

BUSINESS IMPROVEMENT DISTRICT NO. 39

Center Street Marketplace

Approved OPERATING PLAN

2018



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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.)

A Business Improvement District was approved by the City of Milwaukee in 2005 for the purpose of revitalizing and improving the Center Street Marketplace District, located on Center Street on Milwaukee's Northside. The BID law requires that every district have an annual Operating Plan. This document is the annual Operating Plan for 2018 of the Center Street Marketplace district (BID #39). The plan was prepared with minimal technical assistance from the City of Milwaukee Department of City Development.

B. Physical Setting

The District covers a commercial area on West Center Street from North 32nd to North 59th street, to include a property on West Appleton Avenue & Center Street.

II. DISTRICT BOUNDARIES

Boundaries of the BID #39 district are shown on the map in Appendix B of this plan. A listing of the properties included in the district is provided in Appendix C.

III. PROPOSED OPERATING PLAN

The objective of the BID is to: Improve the quality of life within the district. Work with the property owners and merchants to normalize the perception of Center Street.

A. Plan Objectives

- Improve the Image of the target area
- Improve negative perception of crime/safety in target area
- Create a Streetscape in 2018
- Increase the number and variety of businesses in the target area
- Protect and preserve the historical significance and integrity of structures in the target area

B. Proposed Activities – Year 2018

Principle activities to be engaged in by the district during the 2018 year of operation will include:

- a. Management of the BID Director and usage of leased office space for the BID headquarters.
- b. Continue to implement and support commercial corridor cleanups and community initiatives for keeping the streets clean.
- c. Focus on eliminating the blight on Center Street by identifying vacant and unkept properties, and work with the property owners for mitigation.
- d. Continue to Increase safety and security by working with the MPD and community organizations to identify and continue to implement crime prevention initiatives.

- e. Continue to improve property façades via the City of Milwaukee Façade Grants and limited BID façade improvements.
- f. Assist property and business owners with marketing via the tools such as brochures, web presence, outreach campaigns, and personal strategies.

C. Proposed Expenditures – Year 2018

Item	Expenditure
Implement a BID 39 Grant Program in conjunction with the City of Milwaukee Grant/s. The BID will invest \$500.00 per property for a max total of 6 properties. <ul style="list-style-type: none"> - Façade - Signage 	\$3,000
Commercial Corridor Clean-up <ul style="list-style-type: none"> - Clean – up Crew - Community Clean up/s - Supplies/equipment (maintenance of trash cans) - Beautification Initiatives 	\$5,000
Safety/Security Initiative <ul style="list-style-type: none"> - Security Camera match up to \$500.00 for a max total of 5 properties. - Continue the Center Street Safety Initiative through the Safety Plan. (\$500.00) 	\$3,000
Administration <ul style="list-style-type: none"> - Office supplies and casual administrative services)- (\$1,500) - Marketing, Outreach (brochures, B2B marketing, business development & outreach) – (\$500) - Website maintenance – hosting – (\$500) - Annual Audit, insurance binder (O&D) – (\$3,500) - Accounting services (\$2,400) - Legal – general representation and consultation fees – (\$1,000) 	\$9,400
BID Management <ul style="list-style-type: none"> - BID Director (stipend of \$500.00 per month) 	\$6,000
BID Speaker Series – Business Builder Event hosting <ul style="list-style-type: none"> - Host up to 5 Business Builder Speaker Series Events - Host community business meetings as needed - Year “2” Center Street Customer Service Appreciation Day 	\$2,000
Facilities <ul style="list-style-type: none"> - Lease office space - Office maintenance (WE energies & ADT) 	\$7,800 \$ 3,000
TOTAL	\$39,200

Projected Revenues

Item	Revenue
Assessments - 2018	\$46,000
Carryover funds from 2017	\$5,000
TOTAL	\$51,000

D. Financing Method

It is proposed to raise **\$46,000** through BID assessments (see Appendix C). 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

The Mayor appoints members to the district board ("board"). The board's primary responsibility is the implementation of this Operating Plan. This requires 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 – Seven

2. Composition - At least five members shall be owners or occupants of commercial property within the district. Upon any vacancies, existing board members shall first solicit business or property owners to fill vacant board positions. In the event the existing board is unable to secure new board representation, any non-owner or non-occupant may be appointed to the board. All board members 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 – BID Director can receive a stipend of no more than \$500 per month.

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 local business association

The BID shall be a separate entity from the local 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 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 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 \$1,000.00 per parcel will be applied.

As of January 1, 2017, the property in the proposed district had a total assessed value of over \$11 million dollars. This plan proposed to assess the property in the district at a rate of \$5.00 per \$1,000.00 of assessed value, subject to the maximum assessment of \$1,000.00 and minimum of \$300.00, for the purposes of the BID.

Appendix C 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) Im: 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 C, 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.

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 Center Street Marketplace (BID #39) 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 is 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 30th of each Plan year, with the official City records and the assessed value of each tax key number with the district, as of January 1st 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. 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 original initial Operating Plan.

(Summation) Section 66.1109 (3) (b) of the BID law requires the board 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 2018 activities, and information on specific assessed values, budget amounts and assessment amounts are based on current conditions. If greater detail about historical or proposed subsequent year's activities is necessary, **it 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.

C. Law regarding a municipality terminating a BID – Section 66.1109(4m)

A municipality shall terminate a business improvement district if the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation

specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, file a petition with the planning commission requesting termination of the business improvement district, subject to all of the following conditions:

- (a) A petition may not be filed under this subsection earlier than one year after the date the municipality first adopts the operating plan for the business improvement district.
- (b) On and after the date a petition is filed under this subsection, neither the board nor the municipality may enter into any new obligations by contract or otherwise to implement the operating plan until the expiration of 30 days after the date of hearing under par. (c) and unless the business improvement district is not terminated under par. (e).
- (c) Within 30 days after the filing of a petition under this subsection, the planning commission shall hold a public hearing on the proposed termination. Notice of the hearing shall be published as a class 2 notice under ch. 985. Before publication, a copy of the notice together with a copy of the operating plan and a copy of a detail map showing the boundaries of the business improvement district shall be sent by certified mail to all owners of real property within the business improvement district. The notice shall state the boundaries of the business improvement district and shall indicate that copies of the operating plan are available from the planning commission on request.
- (d) Within 30 days after the date of hearing under par. (c), every owner of property assessed under the operating plan may send written notice to the planning commission indicating. If the owner did not sign the petition under this subsection, that the owner retracts the owner's request to terminate the business improvement district, or, if the owner did not sign the petition, that the owner requests termination of the business improvement district.
- (e) If after the expiration of 30 days after the date of hearing under par. ©, by petition under this subsection of subsequent notification under par. (d), and after subtracting any retractions under par. (d), the owners of property assessed under the operating plan having a valuation equal to more than 50 percent of the valuation of all property assessed under the operating plan, using the method of valuation specified in the operating plan, or the owners of property assessed under the operating plan having an assessed valuation equal to more than 50 percent of the assessed valuation of all property assessed under the operating plan, have requested the termination of the business improvement district on the date that the obligation with the latest completion date entered into to implement the operating plan expires.

APPENDIX A – Wisconsin statutes
APPENDIX B – District Boundaries
APPENDIX C – Projected BID Assessment 2018
APPENDIX D – Board member list