

**Oakland Ave.
Business Improvement District #13**

**OPERATING PLAN FOR YEAR 31:
2023**

SUBMITTED BY:

**THE OAKLAND AVENUE BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS**

PREPARED BY: Michael D'Amato, BID Director

**OPERATING PLAN
BID #13**

2022: Year 30

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I. INTRODUCTION

In 1984, the Wisconsin legislature created s. 66.608 of the Statutes enabling cities to establish Business Improvement Districts (BIDs) upon the petition of at least one property owner within the proposed district. The purpose of the law is "... to allow businesses 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.) On November 9, 1993, the Common Council of the City of Milwaukee, by Resolution File Number 931058, created BID #13 (Oakland Avenue: University Square) and adopted its initial operating plan. Section 66.1109 Wis. Stats., requires that a BID Board "shall annually consider and make changes to the operating plan... The board shall then submit the operating plan to the local legislative body for its approval." The Board of BID #13 submits this 2023 Operating Plan in fulfillment of the statutory requirement.

This plan proposes a continuation of activities described in the initial (November 1993) BID Operating Plan and subsequent years' University Square Operating Plans. Therefore, it incorporates by reference all earlier plans as adopted by the Common Council. This plan emphasizes the elements that are required by Sec. 66.1109 Wis. Stats and the changes for 2022. It does not repeat the background information which is contained in the previous plans nor include the Business Improvement District Statute, original petitions from property owners or BID #13 By-Laws. The link to the State Statute is here:
<https://docs.legis.wisconsin.gov/statutes/statutes/66/XI/1109>

II. DISTRICT BOUNDARIES

Boundaries of the proposed district are North Oakland Avenue, between East Linwood on the north and East Newberry Blvd, on the south and along East Locust Street a half-block to each alleyway both east and west of North Oakland Ave. A listing of the properties included in the district is provided in the attached Excel Spreadsheet entitled BID #13 2023 Assessments.

III. PROPOSED OPERATING PLAN

A. Plan Objective

The Plan Objectives of Business Improvement District #13 involve utilizing available funds to continue to improve the business climate for existing and new district merchants. The available funds will be utilized for continued existence of critical projects such as the graffiti removal, street sanitation maintenance, flower planting, holiday lights and streetscaping. We will continue to encourage more opportunities for art to be incorporated into the district.

Additional funds are utilized for general operating expenses of the BID, Other improvements may be made as decided by the BID members.

The priorities of the BID Board for 2023 are as stated:

1. Act as a catalyst for private investment by owners and tenants in their properties through continuation of the street re-building process.
2. Continue our landscaping program initiated in 2003 using planter baskets. In 2018 the BID reinvested in landscaping through the purchase of new pole

attached flower baskets. The BID also professionalized the service of these plantings by engaging a professional landscaping firm. That relationship has produced a noticeable improvement and will be continued.

3. Continue existing programs including, the Graffiti Removal Program, the Street Maintenance program along with ongoing assessment of critical general safety and cleanliness matters for improvement of the overall appearance of the district.
4. Revive exploration of possible streetscape improvements, utilizing existing funds, which will help create an identity for the district, keep customers on the street 18 hours/day and bolster pedestrian safety.
5. Explore infrastructure projects to promote safe and slower driving. This is especially critical on the 2900 block, where a mid-block bump out would improve both pedestrian safety and help slow speeds.
6. Maintain Holiday decorations to be mounted on existing harp lights. As well, explore the design and purchase of banners to erect on harp lights.
7. Work with Milwaukee Police Department, Milwaukee City Attorney's office and the Milwaukee County District Attorney's office to enhance safety in the area, combat the sale of illegal substances and improve the health, safety and welfare of citizens on the street to improve the shopping and dining experience.
8. Assist with the creation and funding of at least one new storefront, parklet, mural or artistic sign to create a more noticeable and attractive commercial corridor.

Meeting these objectives will enhance the business area's competitiveness relative to other shopping areas that are also currently undergoing rehabilitation, while enhancing the surrounding neighborhood. The BID will continue to work with DCD, DPW, the City Council and area merchants to achieve stated objectives.

B. Highlights of Activity from Year 30- 2022

- The BID participated in the regular annual activity of keeping the street in a clean and maintained condition through our cleaning service with Riverworks Cleans.
- Working with Milwaukee County Transit, City of Milwaukee DPW, a local artist and local business owners to beautify the northwest corner of Oak and Loc with art and other improvements implemented on the city owned electrical box and county owned bus shelter. Through the assistance of the local Alderman and DPW much infrastructure "clean-up" work has occurred at the intersection. As well, the adjacent property owner has invested funds in repaving and beautifying their property with the addition of two new tenants in their building. The "Art Shelter" designed by Deena Nord has been installed. Ms. Nord also painted an electrical box adjacent to the shelter to enhance corner art installation.
- The BID worked with building owner Mike Vitucci and business owner Immy Kagwa to install our first parklet at Immy's African Cuisine. Immy's is a wonderful addition to the BID and the opportunity for outdoor dining enhances the experience for both her diners and the district as a whole.

- Assisting with search for commercial tenant for mixed-use development at the northeast corner of Oakland and Locust (2900 Apartments). The new development, which includes 55 new apartments along with 10,000 sq. ft of new retail space represents the first major new construction on Oakland Avenue over the past 10 years. The BID has been actively involved in supporting the new development. The BID is assisting in identifying retail tenants that will add to the mix of businesses on the street.
- Continued efforts to add to the mix of board members. In a very small BID district, it has been difficult to recruit and recommend a diverse group of people to serve on the BID Board. Staff will continue with that effort.

C. Proposed Activities — Year 31

The principal activities to be undertaken by the district during its 29th year of operation to achieve stated objectives will include:

1. Continue work on business recruitment and retention initiatives. Efforts will be made to work with new owners to improve properties and fill storefronts. In particular with the space that formerly housed Monster Pizza and Black Rose Pub, a key location within the district in a building that has traditionally been an anchor. Staff will continue to provide technical assistance to new and existing businesses regarding location, improvements, or expansion. Cooperative efforts of the BID Members, merchants, City officials and staff will be necessary to achieve desired outcomes.
2. Staff will continue to work with the owners to modernize another storefront, look for additional parklet opportunities, new development opportunities on the street and fill newly converted storefronts.
3. Continue with arts and beautification efforts. This may include artistic business signs painted on buildings to replicate the types of signs that were common in the city mid to early last century.
4. Coordination and monitoring of the Graffiti Removal and Street Maintenance Program for area merchants.
5. Continued communication of BID Board Activities to members of the BID.
6. Coordinate new ideas for business district identity.
7. Identify and execute projects that will enhance the physical environment in order to attract and retain customers in the district, specifically outdoor dining on both private and public property.
8. Work with BIDs from East Side, Downer, Brady and Shorewood to explore possible events and work together to improve the east side.

D. Proposed Expenditures – Year Thirty

Program Expenses

Possible contribution for infrastructure improvement	\$ 25,000
Facade improvement/parklet matching funds	\$ 15,000
Streetscape Maintenance Program:	\$ 10,000
Planter landscaping:	\$ 10,000
Graffiti Removal Expenses:	\$ 1,000
Marketing:	\$ 1,000
Professional Services:	\$ 3,600
Holiday Lighting installation	\$ 4,500
Utilities	\$ 600

Total expenditures: \$ 70,700

Operating Revenues:

Adopted Year 31 Special Assessments (City Milw.):	\$ 25,000
Carry Over, 2021 funds:	\$ 68,600 (est.)

Total available revenues: \$ 90,600 (est)

E. Financing Method

It is estimated that the district will carry forward approximately \$70,000 from 2022. On October 1, 2013, the Board voted to collect \$25,000 from district property owners. This reflects 50% of the traditional annual amount of \$50,000 collected from the BID's inception to 1994. The BID will collect \$25,000 from property owners through the special assessment and use approximately \$70,000 in reserves to pay for the services and projects that they have determined to be essential to the health of the district and endeavor on new projects that will move the street forward and improve the health and vitality of the district.

F. Organization of BID 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 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 overpayment of BID assessments.

IV. 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. The method of assessment is a 50% split between assessed value and linear front footage. Property owners believe this to be a method that considers all characteristics of a property in relation to benefits derived. The formula is identical to the formula adopted by the board for 2022. In 2018 the BID was required to comply with a new state law that limits the collections received from mixed use properties to proportion of assessed value that is used for non-residential purposes. There were 14 properties that had their assessments reduced because of this change in state law.

Excluded/Exempt Property and Residential Hotel Assessment

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: 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: Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix A, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.1109, 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.
4. Property determined to be a residential hotel (mercantile apartments) will be assessed at half the rate of normal assessment per BID By-laws.

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

A. City Plans

BID #13 was actively involved in the development of the adopted Northeast Side plan and will pursue improvements to the area that are consistent with that plan.

B. City Role in District Operations

The City of Milwaukee has committed to helping private property owners in the district. 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:

- Provide technical assistance to the proponents of the district through adoption of the Plan and aid as appropriate thereafter.
- Monitor and, when appropriate, apply for outside funds that could be used in support of the district. Work with the BID to identify a city contribution to assist with a major streetscape project.
- Collect assessments, maintain in a segregated account, and disburse the monies of the district.
- Receive annual audits as required per sec. 66.1109 of the BID law.
- 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.
- Encourage the State of Wisconsin, Milwaukee County and other units of government to support the activities of the district.
- Prepare, with the participation of the BID Board, the development agreement described in section III.B. and section III.D of this plan and submit the draft agreement to the BID Board and the appropriate city officials for their consideration.

VI. FUTURE YEAR OPERATING PLANS

A. Phased Development

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

Section 66.1109 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 31 activities, and information on specific assessed values, budget amounts and assessment amounts are based on Year 30 condition. 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 /66/XI/1109of 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 re-establishment. 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 State statutes/66/XI/1109

APPENDIX A

2022 BOARD OF DIRECTORS BID #13 – Oakland and Locust

Clark Kaufmann, President/Treasurer –

Owner of Clark Graphics, 2915 N. Oakland Avenue

Sal Lococo, Secretary –

Owner of Sal's on Oakland, 2919 N. Oakland Avenue

Jesse Vanderlinden, Member –

Manager of Goodwill, 2830 N. Oakland Avenue

Tom Aldridge, Member –

Owner of George Webb's, 2935 N. Oakland Avenue

Michael Vitucci, Member

Owner of property at 2847 – 2851 N. Oakland Avenue

Dr. Richard Lagerman, DDS, Member

Owner, Lagerman Dental- 2929 N. Oakland Avenue

Heather Huhn, (nominated)

Owner, Cheba Hut - 2907 N. Oakland Avenue

OAKLAND AVENUE BID #13 - FINAL ASSESSMENTS FOR 2023

TAX KEY NO.	HOUSE	STREET	OWNER NAME	ADJUSTMENT FACTOR	2023 ASSESSMENT	ADJUSTED TOTAL FOR 2967 OAKLAND	MIXED USE FACTOR	MIXED USED ASSESSED VALUE ADJUSTMENT	FRONT FT	ADJUSTED FRONT FT FOR 2967	MIXED USE FRONT FT ADJUSTMENT	ASSESEMENT PER VALUE	ASSESEMENT PER FRONT FT	FINAL 2023 BID ASSESSMENT
3150002000	2977	OAKLAND	2977-79 N. Oakland Ave. LLC	1	\$352,100	\$352,100.00	39%	\$ 137,309.19	31	31	12.09	\$315.00	\$229.47	\$272.24
3150003000	2975	OAKLAND	JEREMIAH R FASS	1	\$276,900	\$276,900.00	41%	\$113,529.00	30	30	12.30	\$260.45	\$233.45	\$246.95
3150004000	2967	OAKLAND	SOON JA CHOI	0.5	\$1,158,000.00	\$579,000.00	100%	\$579,000.00	60	30	30.00	\$1,328.28	\$569.40	\$948.84
3150005000	2961	OAKLAND	Gary J Biogiorno	1	\$505,800.00	\$505,800.00	55%	\$278,124.48	30	30	16.50	\$638.04	\$313.17	\$475.61
3150006000	2957	OAKLAND	MICHAEL BONGIORNO & JANET	0	\$164,100.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3150007000	2955	OAKLAND	Mary Lou Kelley Trust	1	\$186,000.00	\$186,000.00	100%	\$186,000.00	30	30	30.00	\$426.70	\$569.40	\$498.05
3150008000	2949	OAKLAND	M & J OAKLAND LLC	1	\$227,300.00	\$227,300.00	52%	\$118,235.88	30	30	15.61	\$271.24	\$296.28	\$283.76
3150009000	2945	OAKLAND	2835 M LLC	1	\$279,200.00	\$279,200.00	23%	\$64,219.54	30	30	6.90	\$147.33	\$130.96	\$139.15
3150010000	2943	OAKLAND	H&A Property MGMT LLC	1	\$420,500.00	\$420,500.00	39%	\$163,959.66	30	30	11.70	\$376.14	\$222.07	\$299.11
3150301000	2937	OAKLAND	Matthew Kahl	0	\$190,400.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3150302000	2935	OAKLAND	Joel E. Garber 2012 TR D/6/20/	1	\$365,500.00	\$365,500.00	100%	\$365,500.00	30	30	30.00	\$838.49	\$569.40	\$703.95
3150303000	2929	OAKLAND	Lagerman Dental LLC	1	\$296,300.00	\$296,300.00	60%	\$177,780.00	30	30	18.00	\$407.84	\$341.64	\$374.74
3150304000	2927	OAKLAND	ABUKHAMIREH LLC	1	\$322,200.00	\$322,200.00	31%	\$99,836.62	30	30	9.30	\$229.03	\$176.51	\$202.77
3150305000	2921	OAKLAND	2921-2923 N. OAKLAND AVENUE, LLC	1	\$460,500.00	\$460,500.00	43%	\$197,998.87	45	45	19.35	\$454.23	\$367.26	\$410.75
3150306100	2915	OAKLAND	2915 N. OAKLAND AV LLC	1	\$221,500.00	\$221,500.00	100%	\$221,500.00	45	45	45.00	\$508.14	\$854.10	\$681.12
3150307110	2907	OAKLAND	SO-FEE PROPERTIES LTD	1	\$1,317,800.00	\$1,317,800.00	100%	\$1,317,800.00	91	91	91.00	\$3,023.16	\$1,727.17	\$2,375.17
3151201000	1719	LOCUST	WASH BUILDING LLC	1	\$296,200.00	\$296,200.00	100%	\$296,200.00	60	60	60.00	\$679.51	\$1,138.80	\$909.16
3151202000	2857	OAKLAND	ALLAN R RAMUSSEN	1	\$725,500.00	\$725,500.00	31%	\$224,899.14	91	91	28.21	\$515.94	\$535.42	\$525.68
3151203000	2853	OAKLAND	ALLAN R RAMUSSEN	1	\$498,400.00	\$498,400.00	43%	\$214,294.63	30	30	12.90	\$491.61	\$244.84	\$368.23
3151204000	2845	OAKLAND	2845 OAKLAND LLC	1	\$791,200.00	\$791,200.00	18%	\$142,401.90	60	60	10.80	\$326.68	\$204.98	\$265.83
3151301000	2831	OAKLAND	Little Caesar's Enterprises	1	\$184,700.00	\$184,700.00	100%	\$184,700.00	120	120	120.00	\$423.72	\$2,277.59	\$1,350.66
3160078000	1814	NEWBERRY	KEVIN B DUNN	0	\$320,900.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3160079000	1806	NEWBERRY	MURRAY HILLS INVESTMENT	0	\$363,600.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3160080000	1802	NEWBERRY	MICHAEL BRODERICK	0	\$393,300.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3160081000	2812	OAKLAND	CONNOR J BRODERICK	0	\$246,300.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3160753111	2830	OAKLAND	OAKLAND AVENUE II LLC	1	\$919,200.00	\$919,200.00	100%	\$919,200.00	184	184	184.00	\$2,108.73	\$3,492.31	\$2,800.52
3160754000	2840	OAKLAND	Olympia IV LLC	1	\$637,800.00	\$637,800.00	100%	\$637,800.00	60	60	60.00	\$1,463.17	\$1,138.80	\$1,300.99
3160755000	2850	OAKLAND	OLYMPIA-KALTS LLC	1	\$1,098,600.00	\$1,098,600.00	53%	\$582,223.59	116	116	61.48	\$1,335.68	\$1,166.89	\$1,251.29
3160756000	2864	OAKLAND	WCP INVESTMENTS LLC	1	\$732,700.00	\$732,700.00	20%	\$146,540.00	31	31	6.20	\$336.18	\$117.68	\$226.93
3161891000	2900	OAKLAND	LOCUST PROPCO, LLC	1	\$8,950,700.00	\$8,950,700.00	4%	\$358,092.61	121	121	4.84	\$821.50	\$91.86	\$456.68
3161119100	2974	OAKLAND	CARVER PROPERTY	1	\$399,700.00	\$399,700.00	100%	\$399,700.00	60	60	60.00	\$916.95	\$1,138.80	\$1,027.88
3161120000	2968	OAKLAND	LILAC PROPERTIES LLC	0	\$1,260,800.00	\$0.00	0%	\$0	0	0	0.00	\$0.00	\$0.00	\$0.00
3161871000	2950	OAKLAND	ARYEETAY REAL ESTATE HOLDINGS LLC	1	\$2,770,700.00	\$2,770,700.00	100%	\$2,770,700.00	361	361	361.00	\$6,356.25	\$6,851.76	\$6,604.01
TOTAL:					\$27,334,400.00	\$23,816,000.00		\$10,897,545.11	1836	1806	1317.18	\$24,990.00	\$25,000.00	\$25,000.00

ANNUAL COST \$25,000.00

ADJUSTMENT FACTOR = 0: EXCLUSIVELY RESIDENTIAL PARCELS NOT ASSESSED

- = Exempt Property
- = Mixed Use Property

**BUSINESS IMPROVEMENT DISTRICT #13
MILWAUKEE, WISCONSIN**

FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

BUSINESS IMPROVEMENT DISTRICT #13
MILWAUKEE, WISCONSIN

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KRAUSE & ASSOCIATES, S.C.

CERTIFIED PUBLIC ACCOUNTANT

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P.O. BOX 368
GRAFTON, WISCONSIN 53024

TELEPHONE: (262) 377-9988
FAX: (262) 377-9617

Independent Accountant's Review Report

Board of Directors
Business Improvement District #13
Milwaukee, Wisconsin

We have reviewed the accompanying financial statements of the Business Improvement District #13, which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and functional expenses and cash flows for the years then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

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.

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.



Krause & Associates, SC
Grafton, Wisconsin
May 28, 2022

BUSINESS IMPROVEMENT DISTRICT #13
 STATEMENTS OF FINANCIAL POSITION
 DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Cash and cash equivalents	\$ <u>74,893</u>	\$ <u>72,669</u>
TOTAL ASSETS	<u>\$ 74,893</u>	<u>\$ 72,669</u>
 <u>LIABILITIES AND NET ASSETS</u>		
LIABILITIES		
Accounts payable	\$ <u>958</u>	\$ <u>410</u>
TOTAL LIABILITIES	958	410
NET ASSETS		
Without donor restrictions	<u>73,935</u>	<u>72,259</u>
TOTAL NET ASSETS	<u>73,935</u>	<u>72,259</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 74,893</u>	<u>\$ 72,669</u>

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

BUSINESS IMPROVEMENT DISTRICT #13
STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
REVENUE		
BID assessments	\$ 25,009	\$ 25,000
EXPENSES		
Program:		
Graffiti removal, street cleaning and maintenance	8,810	9,882
Plantings	9,292	10,562
Community events and projects	750	100
Utilities	<u>293</u>	<u>297</u>
Total program	19,145	20,841
Administrative expenses:		
Professional fees:		
Executive director	3,600	3,600
Accounting	-	150
Insurance	-	532
Office	<u>588</u>	<u>142</u>
Total administrative	<u>4,188</u>	<u>4,424</u>
Total expenses	<u>23,333</u>	<u>25,265</u>
Changes in net assets	1,676	(265)
Net assets, beginning of year	<u>72,259</u>	<u>72,524</u>
Net assets, at end of year	<u>\$ 73,935</u>	<u>\$ 72,259</u>

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

BUSINESS IMPROVEMENT DISTRICT #13
 STATEMENTS OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 1,676	\$ (265)
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Increase (decrease) in accounts payable	<u>548</u>	<u>(1,465)</u>
Net cash provided by (used in) operating activities	<u>2,224</u>	<u>(1,730)</u>
Net increase (decrease) in cash and cash equivalents	2,224	(1,730)
Cash and cash equivalents, beginning of year	<u>72,669</u>	<u>74,399</u>
Cash and cash equivalents, end of year	<u>\$ 74,893</u>	<u>\$ 72,669</u>
Cash paid for interest	<u>\$ -</u>	<u>\$ -</u>

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

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements follows.

1. Organization and business activity

The Business Improvement District #13 (BID) represents the commercial crossroad neighborhood of North Oakland Avenue and East Locust Street on Milwaukee's East Side. Specifically, all commercial properties on the 2800 and 2900 blocks of North Oakland Avenue and the 1700 and 1800 blocks of East Locust Street are included in the BID.

The BID was formed to commence streetscaping for key streets as well as promotion and management of the district. Programs include weekly litter maintenance, graffiti removal, façade improvement grants, landscaping and marketing.

The Mayor and the Common Council created the BID in October 1994 under the authority granted by Wisconsin Statutes Section 66.1109. Operating and improvement funds are provided from special assessment taxes paid by commercial property owners in the district.

The BID is an association of property owners governed by nine board members. Members are appointed to three-year terms by the Mayor and confirmed by the Common Council. The BID is managed by a contracted executive director.

2. Cash and cash equivalents

Funds kept in checking, savings or money market accounts are considered cash or cash equivalents. The BID at times, maintains cash balances exceeding federally insured limits.

3. Prepaid expenses

Prepaid expenses represent disbursements paid in advance for the subsequent fiscal year.

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2021 AND 2020

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Net assets

The BID follows the accrual method of accounting wherein revenues and expenses are recorded in the period earned or incurred. Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets 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 (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor- (or certain grantor-) 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.

The BID reports contributions restricted by donors as increases in net assets without donor restrictions, if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

5. Revenue and Revenue Recognition

Revenue is recognized from rental and programs when the services are provided. All services are transferred at a point in time. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. As of December 31, 2021 and 2020, the BID has no conditional contributions.

6. Allocation of functional expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied, on the basis of estimates of time and effort.

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2021 AND 2020

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

7. Capital and infrastructure improvements

Capital and infrastructure improvements are not capitalized; rather they are expensed as incurred as they are considered part of the City of Milwaukee’s public infrastructure.

8. Use of estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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, and those differences could be material.

9. Income taxes

The BID is a quasi-public entity which is exempt from Federal and Wisconsin income taxes.

The BID evaluates its tax positions and assesses their uncertainty, if any, through review and application of various sources of tax authority including statutes, regulations, rulings, court cases and widely held administrative practices.

10. Subsequent Events

Management has evaluated subsequent events for recognition and disclosure in the financial statements through May 28, 2022, which is the date that the financial statements were available to be issued.

B – LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date of December 31, 2021 and 2020, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	<u>\$ 74,893</u>	<u>\$ 72,669</u>

BUSINESS IMPROVEMENT DISTRICT #13
NOTES TO FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2021 AND 2020

C – MANAGEMENT SERVICES

The BID contracts for management services with a part-time administrator on a year-to-year basis at \$300 per month. The total paid in 2021 and 2020 under this contract was \$3,600 each year.

D – CONCENTRATION OF RISK

The BID receives property assessment income from the City of Milwaukee, and grant income. The BID's operations rely on the availability of the property assessment income. For the years ended December 31, 2021 and 2020, 100% of the BID's revenue was been from the City of Milwaukee.

Business Improvement District #13

Year 30 – 2022

Annual Report

A. Highlights of Activity from Year 30- 2022

- **The BID participated in the regular annual activity of keeping the street in a clean and maintained condition through our cleaning service with Riverworks Cleans.**
- **Working with Milwaukee County Transit, City of Milwaukee DPW, a local artist and local business owners to beautify the northwest corner of Oak and Loc with art and other improvements implemented on the city owned electrical box and county owned bus shelter. Through the assistance of the local Alderman and DPW much infrastructure “clean-up” work has occurred at the intersection. As well, the adjacent property owner has invested funds in repaving and beautifying their property with the addition of two new tenants in their building. The “Art Shelter” was installed to improve the intersection**
- **Assisting with search for commercial tenant for mixed-use development at the northeast corner of Oakland and Locust (2900 Apartments). The new development, which**

includes 55 new apartments along with 10,000 sq. ft of new retail space represents the first major new construction on Oakland Avenue over the past 10 years. The BID has been actively involved in supporting the new development. The BID is assisting in identifying retail tenants that will add to the mix of businesses on the street.

- BID staff remained active with the City of Milwaukee BID Council.**

- Continued efforts to add to the mix of board members. In a very small BID district it has been difficult to recruit and recommend a diverse group of people to serve on the BID Board. Staff will continue with that effort.**

- Began conversations with the adjacent Urban Ecology Center to explore ways in which the two groups can work together to create events on the street or within Riverside Park. Initial planning for a temporary beer garden in Riverside Park occurred.**

- The BID worked with building owner Mike Vitucci and business owner Immy Kagwa to install our first parklet at Immy's African Cuisine. Immy's is a wonderful addition to the BID and the opportunity for outdoor dining enhances the experience for both her diners and the district as a whole.**

- Assisting with search for commercial tenant for mixed-use development at the northeast corner of Oakland and Locust (2900 Apartments). The new development, which**

includes 55 new apartments along with 10,000 sq. ft of new retail space represents the first major new construction on Oakland Avenue over the past 10 years. The BID has been actively involved in supporting the new development. The BID is assisting in identifying retail tenants that will add to the mix of businesses on the street.

- Continued efforts to add to the mix of board members. In a very small BID district, it has been difficult to recruit and recommend a diverse group of people to serve on the BID Board. Staff will continue with that effort.

- Worked with local neighborhood association, Murray Hill, to improve area safety by actively engaging in license renewal for the Mirimar Theater and a proposed new liquor store at Murray and Locust that would negatively effect the business district.