

BUSINESS IMPROVEMENT DISTRICT NO. 4

GREATER MITCHELL STREET

OPERATING PLAN FOR YEAR 2016 (YEAR 27)

8/12/2015

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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 has received a petition from property owners which requested creation of a Business Improvement District for the purpose of revitalizing and improving the Mitchell Street business area on Milwaukee's near south side. BID #4 was established in 1989. The BID law requires that every district have an annual Operating Plan. This document is the Operating Plan for the Mitchell Street Business Improvement District #4. The BID proponents prepared this Plan with technical assistance from the City of Milwaukee Department of City Development.

### B. Physical Setting

The area is a retail and commercial, and densely populated, District on the near south side of the City of Milwaukee, and includes the Historic Mitchell Street commercial corridor.

## II. DISTRICT BOUNDARIES

Boundaries of the proposed district are available on a District map. A listing of the properties included in the District is part of the 2016 Operating Plan.

## III. PROPOSED OPERATING PLAN

### A. Plan Objectives

The mission and objective of the BID is to: Continue the revitalization and improvement of the retail shopping and business district as a shopping destination, to further economic development initiatives by providing coordinated resources for businesses on the Mitchell Street commercial corridor, to advocate and create positive solutions for business and commercial issues, and to increase the number and variety of businesses in this district on Milwaukee's near south side. The BID also attempts to remain culturally relevant to the ethnically diverse enterprises in the District.

### B. Proposed Activities

Principle goals and activities to be engaged in by the District during its twenty-seventh year of operation will include: Maximizing both human and capital resources in the promotion and implementation of activities that will result in enhanced safety for the business and residential area; improving the area's image and esthetics; increased property values; and the following:

- a. Continue to coordinate efforts to complete an overall design plan, including capital improvements, traffic circulation, and parking lot utilization. Initiate a new branding

for the commercial corridor to further identify it to potential businesses and developers.

- b. Providing assistance to property owners and developers who are engaged in property improvements and redevelopment activities.
- c. Promoting the unique historic significance and commercial mix of the District.
- d. Encouraging design-sensitive renovations of buildings in the District and prevent security bars and grills on commercial frontage.
- e. Insuring all commercial buildings within the District to be maintained graffiti-free with the supporting City graffiti removal program.
- f. Providing support and/or financial assistance to businesses that are engaging in activities that meet the BID's overall objectives. A potential third party loan program is being studied.
- g. Continuing to implement, coordinate and support positive activities and events which enhance retail and business recruitment and retention, and property owners' interests.
- h. Maintaining the neighborhood business district portfolio, including an inventory of commercial space availability for distribution to brokers and prospective tenants and to respond to inquiries.
- i. Continue to work closely with the Milwaukee Police Department and District 2 for increased police protection and support, along with security measures and safety programs for a safe business and residential neighborhood.
- j. Coordinating publicity and media coverage of District activities.
- k. Initiate, plan, coordinate and implement continuous events and activities for property owners, businesses and merchants.
- l. Support a community outreach program linking the business community to the community at large and to City of Milwaukee services and programs.
- m. Distribution of timely information to property owners, retailers, businesses and other interested parties via quarterly Newsletters, flyers, letters, resource seminars, and other appropriate methods.
- n. Assisting in TID #71 continuing activities if/where feasible.
- o. Maintaining the organized business Neighborhood Block Watch, with the assistance of MPD District 2, to enhance safety and security in the BID #4 district.
- p. Continue to sponsor and promote special events (i.e., the annual Sun Fair and "Holidays on Mitchell Street"), and initiate new events (i.e., "Mitchell Street Days") that promote the retail area and draw returning and new destination shoppers to the commercial corridor.
- q. Maintaining cleanliness of the commercial corridor, and maintaining the medians and streetscaping on Historic Mitchell Street.
- r. Enforcing the historical guidelines for Historic Mitchell Street.

C. Proposed Expenditures and Income

Proposed Expense Budget for 2016:

Business Development	3650
Marketing & Promotion	3670
Safety and Security	600
Graffiti Removal	3240

Meeting Expenses	1125
Street Maintenance	7750
Office Supplies	2070
Rent	9000
Telephone/Internet	2160
Postage	2000
Utilities	-0-
Repairs & Maintenance	1750
Other	375
Legal & Professional Services	9000
Insurance	3000
Community Outreach	1000
Personnel	67386
Total Expense Budget for 2016:	117,741
Proposed Income Budget for 2016:	119,404

#### D. Financing Method

It is proposed to raise \$115,404 from 125 commercial properties , through BID assessments (see Appendix D). While the 2016 budget exceeds the anticipated BID assessments, we expect to roll forward dollars from the previous operating year, plus continuing fund raising efforts to offset expenses and to promote more commercial corridor activities. It is projected that the 2016 Sun Fair will net \$4000. 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. The BID is required to conduct an independent audit each year which is submitted to the City of Milwaukee. A print opy of the audit is available at the BID's office for public perusal.

#### E. Organization of a BID Board

Upon creation of the BID, the Mayor appoints members to the District board ("board"), who are approved by the Common Council. The board's primary responsibility will be implementation of this Operating Plan. This will require the board and staff 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. The Plan serves as the guide for the following year's activities.

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

The BID #4 Board is structured and operates as follows:

##### 1. Board Size - Fifteen

2. Composition - At least eight members (majority) 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 President and other officers 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 meeting. The Board does, at the present time, meet monthly. Standing committees meet as needed with reporting to the Board. A new Finance committee has been created and will meet monthly.

#### 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. 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 \$2500.00 per parcel will be applied.

As of January 1, 2015, the property in the district had a total assessed value of over \$50 million. The plan's creation assesses the commercial property in the District at a rate of \$4.00 per \$1,000.00 of assessed value, subject to the maximum assessment, for the purposes of the BID. Taxable properties, other than those classified as parking lots or vacant lots, are subject to a \$400.00 minimum BID assessment. Taxable parcels are subject to a maximum of \$2,500.00 BID assessment.

Appendix D provides 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 66.608(1)(f)lm: 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 66.608(5)(a): Property known to be used exclusively for residential purposes will not be assessed; such properties will be identified as BID Exempt Properties in Appendix D, as revised each year.
3. In accordance with the interpretation of the City Attorney regarding State Statute 66.608(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 Mitchell Street 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 July 30<sup>th</sup> of each Plan year, with the official City records and the assessed value of each tax key number within the district, as of January 1<sup>st</sup> of each Plan year, for purposes of calculating the BID assessments.
6. Encourage and work with 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 will be followed:

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

### B. Petition against Creation of the BID

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

Owners of property to be assessed under the proposed initial Operating Plan having a valuation equal to more than 40% of the valuation of all property to be assessed under the proposed initial Operating Plan, using the method of valuation specified in the proposed initial Operating Plan; or

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

## 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. Greater detail about subsequent year's activities will be provided in the required annual Operating Plan and Annual Report, 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 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 D

Projected Assessments for 2016 Operating Plan

Attachment: - BID #4's 2015-2016 Annual Report

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Listing of Current BID #4 Board of Directors:

Raul Gutierrez, President  
Dimity Grabowski, Vice President  
Milton Pivar, Treasurer  
Demitra Copoulos, Secretary  
Amrit Patel  
Gloria Marquez  
Juan Ordaz  
John Dye  
Alex Fuentes  
Joseph Arnezeder  
Zeus Rodriguez  
David Rotter  
Augustin Garnica  
Jesus Enrique Nanez

As of 8/1/2015, one vacancy exists on the Board

## Business Improvement District #4 – Greater Mitchell Street

### ANNUAL REPORT

2015 - 2016

#### OVERVIEW

Business Improvement District #4 was organized under Wisconsin State Statute 66.608, and was organized in 1989 for the purpose of the revitalization of Mitchell Street, between 5<sup>th</sup> and 15<sup>th</sup> Streets, on the near south side of the City of Milwaukee. The purpose and mission of BID #4 is to continue *the revitalization and improvements of its Historic Mitchell Street retail district and the commercial corridor* and neighborhood, to continue resilient efforts in business retention and recruitment activities, and to maintain a clean and safe business corridor. BID #4 continues to promote Mitchell Street businesses and provide support and services to maintain and expand those businesses. In addition, BID #4 regularly informs all property and business owners of redevelopment activities and the City's historic preservation guidelines, and supports, advocates and creates solutions for its approximately 108 commercial property owners.

#### 2015 Accomplishments:

- In order to continue a positive influence on Mitchell Street, BID #4 continued to work with property owners and businesses to renovate retail store fronts and facades, utilizing the City's Sign and Façade Grant programs, as well as providing information on the City's RIF and White Box programs.
- For the fifth consecutive year, after a previous 20+ year absence, BID #4 sponsored and operated another successful Sun Fair, May 29-31, to again present the spirit of community to the neighborhood, and to continue to attract destination shoppers to the retailers on the Street. The event produced a \$2,000 net profit to add to the 2015 operating budget.
- Continued the upkeep and maintenance of the treescaping and median landscaping that was installed in 2011 on Historic Mitchell Street, from 5<sup>th</sup> to 13<sup>th</sup> Streets, and added new crushed stone around all of the trees on the Street.
- Continued the Street's regular environmental maintenance and cleaning program.
- Promoted the Safe & Sound/MPD surveillance Camera Grant program to area businesses.
- Continued on-going economic development and branding activities to promote the commercial

corridor as a great area in which to do business.

- Continued efforts with a Neighborhood Block Watch program in coordination with MPD District #2 for the safety and security of the district and its businesses.
- Conducted the annual Open House for retailers, business owners and property owners, which included City resources and other pertinent information.
- Continued to monitor graffiti and maintain the graffiti removal program in the commercial district, in collaboration with the City's DNS Retail Area Graffiti Removal Program.
- Participated with WE Energies to continue a program of no-cost electrical assessments for businesses and property owners to insure electrical usage efficiency.
- Continued efforts to promote public art on the commercial corridor, following the 2014 "Listening to Mitchell" public art installation on Historic Mitchell Street. The project had received very favorable media coverage and interest, with support by merchants and property owners, and sponsorship by BID #4.
- Continuing with public art on the Street, supported the second public video art event, "Temporary Resurfacing," which attracted local artists and their art projections on Historic Mitchell Street building exteriors.
- Continued use of the BID's informational marketing pamphlet for Mitchell Street's on-going promotion and economic development activities.
- Coordinated with HMI's "Doors Open Milwaukee" to include, for the second year, three locations in the BID #4 district, which was another successful promotional event for the business neighborhood.
- Continued to promote the Me2/3 (Milwaukee Energy Efficiency) and Focus on Energy programs to property owners and businesses.
- Coordinated a third annual City of Milwaukee Resource Workshop for property owners and retailers, providing information on the City's grant programs and other available resource programs and services.
- Continued the Long-Range/Short Range Planning Workshops for Board members, scheduled twice a year, for further economic development/retail recruitment activities, per the City's Near South Side Area Plan. The Plan was targeted to enhance assets of the area and provide implementation strategies for the future development of the Near South Side.
- Sponsored the annual holiday window-decorating contest for the fifth consecutive year, for retailers and businesses on Mitchell Street. Judging was done by Board members and the

Alderman, with the awarding of framed certificates from the Alderman and donated gift certificates to the top three decorated windows.

- Installed for the fourth consecutive year the LED holiday decorations on Historic Mitchell Street's harp light poles; and again sponsored the "Holidays on Mitchell Street" kick-off event and lighting ceremony, to promote and increase retail shopping activities for the corridor's merchants and businesses during the busy holiday period.
- Successfully achieved a Neighborhood Zoning Overlay District for Historic Mitchell Street, which was passed by the City Common Council earlier in the year.
- As one of the "community partners" of Milwaukee Police Department District 2, again participated in its annual Open House, promoting Mitchell Street's businesses.
- Informed business owners and merchants of the WWBIC loan program, the WHEDA Transform Milwaukee Loan Guarantee Program, and the business training classes offered by the Multicultural Entrepreneurial Institute and the Hispanic Chamber of Commerce-Wisconsin.
- Cooperated with the new developer/owners of the old Goldmann's building in its renovation plans for a new tenant, the Gerald Ignace Indian Health Center, which will take occupancy by the end of the year. The building had been vacant for over seven years, and its new appearance will be a welcome addition to the commercial corridor and another major step in the continuing rejuvenation of the Street. There will be 1500 sq.ft. on the street level of the building devoted to a retail business.
- Monitored the lighting of the Mitchell Street commercial corridor and the City's public parking lots for problems, lights out, etc.
- Welcomed a new full-service food market, Mitchell Street Market Place, to a large retail space (formerly a Walgreens) on Historic Mitchell Street, which had been vacant for over four years.
- Worked with the new owners of the old Juneau Theatre building who, after major renovations, converted the building into an apartment complex with retail on the street level, along with a large, gated and well-lit parking lot. Leasing activities began earlier in the year.
- Replaced ten of the commercial corridor's City litter containers with new attractive commercial receptacles, with the assistance of a City grant. Plans call for ten additional receptacles in 2016. The new receptacles have provided a clean and esthetic appearance to the Street.
- Updated the BID #4 Website, which included a rebuilding due to hacking, and added new informational features, photos, etc., to further stimulate economic development.
- Relocated the BID #4 office to 823 W. Historic Mitchell Street, in order to have greater visibility and presence on the commercial corridor for the property and business owners and merchants. Also, a lower rent than previously paid, will allow more of the BID's funds to be used for improvements to the commercial corridor.

### 2016 Goals and Objectives:

- Working closely with the Milwaukee Public Library in its relocation of the Forest Home Library to the Hills Building, another major economic development project for the commercial corridor.
- Supporting and working with the Modjeska Theatre owners (MSDOC) to continue renovations for the re-opening of the Theatre, also a critical project and a very important part of the continuing efforts to rejuvenate Historic Mitchell Street.
- Scheduling the 6th Annual Mitchell Street Sun Fair, the last weekend of May, to continue to present the spirit of community to the neighborhood, and promote destination shopping for the retailers and businesses on Mitchell Street. It also provides an additional fund raising activity for BID #4.
- Continuing to be one of the sponsors of the South Side's National Night Out event in August.
- Continuing to work with property owners and businesses to renovate retail store fronts, using the City's Sign and Façade Grant and White Box programs, via regularly scheduled informational workshops and meetings.
- Coordinate and sponsor "Mitchell Street Days" as a scheduled monthly summer event to promote more shoppers and business to the commercial corridor. Advertising and media attention will be part of the event's plans. Coordinate the retail events with the involvement of the NEWaukee initiative.
- Continuing economic development activities to attract more, and a wider variety of, businesses to the Street, and to insure the retention of current businesses on the Street.
- Seek and secure a Mitchell Street location for Milwaukee's new bike share program, Bublr Bikes.
- Continuing to inform property owners and businesses of current BID #4 activities and developments via quarterly Newsletters, special mailings, flyers and letters, and with regular updating of the BID's rejuvenated Web Site, which also includes Facebook and Twitter. The Web Site also provides information for potential new businesses and retailers to the commercial corridor.
- Replacing the balance of the City's current litter containers on Mitchell Street with ten additional new attractive receptacles, thus continuing the improved esthetic look of the Street and making it a more shopper-friendly business neighborhood.
- Begin the revitalization design project for the Street, using the UW-M/CED design concepts developed in 2014.

- Developing new initiatives to continue gaining momentum in efforts to improve and enhance the challenges of the Historic Mitchell Street commercial corridor and retail district.
- Continuing and increasing holiday street lighting, decorations and festivities, to broaden shopping activities and business during the holiday period.
- Attracting and securing a family restaurant to Mitchell Street, to meet the breakfast, lunch and dinner needs of shoppers, residents and neighborhood businesses.
- Determining what new and additional events will create more economic development and destination shopping activities to the commercial corridor.
- Conducting a “Brokers’ Fair” or regular contact program with commercial brokers to assist property owners in leasing their vacant commercial spaces, including creating a special flyer with information from the property owners.
- Creating a new, or updating the current, BID #4 promotional/marketing pamphlet.
- Continuing to maintain the four medians on Historic Mitchell Street with additional plantings, mulching, etc., and refreshing the treescaping materials around all of the trees.
- Expanding the successful 2014-15 Historic Mitchell Street Public Art Program, with events to promote greater interest in the Mitchell Street neighborhood and commercial corridor.

August 2015



BID #4 (Mitchell Street) Board Member Sheet

**Board Organization:** 15 members; @ least 8 members (majority) owners or occupants of property w/in district; Term = 3

<u>Board Member</u>	<u>Title</u>	<u>Start Date</u>	<u>End Date</u>
Amrit Patel	Member	7/27/2015	7/27/2018
Demetra Copoulos	Member	9/9/2013	9/9/2016
Dimity Grabowski	Member	2/25/2013	2/25/2017
Gloria Marquez	Member	4/19/2013	4/19/2016
J Alejandro Fuentes	Member	6/20/2013	6/20/2016
Joseph Arnezder	Member	2/13/2014	2/13/2017
Juan Armenta Ordaz	Member	7/28/2014	7/28/2017
Milton Pivar	Member	6/6/2014	6/6/2017
Raul Gutierrez	Member		
David Rotter	Member	10/14/2014	11/7/2017
Zeus Rodriguez	Member	2/20/2014	2/20/2017
John Dye	Member	3/12/2015	3/12/2018
Augustine Garnica	Member	3/18/2015	3/18/2018
J Enrique Nanez	Member	5/1/2015	5/1/2018

**VACANCY**

