

*Atkinson Capitol Teutonia
ACT*

*BUSINESS IMPROVEMENT DISTRICT NO.29
PROPOSED OPERATING PLAN (YEAR SEVEN)*

2009

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I. INTRODUCTION

A. Background

In 1984, the Wisconsin legislature created s. 66.1109 of the Statutes (see Appendix A) enabling cities to establish Business Improvement districts (BIDs) upon the petition of at least one property owner within the proposed district. The purpose of the law is "to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities." (1983 Wis. Act 184, Section 1, legislative declaration.)

The City of Milwaukee has received a petition from property owners which requests creation of a Business Improvement district for the purpose of revitalizing and improving the Atkinson Avenue, Capitol Drive and Teutonia Avenue business area on Milwaukee's north side (see Appendix B). Pursuant to the BID law, an initial Operating Plan for the proposed district has been prepared. The BID proponents have developed this Plan with technical assistance from the City of Milwaukee Department of City Development.

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

B. Physical Setting

The vast majority of the ACT Triangle is made up of residential properties. Of the nearly 8,000 total parcels in and immediately surrounding the ACT Triangle, approximately 200 are commercial or industrial in nature. Thirty parcels are institutional (schools, churches, municipal and government facilities). Eighty-four parcels are vacant lots, boarded up properties, or residential units owned by the City of Milwaukee, some other governmental unit, or a lending institution as a result of foreclosure, tax delinquency or public nuisance.

The overwhelming majority of the housing is single-family detached homes. The second most prevalent type of land use is duplex housing. There are a few three and four flat units. The area surrounding the intersection of West Capitol Drive, Atkinson Avenue and Teutonia Avenue supports a number of apartment buildings. The apparent largest of these, a 55 unit complex located at the intersection of Roosevelt Drive and Teutonia is a boarded up property.

An estimated 70% of the housing in the ACT area was built prior to World War II. Much of this housing stock was built in the 1920's and 1930's. While the housing stock is not in danger of falling down, it has become expensive to maintain. This has caused much maintenance to be deferred, and has led to blight conditions.

There is a significant portion of newer housing at the northeast corner of the ACT Triangle. This housing stock differs greatly from the majority of the community's housing. It is brick or faced, and is evident of styles popular after World War II. Furthermore, lot and parcel sizes are larger in this section of the neighborhood.

The median value of a house in the ACT area in 1990 was estimated at \$36,718.00. Current estimates place the median value of a house in this neighborhood at \$46,110.00. This represents an increase of just over 25.5% in the eight years since the 1990 Census was conducted. Recent housing sales do not exactly support the estimated current housing value. Single-family residential sales in 1997 and 1998 averaged \$37,100.00. Duplex sales averaged just over \$42,550.00.

II. DISTRICT BOUNDARIES

The potential boundaries for the ACT Business Improvement District extend from the 800 to 2600 block of Atkinson Avenue, the 2000 to 2700 Block of Capitol Drive and the 3700 to 4300 block of Teutonia Avenue.

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

III. PROPOSED OPERATING PLAN

Planning:

- A.) Northwest Side Community Development Corporation (NWSCDC) will assist the BID Board in developing and implementing a three-year strategic plan and a one-year Operating (Work) Plan.

Fund Development

- A.) NWSCDC will identify additional sources of financial support for BID activities and write applications or grants to obtain such funds.
- B.) NWSCDC will make a good faith effort to develop financial tools which will be used to leverage other private and public funds. To the extent possible tools will be geared toward achieving objectives of the Operating Plan, especially the recruitment of new business to the ACT BID area, and the expansion of existing businesses, and the enhancement of building facades.

Business Development

- A.) NWSCDC will generate new business leads for the ACT BID area, and assist prospective businesses in accessing financial and technical resources.
- B.) NWSCDC will work with property owners and the Department of City Development to monitor building and site availability with the purpose of facilitating new businesses development in the ACT BID area.
- C.) NWSCDC will work with the BID Board and any ACT BID area Merchant's Association's to market the BID and will coordinate Public Relations events.
- D.) The NWSCDC and the Act BID #29 will plan and implement a one-day "ACT BID" festival to showcase BID #29 businesses and build goodwill in the community.

- E.) The ACT BID will have a web page designed and built for them on the NWSCDC's website as well as a current brochure of ACT businesses. The goal is to promote the BID and increase participation in ACT BID activities.

Streetscape

- A) NWSCDC will assist the BID Board in developing a Design Plan which will enhance the visual appearance of the Streetscape.
- B) The ACT BID manager will work with the City of Milwaukee and BID Board to help plan and implement the streetscape for the proposed public way improvements including extensive landscaping, commercial district signage, specialty paving and other commercial district identification enhancements that will greatly enhance the Atkinson/Capitol/Teutonia Commercial District.

Administrative Services:

- A.) NWSCDC will provide accounting and bookkeeping for the BID Board, including keeping accurate records of the BID's financial status, bank accounts, and the payment of approved bills.
- B.) NWSCDC will provide clerical services to the BID Board, including the preparation, dissemination and posting of meeting notices and minutes in accordance with state and local requirements.
- C.) NWSCDC will make a good faith effort to assist the BID Board in complying applicable laws and regulations regarding the BID, including the submission to the City of an approved Operating Plan, Budget, and Annual Report in September. NWSCDC will develop the annual assessment proposal based on data provided by the City and in accordance with the BID by-laws and statutory regulations. The NWSCDC will prepare information for the 2009 annual audit to be conducted by an independent auditor of the BID Board's choice
- D.) NWSCDC will hire a dedicated staff person to manage the operation of the ACT BID (full time, salaried position)
- E.) Attendance at all BID Board meetings by NWSCDC staff. A primary contact person will be appointed by the NWSCDC to be the liaison with the BID Board; however multiple NWSCDC personnel may be assigned to work on various aspects of the operating plan.

Business Improvement District No. 29 Operating expenses
Proposed Budget

Assessed Budget Total \$70,894

BID Activities managed by the NWSCDC \$67,794

Audit 2,500
Insurance 1,000

TOTAL \$70,894

III. Financing Method

Allocation of the district's annual expenses will be based on each individual property's assessed valuation as a percentage of the district's total assessed valuation. It is proposed to raise \$68,812 through BID assessments (see Appendix D) .The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

IV. Organization of BID Board

Upon creation of the ACT BID #29, the Mayor appointed; Wanda Scruggs, Rosetta Carr, Julius Morgan, Willie Cunningham and Cornelius Cobbin to the district board ("board") .The board's primary responsibility will be implementation of this Operating Plan.' This will require the board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise the Operating Plan; to ensure district compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of BID assessments.

State law requires that the board be composed of at least five members and that a majority of the board members be owners or occupants of property within the district.

The BID board be structured and operates as follows:

1. Board size -Five.
2. Composition -At least three members shall be owners or occupants of property within the district.

Any non-owner or non-occupant appointed to the board shall be a resident of the City of Milwaukee. The board shall elect its Chairperson from among its members.

3. Term -Appointments to the board shall be for a period of three years except that initially two members shall be appointed for a period of three years, two members shall be appointed for a period of two years, and one member shall be appointed for a period of one year.

4. Compensation -None.

5. Meetings -All meetings of the board shall be governed by the Wisconsin Open Meetings Law.
6. Record Keeping -Files and records of the board's affairs shall be kept pursuant to public records requirements.
7. Staffing- The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings -The board shall meet regularly, at least twice each year. The board shall adopt rules of order (by laws) to govern the conduct of its meetings.

A. Relationship to the ACT Business Association, Inc.

The BID is a separate entity from the ACT Business Association, notwithstanding the fact that members, officers and directors of each may be shared. The Association 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 BID board. The Association may, and it is intended, shall, contract with the BID to provide services to the BID, in accordance with this Plan. Any contracting with the Association for services to the BID, will be in accordance with this Plan.

V. METHOD OF ASSESSMENT

A. Assessment Rate and Method

The principle behind the assessment methodology is that each property should contribute to the BID in proportion to the benefit derived from the BID. After consideration of other assessment methods, it was determined that assessed value of a property was the characteristic most directly related to the potential benefit provided by the BID. Therefore, a fixed assessment on the assessed value of the property was selected as the basic assessment methodology for this BID.

However, maintaining an equitable relationship between the BID assessment and the expected benefits requires an adjustment to the basic assessment method. To prevent the disproportional assessment of a small number of high value properties, a maximum assessment of \$1,500 per parcel will be applied.

BID-eligible properties are assessed in the following manner:

1. An unimproved tax parcel is assessed at a rate of \$4/1,000 of assessed value up to a maximum BID assessment of \$1,500. No minimum assessment is applied to unimproved parcels.
2. There is a \$125 minimum assessment on all BID- eligible improved tax parcels valued at \$10,000 or less.
 1. For improved tax parcels valued over \$10,000, the assessment is \$125 plus \$4/1,000 of assessed value for the amount over \$10,000, up to a maximum of \$1,500.

As of January 1, 1993, the property in the proposed district had a total assessed value of over \$13 million. This plan proposed to assess the property in the district at a rate of \$4.00 per \$1,000.00 of assessed value, subject to the maximum assessment, for the purposes of the BID. Appendix D shows the projected BID assessment for each property included in the district.

B. Excluded and Exempt Property

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

1. State Statute 66.1109(1) (f) 1m: The district will contain property used exclusively for manufacturing purposes, as well as properties used in part for manufacturing. These properties will be assessed according to the method set forth in this plan because it is assumed that they will benefit from development in the district.
2. State Statute 66.1109(5) (a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix D, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1) (b), property exempt from general real estate taxes has been excluded from the district. Privately owned tax exempt property adjoining the district and which is expected to benefit from district activities may be asked to make a financial contribution to the district on a voluntary basis.

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

A. City Plans

In February 1978, the Common Council of the City of Milwaukee adopted a Preservation Policy as the policy basis for its Comprehensive Plan and as a guide for its planning, programming and budgeting decisions. The Common Council reaffirmed and expanded the Preservation Policy in Resolution File Number 881978, adopted January 24, 1989. The Preservation Policy emphasizes maintaining Milwaukee's present housing, jobs, neighborhoods, services, and tax base rather than passively accepting loss of jobs and population, or emphasizing massive new development. In its January 1989 reaffirmation of the policy, the Common Council gave new emphasis to forging new public and private partnerships as a means to accomplish preservation.

The district is a means of formalizing and funding the public-private partnership between the City and property owners in the Atkinson, Capitol, Teutonia business area and for furthering preservation and redevelopment in this portion of the City of Milwaukee. Therefore, it is fully consistent with the City's Comprehensive Plan and Preservation Policy.

B. City Role in District Operation

The City of Milwaukee has committed to helping private property owners in the district promote its development. To this end, the City expected to play a significant role in the creation of the Business Improvement district and in the implementation of the Operating Plan. In particular, the City will:

1. Provide technical assistance to the proponents of the district through adoption of the Plan, and provide assistance as appropriate thereafter.
2. Monitor and, when appropriate, apply for outside funds that could be used in support of the district.
3. Collect assessments, maintain in a segregated account, and disburse the monies of the district.
4. Receive annual audits as required per sec. 66.1109(3) (c) of the BID law.

5. Provide the board, through the Tax Commissioner's Office on or before June 1st of each Plan year, with the official City records on the assessed value of each tax key number with the district, as of January 1st each Plan year, for purposes of calculating the BID assessments.

6. Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.

VII. PLAN APPROVAL PROCESS

A. Public Review Process

The Wisconsin Business Improvement district law establishes a specific process for reviewing and approving proposed districts. Pursuant to the statutory requirements, the following process will be followed:

1. The Milwaukee City Plan Commission will review the proposed district boundaries and proposed Operating Plan and will then set a date for a formal public hearing.
2. The City Plan Commission will send, by certified mail, a public hearing notice and a copy of the proposed Operating Plan to all owners of real property within the proposed district'. In addition, a Class 2 notice of the public hearing will be published in a local newspaper of general circulation.
3. The City Plan Commission will hold a public hearing, will approve or disapprove the Plan, and will report its action to the Common Council.
4. The Zoning, Neighborhoods and Development Committee of the Common Council will review the proposed BID Plan at a public meeting and will make a recommendation to the full Common Council.
5. The Common Council will act on the proposed BID Plan.
6. If adopted by the Common Council, the proposed BID Plan is sent to the Mayor for his approval.
7. If approved by the Mayor, the BID is created and the Mayor will appoint members to the district board established to implement the Plan.

B. Petition against Creation of the BID

The City may not create the Business Improvement district if, within 30 days of the City Plan Commission's hearing, a petition is filed with the City containing signatures of:

Owners of property to be assessed under the proposed initial Operating Plan having a valuation equal to more than 40% 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

Owners of property to be assessed under the proposed initial Operating Plan having an assessed valuation equal to more than 40% of the assessed valuation of all property to be assessed under the proposed Operating Plan.

VIII. FUTURE YEAR OPERATING PLANS A. Phased Development

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

Section 66.1109(3) (a) of the BID law requires the board and the City to annually review and make changes as appropriate in the Operating Plan. Therefore, while this document outlines in general terms the complete development program, it focuses upon Year One activities, and information on specific assessed values, budget amounts and assessment amounts are based on Year One conditions. Greater detail about subsequent year's activities will be provided in the required annual Plan updates, and approval by the Common Council of such Plan updates shall be conclusive evidence of compliance with this Plan and the BID law.

In later years, the BID 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 consent of the City of Milwaukee.

B. Amendment, Severability and Expansion

This BID has been created under authority of Section 66.1109 of the Statutes of the State of Wisconsin. Should any court find any portion of this Statute invalid or unconstitutional its decision will not invalidate or terminate the BID and this BID Plan shall be amended to conform to the law without need of reestablishment.

Should the legislature amend the Statute to narrow or broaden the process of a BID so as to exclude or include as assessable properties a certain class or classes of properties, then this BID Plan may be amended by the Common Council of the City of Milwaukee as and when it conducts its annual Operating Plan approval and without necessity to undertake any other act. This is specifically authorized under Section 66.1109(3) (b)

APPENDICES

- A. Statute**
- B. Petitions**
- C. Proposed District Boundaries**
- D. Year Two Projected Assessments**
- E. City Attorney's Opinion**

BID 29 Assessments

1	2310098000	409.00	8H
2	2440491000	609.00	8H
3	2450015000	373.00	8H
4	2450211000	525.00	8H
5	2450216110	1500.00	8H
6	2450217100	1500.00	8H
7	2450218000	573.00	8H
8	2450219110	1500.00	8H
9	2450528000	669.00	8H
10	2450529000	1017.00	8H
11	2450530100	125.00	8H
12	2450530200	1445.00	8H
13	2450559000	161.00	8H
14	2450560000	421.00	8H
15	2450561100	1189.00	8H
16	2450564000	669.00	8H
17	2450580100	635.00	8H
18	2450598110	844.00	8H
19	2450598120	1500.00	8H
20	2450707100	337.00	8H
21	2450708000	297.00	8H
22	2450817000	125.00	8H
23	2451203000	245.00	8H
24	2451426000	185.00	8H
25	2451536000	125.00	8H
26	2451541000	125.00	8H
27	2451905000	125.00	8H
28	2451906100	1065.00	8H
29	2451908000	445.00	8H
30	2451909000	225.00	8H
31	2451910000	661.00	8H
32	2451911000	609.00	8H
33	2452125100	825.00	8H
34	2452151100	229.00	8H
35	2452155111	277.00	8H
36	2452155112	645.00	8H
37	2452156100	429.00	8H
38	2452157000	289.00	8H
39	2452158000	237.00	8H
40	2452159000	1437.00	8H
42	2452163000	209.00	8H
43	2452164000	313.00	8H
44	2452309000	197.00	8H
45	2452310000	337.00	8H
46	2452311000	1329.00	8H
47	2452322000	945.00	8H
48	2452361000	1500.00	8H
49	2452362000	1500.00	8H
50	2700301000	357.00	8H
51	2700303000	225.00	8H
52	2700307000	125.00	8H
53	2700308000	1500.00	8H
54	2700310000	585.00	8H
55	2700311000	317.00	8H
56	2700312000	181.00	8H
57	2700314000	405.00	8H
58	2700315000	1500.00	8H
59	2700316000	1061.00	8H
60	2700317000	493.00	8H

61	2700318000	485.00	8H
62	2701203100	225.00	8H
63	2701205000	329.00	8H
64	2701210100	1500.00	8H
65	2701713000	357.00	8H
66	2701715000	245.00	8H
67	2701716000	725.00	8H
68	2701717000	269.00	8H
69	2701718000	445.00	8H
70	2701719000	125.00	8H
71	2701720000	257.00	8H
72	2701722000	253.00	8H
73	2701723000	245.00	8H
74	2701742000	341.00	8H
75	2701743100	313.00	8H
76	2701746000	125.00	8H
77	2701747000	221.00	8H
78	2701761000	125.00	8H
79	2701762000	385.00	8H
80	2701763100	221.00	8H
81	2701765000	189.00	8H
82	2710406000	725.00	8H
83	2710408100	457.00	8H
84	2710427100	353.00	8H
85	2710431100	617.00	8H
86	2710469000	433.00	8H
87	2710483000	217.00	8H
88	2710531000	125.00	8H
90	2710701000	285.00	8H
91	2710702000	125.00	8H
92	2711001000	377.00	8H
93	2711003100	469.00	8H
94	2711005000	405.00	8H
95	2711027100	345.00	8H
96	2711028000	169.00	8H
97	2711029000	413.00	8H
98	2711030000	645.00	8H
99	2711031000	125.00	8H
100	2711048000	589.00	8H
101	2711049000	393.00	8H
102	2711102100	125.00	8H
103	2711205000	697.00	8H
104	2711206111	357.00	8H
105	2711326000	125.00	8H
106	2711327000	337.00	8H
107	2711417000	185.00	8H
108	2711524100	313.00	8H
109	2711527000	189.00	8H
110	2711617000	553.00	8H
111	2711618000	125.00	8H
112	2711619000	241.00	8H
113	2712002000	349.00	8H
114	2712004000	453.00	8H
115	2712005100	657.00	8H
116	2712209000	409.00	8H
117	2712213100	125.00	8H
118	2712214000	373.00	8H
119	2712301000	201.00	8H
120	2712441000	313.00	8H
121	2712444000	237.00	8H
122	2712502000	513.00	8H
123	2712503000	445.00	8H
124	2712504000	125.00	8H
125	2712553000	473.00	8H
126	2712570000	269.00	8H

127	2712571000	281.00	8H
128	2712573000	505.00	8H
129	2712701110	1500.00	8H
130	2712721000	589.00	8H
131	2719997000	265.00	8H
132	2719998000	125.00	8H
133	2719999000	541.00	8H
134	2720501000	169.00	8H
135	2720518000	497.00	8H
136	2721702100	1500.00	8H
137	2721710000	125.00	8H
138	2722207100	1500.00	8H
139	2722210000	273.00	8H
140	2722212000	125.00	8H
141	2722417000	433.00	8H
142	2722419000	357.00	8H
143	2722421000	217.00	8H
144	2722709000	125.00	8H
145	2722711000	589.00	8H
147	2841501000	285.00	8H
148	2841502000	377.00	8H