND ALLIANCE FOR DOWNTOWN PARKING AND TRANSPORTATION, INC.

The District is a separate entity from Milwaukee Downtown, Inc., a private, not for profit corporation, exempt from taxation under section 501(c)(3) of the Internal Revenue Code, notwithstanding the fact that some or all of the members, officers and directors of each entity may be shared. Milwaukee Downtown, Inc. shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Board may contract with Milwaukee Downtown, Inc. to provide marketing and promotional services to the District and to retain an economic development director. The Board shall donate operating funds to Milwaukee Downtown, Inc. to facilitate the provision of such services and staffing, all in accordance with this Operating Plan.

The District and Milwaukee Downtown, Inc. are also separate entities from Alliance for Downtown Parking and Transportation, Inc. (the "Alliance"), a private, not for profit corporation, notwithstanding the fact that the District Board appoints all members to the board of directors of the Alliance. The Alliance shall remain a private organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with the Board. The Board may work in tandem with the Alliance and other Downtown commercial organizations to improve and mitigate adverse parking and transportation issues impacting Downtown Milwaukee and to promote positive parking and transportation options within the area, consistent with the purposes of this Operating Plan.

IV. METHOD OF ASSESSMENT

A. Annual Assessment Rate and Method

The annual assessment for District operating expenses will be levied against each property within the District in direct proportion to the commercial assessed value of each property for real property tax purposes on record with the District as of the date the District held the public hearing regarding its Year Twenty-Six Operating Plan (September 8, 2022). No owner of property within the District shall be eligible to receive or be subject to any reductions or increases in its assessment as a result of a decrease or increase in the assessed value for their property occurring after such date. The Board may, however, at its sole option, consider updated assessment information until the Common Council approves this Operating Plan. In addition, the amount of an assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the District.

Appendix C identifies each property included in the District and shows the proposed BID assessment for each property for the twenty-sixth year of operation. Such proposed assessments are based on the assessed value and classification estimated in 2022 pursuant to the foregoing formula.

In addition, any amounts due to the District from a property owner pursuant to a contract between the District and the property owner may, at the option of the District Board, become a special assessment or special charge against that property upon 30 days' prior written notice to the property owner.

B. Excluded and Exempt Property

The BID statute requires explicit consideration of certain classes of property. In compliance with the law, the following statements are provided.

1. Wisconsin Statutes section 66.1109(1)(f)(1m): The District will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this Operating Plan because it is assumed that they will benefit from development in the District.
2. Wisconsin Statutes section 66.1109(5)(a): Property used exclusively for residential purposes will not be assessed. Mixed use properties

containing some residential use will be assessed by the District consistent with applicable law.

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

V. PROMOTION OF ORDERLY DEVELOPMENT OF THE CITY

A. Enhanced Safety and Cleanliness

Under Wisconsin Statutes section 66.1109(1)(f)(4), this Operating Plan is required to specify how the creation of the District promotes the orderly development of the City. The District will enhance the safety and cleanliness of Downtown and, consequently, encourage commerce in the City. Increased business activity in the City will increase sales tax revenues and property tax base.

B. City Role in District Operation

The City has committed to assisting owners and occupants in the District to promote its objectives. To this end, the City has played a significant role in creation of the District and in the implementation of this Operating Plan. In furtherance of its commitment, the City shall:

1. Perform its obligations and covenants under the Cooperation Agreement.
2. Provide technical assistance to the District in the adoption of this and subsequent operating plans and provide such other assistance as may be appropriate.
3. Collect assessments, maintain the same in a segregated account and disburse monies to the Board.

4. Receive annual audits as required per Wisconsin Statutes section 66.1109(3)(c).
5. Provide the Board, through the Office of Assessment, on or before July 1 of each year, and periodically update, with the official City records on the assessed value of each tax key number within the District as of January 1 of each year for purposes of calculating the District assessments.
6. Promptly appoint and confirm members to the Board, consistent with this Operating Plan.

VI. PLAN APPROVAL PROCESS

A. Public Review Process

The BID statute establishes a specific process for reviewing and approving operating plans. Pursuant to the statutory requirements, the following process will be followed:

1. The District shall submit its proposed Operating Plan to the Department of City Development.
2. The Community and Economic Development Committee of the Common Council will review the proposed Operating Plan at a public meeting and will make a recommendation to the full Common Council.
3. The Common Council will act on the proposed Operating Plan.
4. If adopted by the Common Council, the proposed Operating Plan is sent to the Mayor for his approval.
5. If approved by the Mayor, this Year Twenty-Six Operating Plan for the District is approved and the Mayor will appoint, in accordance with Article III.D., new members to the Board to replace Board members whose terms have expired or who have resigned.

VII. FUTURE YEAR OPERATING PLANS

A. Changes

It is anticipated that the District will continue to revise and develop this Operating Plan annually, in response to changing needs and opportunities

in the District, in accordance with the purposes and objectives defined in this Operating Plan.

Wisconsin Statutes section 66.1109(3)(b) requires the Board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms proposed activities, information on specific assessed values, budget amounts and assessment amounts are based solely upon current conditions. Greater detail about subsequent years' 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 3/4 majority of the entire District Board and consent of the City of Milwaukee. In addition, if any year's annual aggregate assessment to property owners exceeds the prior year's annual aggregate assessment by 6% or more, such increased assessment must be approved by the owners of property assessed by the District having a property tax assessed valuation equal to at least 3/4 of the aggregate property tax assessed valuation of all property assessed by the District. Further, as set forth in Article III.C. above, a 2/3 majority of the entire District Board must approve increases in the District operating budget exceeding 4% of the prior year's budget and capital improvement expenditures of over \$15,000 in any one instance or of \$40,000 in the aggregate in any one year.

B. Early Termination of the District

The City shall consider terminating the District if the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified herein, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all property assessed under the Operating Plan, file a petition with the City Plan Commission requesting termination of the District. On or after the date such a petition is filed, neither the Board nor the City may enter into any new obligations by contract or otherwise until the expiration of thirty (30) days after the date a public hearing is held and unless the District is not terminated.

Within thirty (30) days after filing of a petition, the City Plan Commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a Class 2 notice. Before publication, a copy of the notice with a copy of the Operating Plan and a copy of the detail map showing the boundaries of the District shall be sent by certified mail to all owners of real property within the District.

Within thirty (30) days after the date of such hearing, every owner of property assessed under the Operating Plan may send a written notice to the City Plan Commission indicating, if the owner signed a petition, that the owner retracts the owner's request to terminate the District or, if the owner did not sign the petition, that the owner requests termination of the District.

If, after the expiration of thirty (30) days after the date of the public hearing, by petition or subsequent notification and after subtracting any retractions, the owners of property assessed under the Operating Plan having a valuation equal to more than 50% of the valuation of all property assessed under the Operating Plan, using the method of valuation specified in the Operating Plan, or the owners of property assessed under the Operating Plan having an assessed valuation equal to more than 50% of the assessed valuation of all properties assessed under the Operating Plan have requested the termination of the District, the City shall terminate the District on the date that the obligation with the latest completion date entered into to implement the Operating Plan expires.

C. Amendment, Severability and Expansion

This District has been created under authority of Wisconsin Statutes section 66.1109. Except as set forth in the next sentence, should any court find any portion of this statute invalid or unconstitutional its decision will not invalidate or terminate the District and this Operating Plan shall be amended to conform to the law without need of re-establishment. Should any court find invalid or unconstitutional the organization of the entire District Board, any requirement for a 2/3 or 3/4 majority vote of the District Board, the budgeting process or the automatic termination provision of this or any subsequent Operating Plan, the District shall automatically terminate and this Operating Plan shall be of no further force and effect.

Should the legislature amend the statute to narrow or broaden the definition of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this Operating Plan may be amended by a 2/3 majority of the entire District Board and a majority of the Common Council of the City of Milwaukee as and when they conduct their annual Operating

Plan approval and without necessity to undertake any other act. This is specifically authorized under section 66.1109(3)(b).

D. Automatic Termination Unless Affirmatively Extended.

The District Board shall not incur obligations extending beyond thirty years from the date on which the District was created. At the end of the twenty-ninth year of the District's existence, the District Board shall prepare an operating plan for the thirtieth year that contemplates termination of the District at the commencement of the thirtieth year as set forth in Wisconsin Statutes section 66.1109(3)(b), unless the owners of property assessed by the District having a valuation equal to 60% of the valuation of all property assessed by the District affirmatively vote to continue the District.

In addition, the Board may elect by majority vote to terminate the District if the City is in default of any obligation or covenant of the City set forth in the Cooperation Agreement. In such event, the District shall terminate as set forth in Wisconsin Statutes section 66.1109(4m).

APPENDIX A

Wisconsin Statutes section

Updated 2017–18 Wis. Stats. Published and certified under s. 35.18. August 1, 2020.

167 Updated 17–18 Wis. Stats.

MUNICIPAL LAW 66.1109

(b) Designation by the planning commission of the boundaries of a reinvestment neighborhood or area recommended by it to be designated and submission of the recommendation to the local legislative body.

(c) Adoption by the local legislative body of a resolution which:

1. Describes the boundaries of a reinvestment neighborhood or area with sufficient definiteness to identify with ordinary and reasonable certainty the territory included in the neighborhood or area. The boundaries may, but need not, be the same as those recommended by the planning commission.

2. Designates the reinvestment neighborhood or area as of a date provided in the resolution.

3. Contains findings that the area to be designated constitutes a reinvestment neighborhood or area.

History: 1977 c. 418; 1979 c. 361 s. 112; 1985 a. 29 s. 3200 (14); 1999 a. 150 s. 479; Stats. 1999 s. 66.1107; 2001 a. 104.

66.1108 Limitation on weekend work. (1) DEFINITIONS. In this section:

(a) “Construction project” means a project involving the erection, construction, repair, remodeling, or demolition, including any alteration, painting, decorating, or grading, of a private facility, including land, a building, or other infrastructure that is directly related to onsite work of a residential or commercial real estate development project.

(b) “Political subdivision” means a city, village, town, or county.

(2) CONSTRUCTION PROJECTS; WEEKEND WORK. (a) A political subdivision may not prohibit a private person from working on the job site of a construction project on a Saturday. A political subdivision may not impose conditions that apply to a private person who works on a construction project on a Saturday that are inapplicable to, or more restrictive than the conditions that apply to, such a person who works on a construction project during weekdays.

(b) If a political subdivision has enacted an ordinance or adopted a resolution before April 5, 2018, that is inconsistent with par. (a), that portion of the ordinance or resolution does not apply and may not be enforced.

History: 2017 a. 243.

66.1109 Business improvement districts. (1) In this section:

(a) “Board” means a business improvement district board appointed under sub. (3) (a).

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

(c) “Chief executive officer” means a mayor, city manager, village president or town chairperson.

(d) “Local legislative body” means a common council, village board of trustees or town board of supervisors.

(e) “Municipality” means a city, village or town.

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

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

1m. Whether real property used exclusively for manufacturing purposes will be specially assessed.

2. The kind, number and location of all proposed expenditures within the business improvement district.

3. A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

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

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

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

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

(a) An owner of real property used for commercial purposes and located in the proposed business improvement district designated under par. (b) has petitioned the municipality for creation of a business improvement district.

(b) The planning commission has designated a proposed business improvement district and adopted its proposed initial operating plan.

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

(d) Within 30 days after the hearing under par. (c), the owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan, or the owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan, have not filed a petition with the planning commission protesting the proposed business improvement district or its proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the municipality.

(2m) A municipality may annex territory to an existing business improvement district if all of the following are met:

(a) An owner of real property used for commercial purposes and located in the territory proposed to be annexed has petitioned the municipality for annexation.

(b) The planning commission has approved the annexation.

(c) At least 30 days before annexation of the territory, the planning commission has held a public hearing on the proposed annexation. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of a detail map showing the boundaries of the territory proposed to be annexed to the business improvement district shall be sent by certified mail to all owners of real property within the territory proposed to be annexed. The notice shall state the boundaries of the territory proposed to be annexed.

(d) Within 30 days after the hearing under par. (c), the owners of property in the territory to be annexed that would be assessed under the operating plan having a valuation equal to more than 40 percent of the valuation of all property in the territory to be

2017–18 Wisconsin Statutes updated through 2019 Wis. Act 186 and through all Supreme Court and Controlled Substances Board Orders filed before and in effect on August 1, 2020. Published and certified under s. 35.18. Changes effective after August 1, 2020, are designated by NOTES. (Published 8–1–20)

annexed that would be assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property in the territory to be annexed that would be assessed under the operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property in the territory to be annexed that would be assessed under the operating plan, have not filed a petition with the planning commission protesting the annexation.

(3) (a) The chief executive officer shall appoint members to a business improvement district board to implement the operating plan. Board members shall be confirmed by the local legislative body and shall serve staggered terms designated by the local legislative body. The board shall have at least 5 members. A majority of board members shall own or occupy real property in the business improvement district.

(b) The board shall annually consider and may make changes to the operating plan, which may include termination of the plan, for its business improvement district. The board shall then submit the operating plan to the local legislative body for its approval. If the local legislative body disapproves the operating plan, the board shall consider and may make changes to the operating plan and may continue to resubmit the operating plan until local legislative body approval is obtained. Any change to the special assessment method applicable to the business improvement district shall be approved by the local legislative body.

(c) The board shall prepare and make available to the public annual reports describing the current status of the business improvement district, including expenditures and revenues. The report shall include one of the following:

1. If the cash balance in the segregated account described under sub. (4) equaled or exceeded \$300,000 at any time during the period covered by the report, the municipality shall obtain an independent certified audit of the implementation of the operating plan.

2. If the cash balance in the segregated account described under sub. (4) was less than \$300,000 at all times during the period covered by the report, the municipality shall obtain a reviewed financial statement for the most recently completed fiscal year. The statement shall be prepared in accordance with generally accepted accounting principles and include a review of the financial statement by an independent certified public accountant.

(cg) For calendar years beginning after December 31, 2018, the dollar amount at which a municipality is required to obtain an independent certified audit under par. (c) 1. and the dollar amount at which a municipality is required to obtain a reviewed financial statement under par. (c) 2. shall be increased each year by a percentage equal to the percentage change between the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August of the previous year and the U.S. consumer price index for all urban consumers, U.S. city average, for the month of August 2017, as determined by the federal department of labor. Each amount that is revised under this paragraph shall be rounded to the nearest multiple of \$10 if the revised amount is not a multiple of \$10 or, if the revised amount is a multiple of \$5, such an amount shall be increased to the next higher multiple of \$10.

(cr) The municipality shall obtain an additional independent certified audit of the implementation of the operating plan upon termination of the business improvement district.

(d) Either the board or the municipality, as specified in the operating plan as adopted, or amended and approved under this section, has all powers necessary or convenient to implement the operating plan, including the power to contract.

(4) All special assessments received from a business improvement district and all other appropriations by the municipality or other moneys received for the benefit of the business improvement district shall be placed in a segregated account in the municipal treasury. No disbursements from the account may be made except to reimburse the municipality for appropriations other than

special assessments, to pay the costs of audits and reviewed financial statements required under sub. (3) (c), or on order of the board for the purpose of implementing the operating plan. On termination of the business improvement district by the municipality, all moneys collected by special assessment remaining in the account shall be disbursed to the owners of specially assessed property in the business improvement district, in the same proportion as the last collected special assessment.

(4g) A municipality may convert a business improvement district under this section into a neighborhood improvement district under s. 66.1110 if an owner of real property that is subject to general real estate taxes, that is used exclusively for residential purposes, and that is located in the business improvement district petitions the municipality for the conversion. If the municipality approves the petition, the board shall consider and may make changes to the operating plan under s. 66.1110 (4) (b).

(4m) A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

(a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.

(b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. (c) and unless the business improvement district is not terminated under par. (e).

(c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.

(d) Within 30 days after the date of hearing under par. (c), every owner of property assessed under the operating plan may send written notice to the planning commission indicating, if the owner signed a petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.

(e) If after the expiration of 30 days after the date of hearing under par. (c), by petition under this subsection or subsequent notification under par. (d), and after subtracting any retractions under par. (d), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district, the municipality shall terminate the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

(5) (a) Real property used exclusively for residential purposes and real property that is exempted from general property taxes

under s. 70.11 may not be specially assessed for purposes of this section.

(b) A municipality may terminate a business improvement district at any time.

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

(d) If real property that is specially assessed as authorized under this section is of mixed use such that part of the real property is exempted from general property taxes under s. 70.11 or is residential, or both, and part of the real property is taxable, the municipality may specially assess as authorized under this section only the percentage of the real property that is not tax-exempt or residential. This paragraph applies only to a 1st class city.

History: 1983 a. 184; 1989 a. 56 s. 258; 1999 a. 150 s. 539; Stats. 1999 s. 66.1109; 2001 a. 85; 2017 a. 59, 70, 189.

66.1110 Neighborhood improvement districts. (1) In this section:

(a) “Board” means a neighborhood improvement district board elected under sub. (4) (a).

(b) “Chief executive officer” means a mayor, city manager, village president, or town chairperson.

(c) “Local legislative body” means a common council, village board of trustees, or town board of supervisors.

(d) “Municipality” means a city, village, or town.

(e) “Neighborhood improvement district” means an area within a municipality consisting of nearby but not necessarily contiguous parcels, at least some of which are used for residential purposes and are subject to general real estate taxes, and property that is acquired and owned by the board if the local legislative body approved acquisition of the property under sub. (4) (d) as part of its approval of the initial operating plan under sub. (3) (e).

(f) “Operating plan” means a plan adopted or amended under this section for the development, redevelopment, maintenance, operation, and promotion of a neighborhood improvement district.

(g) “Owner” means the owner of real property that is located within the boundaries, or the proposed boundaries, of a neighborhood improvement district.

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

(2) An operating plan shall include at least all of the following elements:

(a) The special assessment method applicable to the neighborhood improvement district.

(b) The kind, number, and location of all proposed expenditures within the neighborhood improvement district.

(c) A description of the methods of financing all estimated expenditures and the time when related costs will be incurred.

(d) A description of how the creation of the neighborhood improvement district promotes the orderly development of the municipality, including its relationship to any municipal master plan.

(e) A statement as to whether the local legislative body authorizes the board to own real property and, if so, a description of the real property to be owned, the purpose of the ownership, and a statement of to whom the real property will be transferred if the neighborhood improvement district is terminated.

(f) A legal opinion that pars. (a) to (e) have been complied with.

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

(a) An owner of real property subject to general real estate taxes and located in the proposed neighborhood improvement dis-

trict designated under par. (b) has petitioned the municipality for creation of a neighborhood improvement district.

(b) The planning commission has designated a proposed neighborhood improvement district and adopted its proposed initial operating plan.

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

(d) Within 30 days after the hearing under par. (c), one of the following has not filed a petition with the planning commission protesting the proposed neighborhood improvement district or its proposed initial operating plan:

1. The owners of property to be assessed under the proposed initial operating plan having a valuation equal to more than 40 percent of the valuation of all property to be assessed under the proposed initial operating plan, using the method of valuation specified in the proposed initial operating plan.

2. The owners of property to be assessed under the proposed initial operating plan having an assessed valuation equal to more than 40 percent of the assessed valuation of all property to be assessed under the proposed initial operating plan.

(e) The local legislative body has voted to adopt the proposed initial operating plan for the neighborhood improvement district. The local legislative body shall publish a class 2 notice under ch. 985 regarding the meeting at which the local legislative body will vote on whether to adopt the proposed initial operating plan for the neighborhood improvement district. Before publication, a copy of the notice shall be sent by certified mail to all owners of real property within the proposed neighborhood improvement district.

(4) (a) 1. If the local legislative body adopts the proposed initial operating plan under sub. (3) (e), it shall determine the size of board, which shall consist of at least 5 members, all of whom shall own or occupy real property in the neighborhood improvement district.

2. The number of board members who represent commercial and residential property, respectively, shall be set by the local legislative body, as closely as possible, in the same proportion as is the aggregate valuation of commercial property in the neighborhood improvement district to the total assessed value of all property in the district, and the aggregate valuation of residential property in the district to the total assessed value of all property in the district.

3. The local legislative body shall set the time and place for a meeting at which members of the board will be elected, and shall publish a class 2 notice under ch. 985 that contains this information. The notice shall specify that all individuals who either own or occupy real property within the neighborhood improvement district are eligible to serve on the board and vote at the election.

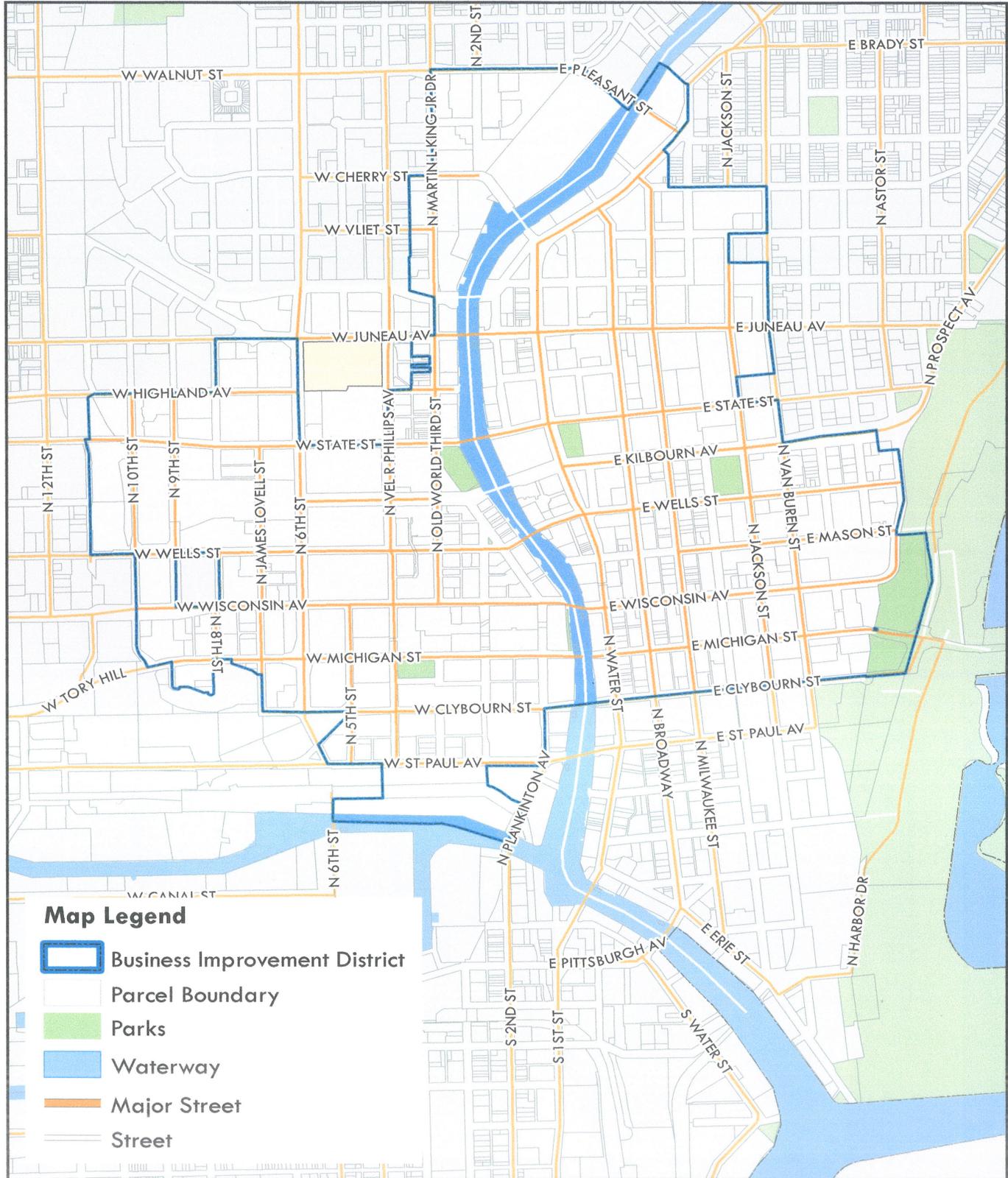
4. At the meeting, the individuals who own or occupy real property shall be divided into 2 groups. One group shall consist of those individuals who own or occupy commercial property, and one group shall consist of those individuals who own or occupy residential property. Each group shall elect from among its members the number of board members set to represent its group by the local legislative body under subd. 2.

5. Board members elected under subd. 4. shall serve a one year term, and may be reelected. Annually, the number of board members who represent commercial and residential properties,

APPENDIX B

BID NO. 21: MILWAUKEE DOWNTOWN CITY OF MILWAUKEE

Prepared by the Dept. of City Development Planning Division, 8/12/2020
Source: City of Milwaukee Information Technology Management Division;
Dept. of City Development Commercial Corridors Team



Document Path: S:\GIS and Data Projects\2020\20-08-12_BID21\Bid 21_ RevisedMap_2020.mxd

APPENDIX C

Narrative listing of properties

APPENDIX D
2023 Budget

BUSINESS IMPROVEMENT DISTRICT #21
CLEAN*SAFE*FRIENDLY
2023 BUDGET

INCOME

2023 BID #21 Assessments
(Based on a mill rate of \$1.53 per \$1,000 of
assessed value) \$ 4,417,873

Additional Income \$ 29,850

TOTAL INCOME \$ 4,447,723

EXPENSES

Clean Sweep Ambassador Program
 Sidewalk Cleaning \$ 803,600
 Landscaping \$ 405,949
 Graffiti Removal \$ 5,000
\$ 1,214,549 (27% of total)

Public Service Ambassador Program \$ 903,600 (20% of total)

Administrative \$ 434,650 (10% of total)

Economic Development/Marketing/Business
Retention/Recruitment \$ 1,894,924 (43% of total)

TOTAL EXPENSES \$ 4,447,723

APPENDIX E

Milwaukee Downtown BID #21 Strategic Plan - Updated V6 – New Objectives

Mission¹ Statement

We lead and inspire believers in Milwaukee to engage in efforts that build Downtown as the thriving, sustainable, innovative, and vibrant heart of the community.

Vision² Statement

Milwaukee Downtown is an economic catalyst. Downtown emerges as a premier destination of choice. Milwaukee becomes a renowned world class city (suggested change to "region" from "city").

Proposed Top Priorities

- Priority 1** -- Downtown Economic Development Leader: Reposition BID 21 as a driver of economic prosperity of Milwaukee's Downtown
- Priority 2** -- Leadership position on Catalytic Projects including the Street Car, West Wisconsin Initiative, new arena/convention center, Park East Corridor, and technology/innovation incubator (new)
- Priority 3** -- Energy and vibrancy of downtown: Harness the energy and vibrancy of diverse downtown residents, young professionals and other downtown believers to position them for leadership roles in the Downtown community. (new)

¹ Mission: Broad description of what we do, with/for whom we do it, our distinctive competence, and why we do it.

² Vision: Image or description of future impact we intend to have in the future.