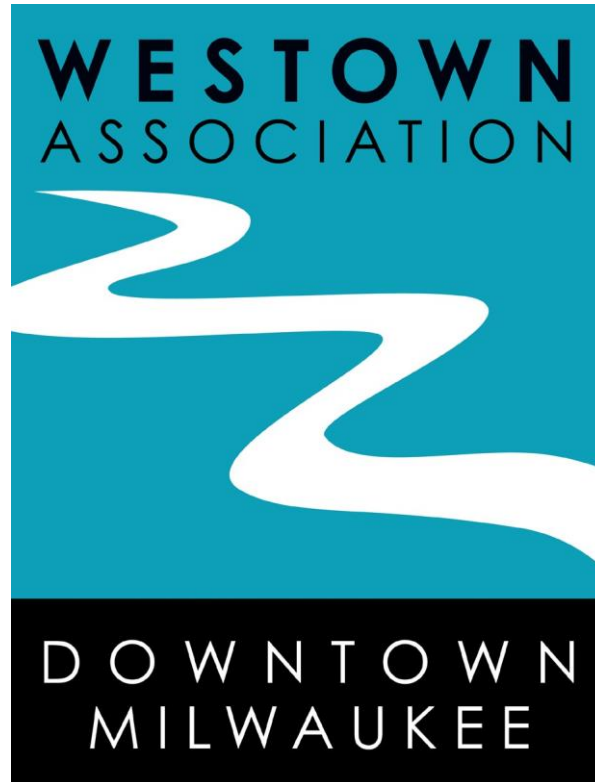


**BUSINESS IMPROVEMENT DISTRICT NO. 5 - Westown**

**OPERATING PLAN - 2021**



September 29, 2020

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# I. INTRODUCTION

## A. Background

In 1984, the Wisconsin legislature created 66.1109 (formerly S. 66.608) of the Statutes (see Appendix A) enabling cities to establish Business Improvement Districts (BIDs). The purpose of the law is “to allow businesses within those districts to develop, to manage and promote the districts and to establish an assessment method to fund these activities.” (1983 Wisconsin Act 184, Section 1, legislative declaration.)

The City of Milwaukee received a petition from property owners which requested the creation of a Business Improvement District for the purpose of revitalizing and improving the Westown area in Milwaukee's downtown central business district. The BID law requires that every district have an annual Operating Plan. This document is the Operating Plan for the Westown BID #5 district. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development. BID #5 was officially approved by the City of Milwaukee Common Council on November 14, 1989 (File # 890817).

## B. Physical Setting

The BID #5 boundaries are roughly comprised of Fourth Street on the east, Tenth Street on the west, W. Wells St. on the North and Clybourn St. on the south (with exclusion of certain exempt properties within those boundaries).

# II. DISTRICT BOUNDARIES

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

# III. PROPOSED OPERATING PLAN –

## A. Plan Objectives

The Westown Association BID #5 continues to move forward with the following objectives.

- Create new ways to attract people to visit the Westown area and increase positive perception
- Foster an environment conducive to economic development for businesses
- Engage rapidly growing neighborhood residential base
- Continue current mix of Westown program and event offerings that drive traffic the area
- Continue advocacy and outreach to businesses and property owners in the area
- Develop a plan to ensure Westown is recognized as a preferred destination for diversity
- Develop a process for formally supporting pedestrian/built environment projects in Westown
- Develop a comprehensive fund development plan that will increase revenue and will give the organization an increased capacity to better serve stakeholders

## B. Proposed Activities

**Principle activities to be engaged in by the district will include:**

- Continue advocacy on issues that impact the quality of life, business environment and perception of the area – such as licensing, nuisance issues and public safety. During the COVID-19 pandemic, emphasis will be placed on communicating evolving City Health Department requirements under Moving Milwaukee Forward Safely to stakeholders.
- Continue to establish and highlight the neighborhood's identity and programs through the continued implementation of the street banner program, website, social media and development of print collateral. During the COVID-19 pandemic, Westown will continue to promote open businesses and those with revised operations.
- Promotion and maintenance of the comprehensive downtown parking website Parkmilwaukee.com
- Promote/advocate for new developments in Westown and leverage impact of these developments

- Participate in existing and future efforts to address transit issues that affect Westown and Downtown Milwaukee mobility & connectivity such as the streetcar, bus rapid transit, BublR Bikes and bus system
- Westown will work with stakeholders on West Wisconsin Avenue to develop an association/task force comprised of street level operators that will collaborate on issues which may include quality of life, safety, parking and programming for the collective good of this specific geographic area.
- Play an active role as a member of the Downtown Neighbors Association - downtown residents group as means to engage the expanding neighborhood residential base.
- Create a concise document that articulates the vision of Westown businesses and residents for pedestrian amenities that will enhance the experience of those currently frequenting Westown and serve as an enhancement to attract new visitors and businesses.
- As allowed based on City Health Department regulations for group size under Moving Milwaukee Forward Safely - Westown will continue producing their successful event programs that attract thousands of people to the downtown area, activate public spaces and raise funds for the association. Those programs include: River Rhythms, Farmer's Market, Westown Golf Open and St. Patrick's Parade. Westown is also working to develop plans for new a new fall/winter event to be implemented in 2021/2022 as financially viable and allowed under current public health restrictions. Westown will revise event plans as necessary in 2021 to include safety precautions that include social distancing, mask requirements and cleanliness to ensure public safety. The revised event plans may also include rescheduled timeframes for the events to ensure compliance with ordinances and public safety.
- As the first steps in creating a plan to be recognized as a preferred destination for diversity, in 2021 the organization will increase representation of minority directors by 10% and add two female directors on the nonprofit board of directors of the Westown Association Association of Milwaukee, Inc.
- As part of the organization's new fund development plan, new sales and marketing materials will be created to support efforts to develop a new pillar level sponsorship program

### C. Proposed 2021 Budget Draft

<b>Revenue</b>	
BID Assessments	83,974
City Match	0
Membership Dues	22,026
Interest Income	30
Program Revenue (Event Revenue, Sponsorship and other Grants)	123,970
<b>Total Revenue</b>	<b>\$230,000</b>
<b>Expenses</b>	
Wages and Benefits	148,900
Office Rent	2,000
Business Meeting Costs	3,600
Insurance	3,000
Misc. Exp.	2,500
Equipment Lease/Maintenance	5,000
Office Supplies	1,000
Postage	2,000
Printing/Design	1,500
Professional Services (Audit, Legal, IT)	8,500
Telephone/Fax	4,250
Program Expenses (All Events)	47,750
<b>Total Expenses</b>	<b>\$230,000</b>

## **D. Financing Method**

It is proposed to raise **\$83,974** in BID assessments (see Appendix C. We also expect to raise money through membership dues and program revenue. The BID Board shall have the authority and responsibility to prioritize expenditures and to revise the budget as necessary to match the funds actually available.

## **E. Organization of BID Board**

Upon creation of the BID, the Mayor will appoint members to the district board ("board"). The board's primary responsibility will be implementation of this Operating Plan. This will require the board to negotiate with providers of services and materials to carry out the Plan; to enter into various contracts; to monitor development activity; to periodically revise the Operating Plan; to ensure district compliance with the provisions of applicable statutes and regulations; and to make reimbursements for any overpayments of BID assessments.

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

It is recommended that the BID board be structured and operate as follows:

1. Board Size – 7
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 record requirements.
7. Staffing - The board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof.
8. Meetings - The board shall meet regularly, at least twice each year. The board shall adopt rules of order ("by laws") to govern the conduct of its meetings.

## **F. Relationship to the Westown Association**

The BID shall be a separate entity from the Westown Association of Milwaukee, Inc, 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 record 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.

# **IV. METHOD OF ASSESMENT**

## **A. Assessment Rate and Method**

The annual assessment for the BID #5 operating expenses will be levied against each property within the BID in direct proportion to the current assessed value of each property for real property tax purposes as of the date the BID holds its public hearing regarding its **Year Thirty Two Operating Plan (September 29, 2020)**. No owner of property within the BID 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. In addition, the amount of a special assessment against a particular property may change from year to year if that property's assessed value changes relative to other properties within the BID.

As of **January 1, 2020** the property in the Westtown district had a total assessed value of **\$131,623,261**. This plan proposes to assess the property in the district at a rate of \$.90 per \$1,000 of assessment for the purposes of the BID with a \$210 per parcel minimum assessment and a \$12,600 per parcel maximum assessment. Appendix C shows the projected BID assessment for each property included in the BID.

The principle behind the assessment methodology (Appendix B) is that each property should contribute to the BID in proportion to 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 assessment methodology for this BID. It is assumed that development of the District will produce at least some minimum benefit for all parcels. Thus, a \$210 minimum assessment has been applied.

## **B. Excluded and Exempt Property**

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

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

1. State Statute 66.1109(1)(f)lm: The BID 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 BID.
2. State Statute 66.1109(5)(a) and 66.1109(5)(d): Property used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Exhibit B, as revised each year. Further, with respect to mixed use property, only the portion of any such property that is not tax-exempt or residential may be assessed.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109(1)(b), property exempt from general real estate taxes at the time of creation of the BID has been excluded from the BID. (Such property may subsequently become part of the BID at such time as it becomes taxable.) Privately owned, tax exempt property adjoining the BID and which is expected to benefit from BID activities may be asked to make a financial contribution to the BID on a voluntary basis.

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 \$12,600 per parcel will be applied.

## **V. RELATIONSHIP TO MILWAUKEE COMPREHENSIVE PLAN AND ORDERLY DEVELOPMENT OF THE CITY**

### **A. City Plans**

In February 1978, the Common Council of the City of Milwaukee adopted a Preservation Policy as the policy basis for its Comprehensive Plan and as a guide for its planning, programming and budgeting decisions. The Common Council reaffirmed and expanded the Preservation Policy in Resolution File Number 881978, adopted January 24, 1989.

The Preservation Policy emphasizes maintaining Milwaukee's present housing, jobs, neighborhoods, services, and tax base rather than passively accepting loss of jobs and population, or emphasizing massive new development. In its January 1989 reaffirmation of the policy, the Common Council gave new emphasis to forging new public and private partnerships as a means to accomplish preservation.

The district is a means of formalizing and funding the public-private partnership between the City and property owners in the Westown 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 30<sup>th</sup> of each Plan year, with the official City records and the assessed value of each tax key number with the district, as of January 1<sup>st</sup> of each Plan year, for purposes of calculating the BID assessments.
6. Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.

## **VI. 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 was followed:

1. The Milwaukee City Plan Commission reviewed the proposed district boundaries and proposed Operating Plan and held a formal public hearing.
2. The City Plan Commission sent by certified mail, a public hearing notice and a copy of the proposed Operating Plan to all owners of real property within the district. In addition, a Class 2 notice of the public hearing was published in a local newspaper of general circulation.
3. The City Plan Commission held a public hearing, approved the Plan, and reported its action to the Common Council.

4. The Economic Development Committee of the Common Council reviewed the proposed BID Plan at a public meeting and made a recommendation to the full Common Council.
5. The Common Council acted on the proposed BID Plan.
6. After being adopted by the Common Council, the BID Plan was sent to the Mayor for his approval.
7. After being approved by the Mayor, the BID was created and the Mayor appointed members to the district board, which was established to implement the Plan.

## **B. Early Termination of the BID**

The City shall consider terminating the BID 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 BID. 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 BID 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 BID shall be sent by certified mail to all owners of real property within the BID

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 BID or, if the owner did not sign the petition, that the owner requests termination of the BID.

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 BID, the City shall terminate the BID on the date that the obligation with the latest completion date entered into to implement the Operating Plan expires.

## **VII. 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).



## APPENDIX B – Assessment Methodology

### ASSESSMENT METHODOLOGY for BID #5 in YEAR Thirty-Two ASSESSMENTS (2020)

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It is intended to assess all properties described in the plan equally, with the exception that there shall be a minimum assessment of \$210.00 and a maximum assessment of \$12,600.00 on all individual parcels. The rate for Year Twenty-Eight will be \$0.90 per \$1,000.00 in assessed valuation.

#### EXAMPLES:

##### **WI Tower LLC, 606 W. Wisconsin Avenue**

Given that the total valuation of this property as of 1 January 2020 is \$40,100; then dividing this by \$1,000 and then multiplying this valuation by \$0.90 would result in an assessment of \$36.09. Because this is below the \$210.00 minimum, the actual assessment for the BID should be \$210.00.

##### **TI INVESTORS MILWAUKEE PARKING, 615 N. Vel R. Phillips Ave.**

Given that the total valuation of this property as of 1 January 2020 is \$4,313,900; then dividing this by \$1,000 and multiplying this valuation by \$0.90 would result in an assessment of \$3,880.71. Because this is not below the \$210.00 minimum and not above the \$12,600.00 maximum, the actual assessment for the BID would be \$3,880.71.

##### **F Street 501 LLC - 501 W. Michigan Avenue**

Given that the total valuation of this property as of 1 January 2020 is \$19,035,000; then dividing this by \$1,000 and multiplying this valuation by \$0.90 would result in an assessment of \$17,131.50. Because this is above the \$12,600.00 maximum, the actual assessment for the BID would be \$12,600.00.

Complete tabulation of the assessment per parcel in the Westown BID #5 is in the next page on Appendix C.

## APPENDIX C – Projected 2021 BID #5 Assessments

BID	Taxkey	Address	Owner	Com. Units	Com. Sq. Ft.	Build Sq. Ft.	MIX	obj	% Commercial	BID Assessable Value	2021 Assess.
B5	3610700000	833 W WISCONSIN AV	833 WEST WISCONSIN AVENUE	1	0	0	NO		100	\$1,679,000.00	\$1,511.10
B5	3610701000	825-831 W WISCONSIN AV	ST JAMES COURT HISTORIC	2	3,402	37,800	YES		9	\$244,782.00	\$220.30
B5	3610712100	700-714 W MICHIGAN ST	700 LOFTS MILWAUKEE LLC	0	0	67,500	NO		0	\$0.00	\$0.00
B5	3610799110	401 W MICHIGAN ST	401 W MICHIGAN ST MILW LLC	0	0	236,218	NO		0	\$0.00	\$0.00
B5	3611722000	612-624 W WISCONSIN AV	WISCONSIN AVENUE PROPERTY	4	10,402	54,748	YES	OBJ	19	\$511,328.00	\$460.20
B5	3612181000	740-750 W WISCONSIN AV	LIBRARY HILL LLC	0	0	130,797	NO		0	\$0.00	\$0.00
B5	3981281000	735 W WISCONSIN AV	WISCONSIN AVENUE LOFTS LLC	3	3,333	111,109	YES		3	\$403,482.00	\$363.13
B5	3610702000	815-819 W WISCONSIN AV	TOWNE PETERSON LLC	17	275	4,576	NO		100	\$200,600.00	\$210.00
B5	3610703000	801-813 W WISCONSIN AV	TOWNE PETERSON LLC	76	221	22,057	NO		100	\$882,400.00	\$794.16
B5	3610709100	625 N JAMES LOVELL ST	TOWNE PETERSON LLC	25	291	7,275	NO		100	\$248,600.00	\$223.74
B5	3610713111	633 W WISCONSIN AV	633 CLARK BUILDING LLC	79	230,825	424,625	NO		100	\$16,167,900.00	\$12,600.00
B5	3610714111	611 W WISCONSIN AV	DOWNTOWN VENTURES LLP	244	0	172,609	NO		100	\$17,670,000.00	\$12,600.00
B5	3610719112	509 W WISCONSIN AV	MILW CITY CENTER LLC	991	0	491,759	NO		100	\$42,147,800.00	\$12,600.00
B5	3610739120	615 N VEL R PHILLIPS AV	TI INVESTORS MILW PARKING LL	716	25,278	280,872	NO		100	\$4,311,900.00	\$3,880.71
B5	3610814122	501 W MICHIGAN ST	F STREET 501 LLC	7	370,160	370,160	NO	OBJ	100	\$19,035,000.00	\$12,600.00
B5	3610822110	633 W MICHIGAN ST	FLORA REAL PROPERTIES LLC	160	960	96,022	NO		100	\$3,467,900.00	\$3,121.11
B5	3610825120	525 N 6TH ST	MARQUETTE UNIVERSITY	57	19,383	19,779	NO		100	\$1,525,400.00	\$1,372.86
B5	3610834112	547-ADJ N 9TH ST	MARQUETTE UNIVERSITY	0	0	0	NO		100	\$3,955,200.00	\$3,559.68
B5	3610834210	545 N JAMES LOVELL ST	MARQUETTE UNIVERSITY	16	225	5,625	NO		100	\$172,600.00	\$210.00
B5	3610835000	555 N JAMES LOVELL ST	MARQUETTE UNIVERSITY	0	0	0	NO		100	\$150,000.00	\$210.00
B5	3610840111	803 W MICHIGAN ST	MARQUETTE UNIVERSITY	153	124,394	132,334	NO		100	\$4,710,500.00	\$4,239.45
B5	3610849100	531-533 N 8TH ST	MARQUETTE UNIVERSITY	21	480	0	NO		100	\$297,900.00	\$268.11
B5	3610850110	521 N 8TH ST	MARQUETTE UNIVERSITY	0	0	0	NO		100	\$274,400.00	\$246.96
B5	3611713100	601 W WELLS ST	601723 LP	122	0	0	NO		100	\$1,470,100.00	\$1,323.09
B5	3611715000	738-740 N JAMES LOVELL ST	HANSON & PAYNE LLC	3	3,113	2,661	NO		100	\$311,300.00	\$280.17
B5	3611716000	746 N JAMES LOVELL ST	STEVEN M LECHTER &	1	1,072	1,986	YES		54	\$125,550.00	\$210.00
B5	3611717000	728 N JAMES LOVELL ST	COMMUNITY ADVOCATES INC	37	45,000	45,000	NO		100	\$1,747,500.00	\$1,572.75
B5	3611718100	723 N 6TH ST	601723 LP	52	1,200	11,040	NO		100	\$492,200.00	\$442.98
B5	3611721000	626-638 W WISCONSIN AV	THE CENTRAL MARKET PLACE CO	45	979	15,660	NO		100	\$652,600.00	\$587.34
B5	3612182000	700-738 W WISCONSIN AV	LIBRARY HILL LLC	3	7,065	7,284	NO		100	\$728,000.00	\$655.20
B5	3910101000	900 W WISCONSIN AV	WISCONSIN CITY CLUB	137	40,361	0	NO		100	\$5,130,000.00	\$4,617.00
B5	3910761000	606 W WISCONSIN AV, Unit 10	WI TOWER LLC	1	8,716	8,716	NO		100	\$305,600.00	\$275.04
B5	3910762000	606 W WISCONSIN AV, Unit 20	WI TOWER LLC	1	437	437	NO		100	\$40,100.00	\$210.00
B5	3910763100	606 W WISCONSIN AV, Unit 20	KATHY LIGON	1	626	626	NO		100	\$9,000.00	\$210.00
B5	3981202100	635-639 N JAMES LOVELL ST	RAUCH AND ROMANSHEK	4	8,663	8,750	NO		100	\$635,500.00	\$571.95
B5	3981204100	701-721 W WISCONSIN AV	CIK LLP	8	11,299	29,903	YES		37	\$709,919.00	\$638.93
B5	3981282000	610 N 8TH ST	735 W WISCONSIN AVE LLC	110	274	0	NO		100	\$1,209,200.00	\$1,088.28
										<b>\$131,623,261.00</b>	<b>\$83,974.24</b>

## APPENDIX D – BID #5 Board of Directors

1	John	Hennessy	President	St. James Court Apartments
2	Erica-Nicole	Harris		Wispark/WEC Energy Group
3	Lisa	Kurszewski		Zilber Property Group
4	Jeff	Sherman		Wisconsin Club/OnMilwaukee.com
5	Andy	Cordes		Hilton Milwaukee City Center
6	Bill	Scholl		Marquette University
7	Jeff	Welk		DoubleTree



# WESTTOWN ASSOCIATION, BID #5 2020



The Westtown Association, BID #5 is a downtown business association that promotes, programs and enhances the area of downtown Milwaukee west of the Milwaukee River. The association does this through implementing successful special events such as River Rhythms, the Westtown Farmers' Market and St. Patrick's Parade, as well as by being actively engaged in economic development, business outreach and advocacy initiatives.

Although 2020 presented many challenges due to the COVID-19 pandemic, Westtown Association remained committed to advocating for our members and businesses from a safe distance. Westtown Association was also heavily involved in the security planning for the 2020 Democratic National Convention, acting as liaison between business operators, residents and the U.S. Secret Service.

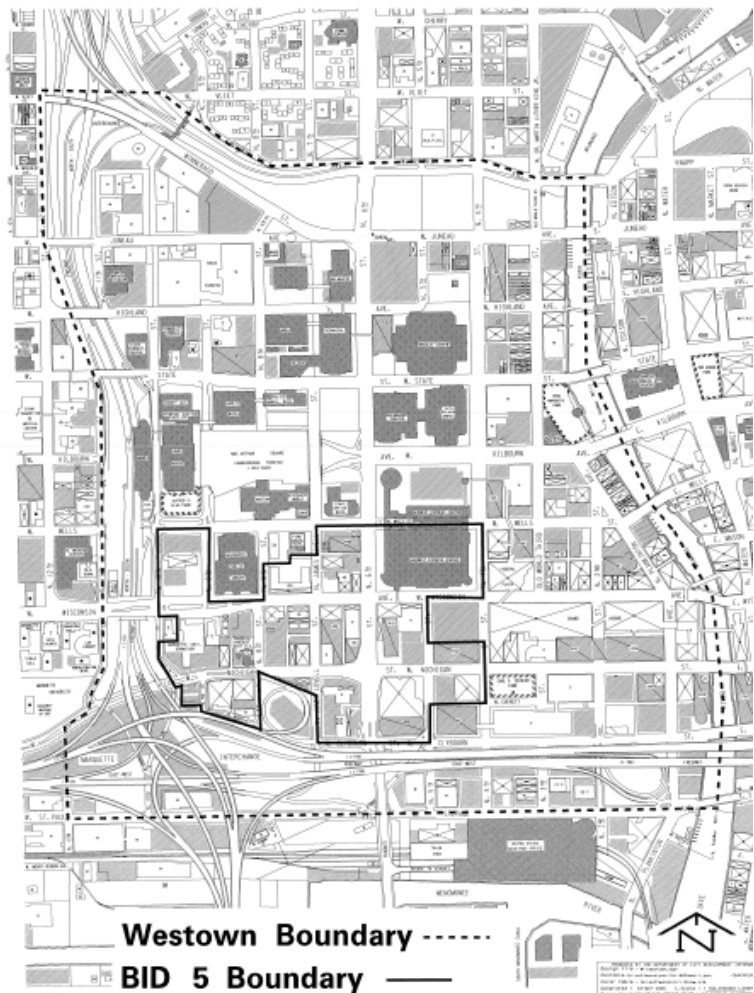


## Westown Mission

We champion social and economic development of the Westown neighborhood through special events, business resources, advocacy and growth initiatives to improve the quality of life and vitality of the community.

## Westown Vision

Westown Association is known for leading increased tax base, residential population, commercial businesses, entertainment options, visitors and revenue for the organization, making Westown the dynamic cultural heart of downtown Milwaukee.



# 2020 Special Events Recap

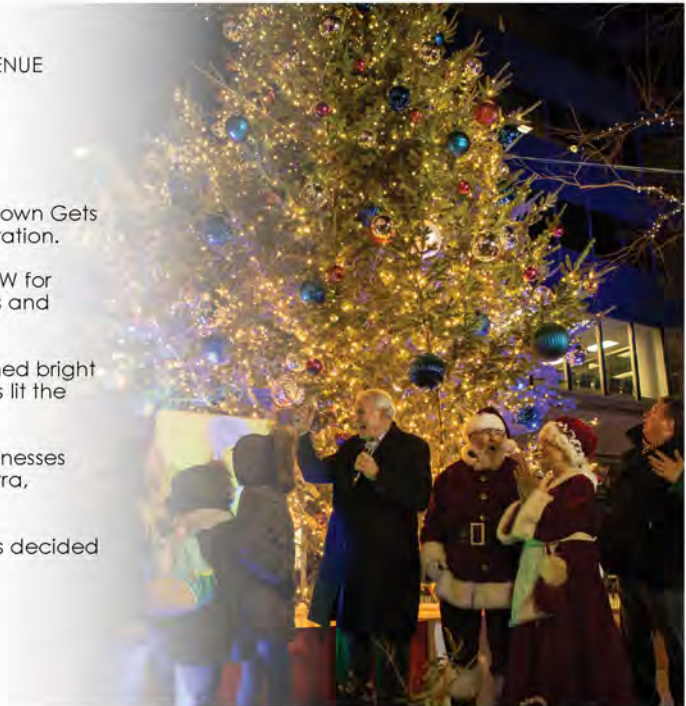
Westown Association, BID #5 presents a lineup of successful special events each year that attract thousands of people to our neighborhood.



## WESTOWN GETS LIT

THURSDAY, DECEMBER 5, 2019  
THIRD STREET & WEST WISCONSIN AVENUE

- On December 5, 2019, Westown Association hosted Westown Gets Lit, the neighborhood's first ever holiday-tree lighting celebration.
- The event welcomed hundreds visitors to the plaza at 310W for holiday caroling and games, as well as free cocoa, cookies and s'mores.
- The corner of West Wisconsin Avenue and Third Street shined bright when Mayor Tom Barrett, Santa Claus and Westown leaders lit the tree.
- The event was held in partnership with neighborhood businesses including 310W, The Avenue, Milwaukee Symphony Orchestra, Wisconsin Center and Milwaukee Downtown, BID #21.
- Due to the COVID-19 pandemic, Westown Association has decided not to host an in-person Westown Gets Lit in 2020.



## 54TH ANNUAL SHAMROCK CLUB OF WISCONSIN ST. PATRICK'S DAY PARADE

SATURDAY, MARCH 14 2020  
DOWNTOWN MILWAUKEE

- The 2020 Shamrock Club of Wisconsin St. Patrick's Parade was meant to take place on Saturday, March 14. Ultimately, the parade was canceled on March 12 due to the COVID-19 pandemic.
- Prior to its cancellation, many of the parade week Irish-themed activities and entertainment were held on West Wisconsin Avenue before the COVID-19 shutdown.
- Traditionally, the parade spans a 1.5 mile-route stepping off at Third and Wisconsin which encompasses both the Old World Third Street and Water Street entertainment districts.
- Over 100 units were scheduled to participate in the parade, including bagpipers, Irish dancers, floats from the business community and local dignitaries.
- The parade usually attracts an estimated 40,000 people to the streets of downtown – helping drive a significant amount of revenue to the area's bars, restaurants, hotel and parking facilities.
- Westown is preparing for how to move forward with the 2021 parade under the current COVID-19 safety restrictions and how to still benefit stakeholders.





# 2020 Special Events Recap



## WESTOWN *River Rhythms*

### RIVER RHYTHMS

WEDNESDAYS, JUNE 10 - AUGUST 26 2020  
PERE MARQUETTE PARK

- Westown's very own concert series typically takes place Wednesdays, June through August at Pere Marquette Park.
- The event showcases a diverse mix of musical genres each week including salsa, blues, reggae and jazz.
- Each concert usually attracts an estimated 1,500 people to the Westown area.
- Westown Association made the decision to cancel the 24th season of River Rhythms based on the guidance of the Milwaukee Health Department and Milwaukee County Parks.
- Westown staff is preparing operating plans for hosting River Rhythms 2021 in accordance with current COVID-19 safety restrictions.



## WESTOWN *Farmers' Market*

### WESTOWN FARMERS' MARKET

WEDNESDAYS, JUNE 3 - OCTOBER 28, 2020  
ZEIDLER UNION SQUARE

- The Westown Farmers' Market, downtown's oldest and largest market, is typically held Wednesdays June through October at Zeidler Union Square.
- Since Farmers' Markets are deemed "essential operations," Westown staff moved forward with planning for the 2020 market in May by developing a COVID-19 safety plan for the Milwaukee County Parks to ensure a safe and socially distanced market for staff, vendors and customers.
- After its initial postponement, Westown Association ultimately made the decision to cancel the 2020 market. In addition to health and safety concerns due to COVID-19, the following reasons also influenced this decision:
  - According to a survey conducted by Milwaukee Downtown, BID #21, downtown office managers expect only 33% of employees to return to their offices by September 1, 2020. As the downtown workforce is the market's primary customer base, vendors depend on their attendance each week.
  - Additionally, construction on Third Street between Michigan Street and Everett Street is expected to last for several months, which affects a significant number of vendors' accessibility to Zeidler Union Square.
- Westown staff is preparing operating plans for the market in 2021 in accordance with current COVID-19 safety restrictions.



# 2020 Special Events Recap

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## 7TH ANNUAL WESTOWN GOLF OPEN

MONDAY, SEPTEMBER 14, 2020  
WESTERN LAKES GOLF CLUB

- The 7th Annual Westown Golf Open took place on September 14, 2020 at Western Lakes Golf Club.
- This year, 92 golfers and 22 sponsors participated in the safe and successful event.
- In light of trying circumstances, the event helped raise \$20,000 to support the organization's mission of creating a more vibrant downtown.



## Additional 2020 Westown Activities

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- As the neighborhood playing host to the 2020 DNC, Westown spent considerable resources on outreach efforts to prepare neighborhood stakeholders for the convention. Activities included serving on a Private Sector Task Force from April 2019 through August 2020 to assist with security planning, acting as liaison between Westown stakeholders and U.S. Secret Service, coordinating informational sessions and maintaining up-to-date information on [westown.org](http://westown.org), social media platforms and in newsletters.
- Westown Association remained committed to advocating for Westown members and businesses from a safe distance. Initiatives included developing a social media campaign encouraging people to support neighborhood businesses' socially distanced or virtual services, providing information on economic resources and programs on [westown.org](http://westown.org), supporting restaurant and bar operators' plans to expand outdoor dining, and communicating to stakeholders the evolving information from the City of Milwaukee Health Department regarding Moving Milwaukee Forward Safely order.
- Continued advocacy on issues that impacted quality of life, business environment and perception of downtown Milwaukee – such as licensing, nuisance issues and public safety.
- Worked with and supported the priorities of the Old World Third Street Association, which represents the neighborhood's largest entertainment district, home to more the 15 licensed premises, and driver of the night time economy.
- Continued to establish and highlight the neighborhood's brand identity and programs through the continued implementation of the street banner program, website [Westown.org](http://Westown.org), social media and development of print collateral.
- Promoted and maintained comprehensive downtown parking website [Parkmilwaukee.com](http://Parkmilwaukee.com) which sees traffic of 10,000 users per month.
- Advocated for new developments and leverage impact of these developments.
- Participated in existing and future efforts to address transit issues that affect Westown and Downtown Milwaukee such as the streetcar, bus rapid transit, Bublr Bikes and bus system.
- Participated in continued growth of the Downtown Neighbors Association - downtown residents group as means to engage expanding neighborhood residential base which has now reached 2,536 total residential units with more then 1,266 being developed since 2014.
- Served on Downtown Placemaking Taskforce, which selected two artists for murals in Westown- "Hero in You" by Ken Brown at MacArthur Square and "Kindred" by Jaime Brown at the 2nd Street Skywalk.

## Additional 2020 Westown Activities

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• In January 2020, Westown embarked on a strategic planning process, facilitated by SPEARity, that will culminate in a three-year plan for the organization. The process will help define the organization's role in downtown Milwaukee as the area continues to evolve into a dynamic and diverse business district and neighborhood. As part of the process, the following six long-term goals for the organization were developed:

- Goal #1: Increase revenue by 20-25% each year, to reach \$500,000
- Goal #2: Grow full-time staff by two full-time employees (includes implementing a staff retention program, outsourcing tasks & paid internships)
- Goal #3: Champion two new economic development projects
- Goal #4: Create two new revenue generating events in fall & winter
- Goal #5: Develop a process for fully supporting pedestrian/built environment projects in Westown
- Goal #6: Westown is recognized as a preferred destination for diversity

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**  
Milwaukee, Wisconsin

**Audited Financial Statements**  
Years Ended December 31, 2019 and 2018

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## Independent Auditors' Report

Board of Directors  
Westown Business Improvement District No. 5  
Milwaukee, Wisconsin

We have audited the accompanying financial statements of the Westown Business Improvement District No. 5 (a nonprofit organization) which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and cash flows for years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Westown Business Improvement District No. 5 as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

May 13, 2020  
Milwaukee, Wisconsin

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**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Statements of Financial Position**

December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Assets:</b>		
<b>Current Assets:</b>		
Cash	\$ <u>514</u>	\$ <u>503</u>
<b>Liabilities and Net Assets:</b>		
<b>Current Liabilities:</b>		
Due to Westown Association of Milwaukee, Inc.	\$ 514	\$ 503
<b>Net Assets Without Donor Restrictions</b>	<u>---</u>	<u>---</u>
<b>Total Liabilities and Net Assets</b>	\$ <u>514</u>	\$ <u>503</u>

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

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Statements of Activities**

For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Revenues and Other Support:</b>		
City of Milwaukee funds	\$ 85,681	\$ 81,969
Sponsorships	37,500	42,500
Interest income	10	1
<b>Total revenues and other support</b>	<u>123,191</u>	<u>124,470</u>
<b>Expenses:</b>		
<b>Management fee paid to Westown Association of Milwaukee, Inc.</b>		
Program	92,393	97,087
Management and general	27,102	23,649
Fundraising	3,696	3,734
<b>Total expenses</b>	<u>123,191</u>	<u>124,470</u>
<b>Change in net assets</b>	---	---
<b>Net assets - beginning of year</b>	<u>---</u>	<u>---</u>
<b>Net assets - end of year</b>	<u>\$ ---</u>	<u>\$ ---</u>

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



**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Statements of Cash Flows**

Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
<b>Cash Flows from Operating Activities:</b>		
Changes in net assets	\$ ---	\$ ---
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities</b>		
Due to Westown Association of Milwaukee, Inc.	11	1
<b>Net cash provided by operating activities</b>	<u>11</u>	<u>1</u>
<b>Cash at beginning of year</b>	<u>503</u>	<u>502</u>
<b>Cash at end of year</b>	<u>\$ 514</u>	<u>\$ 503</u>

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

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2019 and 2018

**1. Summary of Significant Accounting Policies**

**A. Nature of Organization**

In 1984, the State of Wisconsin created S. 66.608 of the statutes enabling cities to establish Business Improvement Districts upon the petition of at least one property owner within the district. This law allows businesses within those districts to develop, manage, and promote the districts, and to establish an assessment method to fund these activities.

On November 14, 1989, the Westown Business Improvement District No.5 (Westown BID) was created through the adoption of Resolution File Number 890817 of the Common Council of the City of Milwaukee. The Westown area is bounded by the Milwaukee River on the east, I-43 on the west, McKinley Avenue on the north, and the Menomonee River on the south. The goal of the Westown BID is to develop, improve, and promote the western section of downtown Milwaukee.

Operating plans for 2019 and 2018 were submitted by the Westown BID and approved by the City of Milwaukee. To fund the plans, assessments were added to the property tax bills of the Westown area businesses, as outlined in the 2019 and 2018 operating plans.

**B. Method of Accounting**

The financial statements have been prepared on the accrual basis of accounting.

**C. Financial Statement Presentation**

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Westown BID and changes therein are classified and reported as follows:

**Net assets without donor restrictions** - Net assets available for use in general operations and not subject to donor restrictions.

**Net assets with donor restrictions** - Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

There were no net assets with donor restriction as of December 31, 2019 and 2018.

**D. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**E. Income Taxes**

Westown BID is considered part of the City of Milwaukee and as such is covered under the City of Milwaukee's tax reporting requirements. Therefore, no provision for income taxes has been included in these financial statements.

## WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5

Milwaukee, Wisconsin

### Notes to Financial Statements

December 31, 2019 and 2018

(Continued)

#### 1. Summary of Significant Accounting Policies (Continued)

##### F. Revenue Recognition

**Sponsorships** – Sponsorship revenue is recognized on the first day in which the sponsored event is held by Westown Association on behalf of the BID.

**City of Milwaukee funds** - revenues are derived from a City of Milwaukee assessment charged to property owners within the BID's boundaries. Revenue from these assessments is recognized in the year they are received, which corresponds to the year in which the assessments are expected to be used to support the BID's operations.

**Contributions of cash and promises to give** - gifts received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, 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. Contributions that are originally restricted by the donor and for which the restriction is met in the same time period are recorded as revenue and net assets without donor restriction. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

##### G. Allocation of Functional Expenses

Westown BID contracts with The Westown Association of Milwaukee, Inc. to provide all of the services outlined in the operating plan. As a result, the functional expenses of the BID are allocated based on the functional expense allocation of The Westown Association of Milwaukee, Inc.

##### H. Subsequent Events

Management of the Westown BID has evaluated all subsequent events through May 13, 2020, the date the financial statements were available to be issued, for possible inclusion as a disclosure in the notes to the financial statements. The Westown BID has identified no subsequent events that require disclosure in the notes to the financial statements.

##### I. Change in Accounting Principle

Financial Accounting Standards Board ("FASB") Accounting Standards Updated (ASU) 2016-14 Codification Topic 606, Revenue from Contracts with Customers, as amended, supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, change the basis for deciding when revenue is recognized over time or a point in time, and expand disclosures about revenue. Westown BID has implemented Topic 606 and have adjusted the presentation in these financial statements accordingly. The amendment has been applied retrospectively. There was no effect on net assets in connection with our implementation of 2016-14.

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**  
Milwaukee, Wisconsin

**Notes to Financial Statements**  
December 31, 2019 and 2018  
(Continued)

**1. Summary of Significant Accounting Policies (Continued)**

**I. Change in Accounting Principle (Continued)**

In June 2018, the FASB issued Accounting Standards Update (ASU) 2018-08 – Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. Westown BID has implemented ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying financial statements under the full prospective basis. There was no effect on net assets in connection with our implementation of ASU 2018-08.

**2. Liquidity and Availability**

The following table reflects the Council’s financial assets available to meet cash needs for general operating expenditures within one year of the statement of financial position date of December 31:

	<u>2019</u>	<u>2018</u>
Cash	\$ <u>514</u>	\$ <u>503</u>
<b>Total financial assets</b>	<b>514</b>	<b>503</b>
Less amounts not available to be used within one year for general expenditures	<u>---</u>	<u>---</u>
<b>Financial assets available to meet general expenditures within one year</b>	<b>\$ <u>514</u></b>	<b>\$ <u>503</u></b>

In addition to financial assets available to meet general expenditures over the next 12 months, the Westown BID operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

**3. Related Party Transaction**

Under an agreement dated April 21, 1992 between the City of Milwaukee, the Westown BID, and Westown Association of Milwaukee, Inc., the Westown BID contracted with The Westown Association of Milwaukee, Inc. to provide all of the services outlined in Section III of the operating plans, as amended from time to time. All board members of the Westown BID are also board members of The Westown Association of Milwaukee, Inc.

Westown BID assessments received from the City of Milwaukee are transferred to Westown Association of Milwaukee, Inc. as compensation for their services and/or reimbursement for expenditures incurred.

During 2019, assessments totaling \$85,681 and interest income of \$10 were transferred to Westown Association of Milwaukee, Inc. Also, Westown BID received \$37,500 of program sponsorships that were transferred to The Westown Association of Milwaukee, Inc.

During 2018, assessments totaling \$81,969 and interest income of \$1 were transferred to Westown Association of Milwaukee, Inc. In addition, Westown BID received \$42,500 of program sponsorships that were transferred to The Westown Association of Milwaukee, Inc.

**WESTOWN BUSINESS IMPROVEMENT DISTRICT NO. 5**

Milwaukee, Wisconsin

**Notes to Financial Statements**

December 31, 2019 and 2018

(Continued)

**3. Related Party Transaction (Continued)**

At December 31, 2019 and 2018, \$514 and \$503, respectively, was still held by the Westown BID and was payable to The Westown Association of Milwaukee, Inc. These amounts represent a surplus from prior years that is kept in the account to minimize bank service charges.

In accordance with this agreement, all services outlined in Section III of the operating plans were fulfilled by Westown Association of Milwaukee, Inc. for 2019 and 2018.

**4. Concentrations of Credit Risk**

Cash is maintained at local financial institutions and, at times, balances may exceed federally insured limits. Westown BID has never experienced any losses related to these balances.