



# Business Improvement District 2017 Operating Plan



## **Downtown Appleton Business Improvement District Operating Plan 2017**

### **I. Preface**

Wisconsin Act 184, signed into law in 1984, gives Wisconsin municipalities the power to establish business improvement districts (BIDs) within their communities upon petition of at least one property owner within the proposed district. The State Legislature created 66.1109 of the Wisconsin Statutes (the "BID Law") to provide a mechanism by which business properties within an established district could voluntarily assess themselves to pay for programs aimed at promoting, developing, redeveloping, managing and maintaining the district. In many instances, BIDs are established in downtowns so property owners can jointly attract tenants and increase the value of their properties.

Business improvement district assessments are quite similar to traditional special assessments wherein property owners are assessed for improvements or services that benefit them. Unlike traditional special assessments, however, business improvement district assessments can be used to finance a wide range of activities, services, and improvements. Business improvement districts in Wisconsin have been used to fund a broad scope of activity including business retention and recruitment programs, marketing and promotional activities, environmental enhancement and maintenance programs, and crime prevention and security activities.

Pursuant to the BID Law, this shall be, when adopted, the 2017 Operating Plan for the Downtown Appleton Business Improvement District. This Operating Plan has been prepared by Appleton Downtown Incorporated (ADI).

As used herein, BID shall refer to the business improvement district's operating and governance mechanism, and "District" shall refer to the property located within the physical boundaries of the business improvement district, as provided herein.

Further development of the District through establishment of the BID is proposed because:

1. The BID law provides a mechanism whereby private property owners can work together in conjunction with the City to develop the district.
2. Existing public funding sources used to maintain and promote the district may not be sufficient. Unified development efforts will have to be financed with new private resources as well as existing public dollars.
3. The District is dynamic, including properties of varying types and sizes. Some form of cost sharing is necessary because it is not feasible for a small group alone or the City of Appleton to support District development efforts. The BID Plan provides a fair and equitable mechanism for cost sharing which will benefit all businesses and properties within the district.
4. Use of the BID mechanism helps to ensure that the entire District will be promoted, programmed and developed as expeditiously as possible.

The property owners advocating the continuation of the BID view it as a method to build on work previously done in the community to improve the downtown. These property owners and the board of directors of Appleton Downtown Inc. have pledged to work cooperatively with other organizations and the City of Appleton to enhance the vibrancy and overall health of downtown Appleton.

This Plan, when adopted by the City Council of the City of Appleton, after public hearing and recommendation of the Plan Commission in the manner required by the BID Law, shall govern the BID for the calendar year of 2017 which shall be the Fifteenth "Plan Year". However, it is anticipated that the BID shall continue to be so successful that it will be renewed, upon essentially the same terms and conditions for subsequent years, each of which shall be the "Plan Year". In the manner allowed under Section 66.1109 (3)(b) of the BID Law, although with changes to the budget, work plans and assessment Appendices.

## **II. Plan Development**

This shall be the Business Improvement District Operating Plan for the Downtown Appleton Business Improvement District, for the year 2017.

### **A. Plan of Action**

The Plan of Action was developed by the BID and ADI Board of Directors and Standing Committees with approval from the BID and ADI Board of Directors. Those participating in this process were ever conscious of the need to represent the full membership of the BID and of ADI. The following Primary Objectives, goals, initiatives and key performance indicators are identified in the Plan of Action (**Appendix A**)

### **B. Goals and Objectives**

The BID seeks to protect public and private investments in downtown Appleton and to attract new investment to the district. The BID exists to promote the orderly development of the district in cooperation with the City of Appleton, including implementation of the Downtown Plan (Chapter 14 of the Comprehensive Plan) and to develop, redevelop, maintain, operate, and promote the District. The BID shall work to preserve and improve economic, cultural, and social conditions within the District by facilitating partnerships of people and organizations to achieve mutual goals. The BID provides the necessary funding to plan, evaluate, facilitate and implement District development projects, planning activities, and promotional activities that fit within the identified mixed-use strategy for developing viable and sustainable markets that the District in downtown Appleton can serve.

### **C. Benefits**

Money collected by the BID under this plan will be spent within the District or for the benefit of the District, and used to help property owners attract and retain tenants, keep downtown clean, safe and attractive, increase the value of property downtown and expand on a strong brand and marketing campaign for downtown. **Appendix A** outlines the goals, objectives and initiatives for the plan year.

### **D. 2015 Annual Report**

The 2015 annual report is attached. The total assessed value of properties for the District for 2015 was \$120,855,100 and experienced a 1% reduction over the previous year. The vacancy rate of 21% was calculated based on a total of 426 units within the district and increased by one percent over the previous year.

Also included as **Appendix B** is the Downtown Vitality Index that tracks the key performance indicators for yearend 2013, 2014 and 2015.

## E. 2017 Budget

All of the estimated expenditures of the BID are shown on **Appendix C**, the Budget. All of the expected expenditures will be financed by the collection of BID assessments and with other revenues generated by Appleton Downtown Incorporated including but not limited to sponsorships and donations, ADI memberships, and by revenues of events and promotional activities. Ownership of all activities, programs, promotions, and events, along with any related revenues shall remain with ADI but shall be applied to programs and services that further goals of the BID.

It is anticipated that the BID will contract with ADI to carry out the BID's Operational Plan, and that the BID will have no paid staff of its own. Funds collected through BID assessments shall be used to pay for this contract with ADI, and are expected to pay for about 30 percent of the costs projected by Appleton Downtown Inc. (ADI) to implement a full downtown management program. Additional funds will be raised by ADI from public and private sources to cover the remaining 70 percent, and any other projects not identified herein.

Except as identified herein, all expenditures will be incurred during the Plan Year. Any funds remaining on any line item above may be moved to another budget line item, as determined by the Board of the BID. Any unused funds remaining at the end of the year shall be deposited into a contingency fund for the following Plan Year. If any additional funds are received by the BID, whether from gifts, grants, government programs, or other sources, they shall be expended for the purposes identified herein, and in the manner required by the source of such funds, or, if the funds have no restrictions, in the manner determined by the Board of the BID, in keeping with the objectives of this BID Plan. All physical improvements made with these funds shall be made in the BID District. The location of other expenditures shall be determined by the BID Board, but for the benefit of the District.

## F. Powers

The BID, and the Board managing the BID shall have all the powers authorized by law, and by this Plan, and shall have all powers necessary or convenient, to implement the Operating Plan, including, but not limited to, the following powers:

1. To manage the affairs of the District.
2. To promote new investment and appreciation in value of existing investments in the District.
3. To contract with Appleton Downtown Incorporated on behalf of the BID to implement the Operational Plan.
4. To develop, advertise and promote the existing and potential benefits of the District.
5. To acquire, improve, lease and sell properties within the District, and otherwise deal in real estate.
6. To undertake on its own account, public improvements and/or to assist in development, underwriting or guaranteeing public improvements within the District.
7. To apply for, accept, and use grants and gifts for these purposes.
8. To elect officers, and contract out work as necessary to carry out these goals.
9. To add to the security of the district.

10. To elect Officers to carry out the day to day work authorized by the BID Board, including signing checks and contracts on behalf of the Board, and to adopt, if the Board wishes, By-Laws governing the conduct of the Board and its Officers, not inconsistent with this Operating Plan.
11. To adopt by-laws related to the day to day operation of the Board and Board meetings.

**G. Relationship to Plans for the Orderly Development of the City**

Creation of a business improvement district to facilitate District development is consistent with the City of Appleton's Downtown Plan and will promote the orderly development of the City in general and downtown in particular.

**H. Public Review Process**

The BID Law establishes a specific process for reviewing and approving the proposed Operating Plan, and the boundaries of the proposed District. All statutory requirements to create the BID were followed.

**III. District Boundaries - - no change has been made to this section from the previous year.**

The District is defined as those tax key parcels, which are outlined in pink and indicated by property in blue on **Appendix G**, attached hereto and incorporated herein by this reference, reflecting the parcels as they existed in the City of Appleton Assessor's records as of September 1, 2001. The District is generally bounded on the south by the south right of way line of Lawrence Street, on the north by the north right of way line of Franklin Street, on the east by the right of way line of Drew Street and on the west by the west right of way line of Richmond Street/Memorial Drive, with additional corridors extending north on Richmond Street to Packard Street and west along college Avenue to Badger Avenue. Properties zoned for commercial use by the City of Appleton Assessor on both sides of boundary streets are included in the District. The District includes 202 contributing parcels. Notwithstanding the parcels of property which are not subject to general real estate taxes, shall be excluded from the District by definition, even though they lie within the boundaries of the BID as in the map in **Appendix G**.

**IV. Organization – no change has been made to this section from the previous year.**

**A. Operating Board**

The BID Board ("Board") as defined below, shall be appointed by the Mayor of the City of Appleton, with substantial input from ADI and the property owners in the District. Appointments by the Mayor must be confirmed by the City Council and voted in by the BID Board. The appointments and confirmation shall be made before the commencement of the Plan Year for which the Operating Plan was adopted.

This Board's primary responsibility shall be to implement the current year's Operating Plan, to contract for the carrying out of the Operating Plan, contracting for preparation of an annual report and audit on the District, annually considering and making changes to the Operating Plan including suggestions made by Appleton Downtown Incorporated and submitting the Operating Plan for the following Plan Year to the Common Council of

the City of Appleton for approval, and other powers granted in this Plan. This requires the Board to negotiate with providers of service and materials to carry out the Plan; to enter into various contracts; to monitor development activity; and to ensure District compliance with provisions of applicable statutes and regulations.

**The BID Board shall be structured as follows:**

1. Board size maximum of 9
2. Composition – A majority (at least 5) members shall be owners or occupants of the property within the District. Any non-owner, non-occupant appointee to the Board shall be a resident of the City of Appleton. At least 2 members shall be representative of each of the 3 identified market sectors, service/retail, hospitality, and office. One member shall be a representative of the Mayor or City Council. Any Board member who because of transfer of ownership of property is no longer eligible to act as a representative for a particular sector, or where such transfer of property shall cause the make-up of the Board to fall out of compliance with this Operational Plan shall be replaced. The Board shall make a recommendation for replacement to the Mayor who shall appoint a new Board member within 30 days of the recommendation.
3. Term – Appointments to the Board shall be for a period of 3 years-for staggered terms, each ending on December 31 of the applicable year. The Board may remove by majority vote, any BID Board member who is absent for more than 3 meetings, without a valid excuse, and may recommend to the Mayor replacement members, which the Mayor shall act upon within 30 days of the recommendation.
4. Compensation – None.
5. Meetings – all Meetings of the Board shall be governed by Wisconsin Open Meetings Law. Minutes will be recorded and submitted to the City and the Board. The Board shall adopt rules of order to govern the conduct of its meetings and meet regularly, at least annually.
6. Record keeping – Files and records of the Board's affairs shall be kept pursuant to public records requirements.
7. Staffing – The Board may employ staff and/or contract for staffing services pursuant to this Plan and subsequent modifications thereof. Unless requested otherwise by the Board, and any staff members or employees of contractors may attend all meetings of the Board, but will not have voting authority.
8. Officers – The Board shall appoint a Chairman, Treasurer and Secretary, any two of the three of which shall have the authority to execute documents on behalf of the full Board, for the purposes authorized by the full Board, including the writing of checks. Attached Board list **Appendix D**
9. For purposes of this section "person" means an individual owner of a parcel, or a representative of an entity owner of such parcel. No one individual, and no more than one representative of any entity, may hold more than one Board position. If, during the course of a term, a Board member's situation changes, so that they no longer fit the definition for that seat, such as by selling their parcel, they shall resign within 10 days of selling their parcel.

**B. Amendments**

This Operating Plan, when adopted, shall be the governing plan for the Plan Year. However, section 66.1109 (3) (b) of the BID Law requires the Board of the city to annually review and make changes as appropriate to the district Plan, when adopting a new Operating Plan for later Plan Years. Approval by the City's Common Council of such Plan updates shall be conclusive evidence of compliance of such Plan with the BID Law.

The BID Law allows the BID to annually present amendments to its Plan. The following process for approval of the amended Plan will be followed.

1. A joint strategy session of the BID Board and the ADI Board of Directors will develop the objectives of the Operational Plan for the next Plan Year.
2. The proposed Goals and Objectives for the Plan Year will be drafted by Appleton downtown Incorporated Staff and submitted to the BID Board for review and input.
3. ADI Staff and Board will edit the plan and submit it to the BID Board for approval based on comments by the BID Board.
4. The BID Board will review the proposed BID Plan and submit to Planning Commission for approval.
5. The Common Council will act on the proposed BID Operational Plan for the following Plan Year.
6. The Mayor of Appleton will appoint new members to the BID Board at least 30 days prior to the expiration of outgoing Board members' terms.

It is anticipated that the BID will continue to revise and develop the master Operating Plan for later Plan Years, in response to changing development needs and opportunities in the District, within the purpose and objectives defined herein and therein.

Included in these changes for later Plan years will be changes in the BID budget and assessments.

**V. Finance Method - no change has been made to this section from the previous year.**

The proposed expenditures contained in Section II (D) above, will be financed with moneys collected from the BID assessment, and will be made, from time to time, throughout the year, in accordance with the BID Budget, attached hereto as Appendix C.

Moneys collected from BID assessments by the City will be used to pay Appleton Downtown Incorporated in accordance with the implementation contract between the BID and ADI

**VI. Method of Assessment - no change has been made to this section from the previous year.**

**A. Parcels Assessed – Appendix E**

All tax parcels within the District required to pay real estate taxes, including those taxed by the State as manufacturing, will be assessed with the exception of those parcels used solely for parking and those parcels subject to a recorded condominium declaration, and zoned for commercial use as shown on the City of Appleton Assessors records. Commercial Condominiums shall be assessed as if the entire building in which the Commercial Condominiums are located were not subject to the Condominium act and instead were assessed as one building, and the assessment for that entire building shall be levied against each Commercial Condominium unit in such proportion as the condominium assessments of that condominium are prorated, as defined in the Declaration of Condominium for that building. Real property used exclusively for residential purposes may not be assessed, as required by the BID Law. Property exempt from paying real estate taxes or owned by government agencies will not be assessed.

The Business Improvement District reassessment was completed by the City of Appleton Assessor's Office. The current property assessment list was generated by the Assessor's office and reviewed by the Finance Department and BID Board. As is stated below, the assessment rate of \$2.50 for each \$1000 of assessed value remains for the thirteenth year with no increase recommended. The minimum and maximum also remain with no increase recommended.

**B. Levy of Assessments**

Special assessments under this Operating Plan are hereby levied, by the adoption of this Operating Plan by the City Council against each tax parcel of property within the District which has a separate tax key number, in the amount shown on the assessment schedule which is attached hereto as **Appendix E.**

The 2017 assessment shown in Appendix E was calculated as \$2.50 for each \$1000 of assessed value for each parcel in the District with no parcel assessed more than \$5,000 and no parcel assessed less than \$250, with parcels used solely for parking excluded, with parcels solely used for residences excluded, and with the adjustments for the Commercial Condominiums and adjustments for relocation of the caps and minimums. The assessment was based on the assessed value of that parcel (land and improvements) as shown in the records of the City Assessor's Office except as otherwise identified below. It is understood that some properties within the BID may be re-assessed. The changes in the tax assessment may impact the BID assessment for these properties.

The principal behind the assessment methodology is that each non-exempt parcel's owner should pay for District development in proportion to the benefit derived. Obviously, not every parcel in the District will benefit equally, nor should each parcel, regardless of size or value contribute in exact ration of property value. It is assumed that a minimum and maximum benefit can be achieved for each parcel, thus, minimum and maximum BID assessments have been established.

For those parcels identified as Commercial Condominiums, the minimum and maximum assessments shall be established for the entire building of which the Commercial Condominium is a part, in the ratios identified above.

**C. Schedule of Assessments**

The final form of this 2017 Operating Plan has attached as **Appendix E** are schedules of all the tax key numbers within the BID which are being assessed, and their assessment using this formula.

**The 2017 BID assessment total is anticipated to be \$196,387.50  
Assessment adjustments compared to previous year:**



<b>Added</b>								
31-2-0017-00	Lou's Brews Café and Lounge	LOUBERTS PROPERTIES LLC	233 E COLLEGE AVE			\$	875.00	
<b>Removed</b>								
31-3-1005-00	EVERGREEN STORAGE LLC	EVERGREEN STORAGE LLC	513 W COLLEGE AVE				\$528.25	
31-3-1006-00	EVERGREEN STORAGE LLC	EVERGREEN STORAGE LLC	516 W LAWRENCE ST				\$250.00	
<b>Increase</b>								
31-2-0235-00	NAKASHIMA	HIROYUKI NAKASHIMA	342 W COLLEGE AVE			\$	1,770.25	57%
31-2-0236-00	NAKASHIMA	HIROYUKI NAKASHIMA	338 W COLLEGE AVE			\$	2,554.75	87%
31-2-0313-00	SOMA CORPORATION	SOMA CORPORATION	204 E COLLEGE AVE			\$	847.50	6%
31-5-1100-00	KWIK TRIP INC	KWIK TRIP INC	306 N RICHMOND ST			\$	4,869.75	49%
31-5-1101-00	400 NORTH LLC	400 NORTH LLC	400 N RICHMOND ST			\$	1,407.00	55%
31-5-1918-00	500 W FRANKLIN STREET	500 W FRANKLIN STREET LLC	500 W FRANKLIN ST			\$	562.50	49%
<b>Decrease</b>								
31-2-0243-00	BATRA HOSPITALITY	BATRA HOSPITALITY GROUP INC	318 W COLLEGE AVE			\$	1,675.50	-62%

D. Assessment Collection and Dispersal

The City of Appleton shall include the special assessment levied herein as a separate line item on the real estate bill for each parcel. The City shall collect such assessments with the taxes as a special assessment, and in the same manner as such taxes, and shall turn over all moneys so collected to the BID Board for distribution in accordance with the BID Plan.

All BID assessments shall be shown on the tax bill as due and owing with the first installment of taxes and shall carry the same penalties and interest if not so paid.

Any money collected by the City of Appleton for BID assessments shall be held by the City in a segregated account.

The City of Appleton Finance Department shall provide to the BID Board by the 15<sup>th</sup> day of each month or as requested a separate financial statement for the BID along with a list of collections and source of such collections identified by tax parcel number for which the amount was collected.

Any BID assessments collected by the City before or after the Plan Year for which the assessments were made shall be held by the city in a segregated account and are to be used by the BID Board in the manner as if received during the applicable Plan Year. This provision is intended to govern BID assessments prepaid in December prior to the applicable Plan Year, as well as to delinquent and late payments made after the Plan Year.

The BID Board shall prepare and make available to the public and the City Council annual reports describing the current status of the BID, including expenditures and revenues, at the time it submits its amended Plan to the City for the following year. Following the end of the fiscal year an independent certified audit shall be obtained by the Board, and which shall be paid for out of the BID Budget. Copies of the 2014 audit are available in the ADI office and a copy was submitted to the Community Development Department with this plan.

Disbursement of BID funds shall be made in accordance with approved BID Operational Plan and Budget. Disbursements for contracted services such as those provided by Appleton Downtown Incorporated shall be done on a reimbursement basis. Invoices and documentation of services performed shall be submitted on a monthly basis to the BID Board. The BID Board shall forward these invoices for payment to the City of Appleton Finance Department. The Finance Department shall issue payment on the invoice once it has received evidence that the expenditures are eligible for reimbursement in accordance with the BID Operational Plan and Budget. This reimbursement shall be made to the service provider within seven business days of the submittal of the request to the City.

The presentation of the proposed Plan to the City shall deem a standing order of the Board under 66.1109 (4) Wis. Stats. To disburse the BID assessments in the manner provided herein. This section shall be sufficient instruction to the City to disburse the BID assessment, without necessity of an additional disbursement agreement, disbursement method, or accounting method. Other than as specified herein, the disbursement procedures shall follow standard City disbursement policy.

**E. Annual Report**

The Board shall prepare an annual report as required by section 66.1109 (3) (c) of the Wisconsin Statutes. A copy of the 2015 report is attached.

The report shall include the required audit. The required audit shall be prepared by the auditing firm conducting the annual audit for the City of Appleton. The BID shall be solely responsible for payment of any funds specified for the BID Audit related to BID activities for said BID Audit. **2015 BID Audit attached.**

The City of Appleton Finance Department shall provide an estimate of the cost of said BID audit for the following year to the BID Board no later than September 1 of the previous year.

**VII. City Role**

The City of Appleton is committed to helping private property owners in the District promote development. To this end, the City intends to play a significant role in the implementation of the Downtown plan. In particular, the City will:

1. Encourage the County and State Governments to support activities of the district.
2. Monitor and when appropriate, apply for outside funds, which could be used in support of the district.
3. Collect assessments and maintain a segregated account.
4. Provide disbursement of BID funds to service providers in accordance with the BID Operational Plan and Budget.

5. Contract with an auditing firm to conduct the Audit. Said firm shall be the same firm that conducts the City of Appleton annual audit.
6. Provide a cost estimate for said audit no later than September 1 for the following year.
7. Provide a separate monthly financial statement to the BID Board.
8. Review annual audits as required per 66.1109 (3) (c) of the BID Law.
9. Provide the BID Board through the Assessor's Office on or before June 1 each Plan Year, with the official City records on assessed value for each tax key number within the District, as of that date in each Plan Year, for purposes of calculating the BID assessment.
10. Adopt this plan in the manner required by the BID Law.
11. Appoint and confirm new BID Board members as required herein.

**VIII. Required Statements - no change has been made to this section from the previous year.**

The Business Improvement District Law requires the Plan to include several specific statements.

66.1109 (1) (f) (1.m): The District will contain property used exclusively for manufacturing purpose, as well as properties used in part for manufacturing. These properties will be assessed according to the formula contained herein because it is assumed that they will benefit from development in the District.

66.1109 (5) (a) Property known to be used exclusively for residential purposes may not be assessed, and such properties will be identified as BID exempt properties.

66.1109(1)(f)(5): Michael, Best & Friedrich, LLP has previously opined that the Operating Plan complies with the provisions of Wis Stat. sec. 66.1109(1)(f)(1-4). Michael, Best & Friedrich, LLP has confirmed that, because no substantive changes are proposed in this amendment, no additional opinion is required.

**IX. Appleton Downtown Incorporated - no change has been made to this section from the previous year.**

**A. Appleton Downtown Incorporated**

The BID shall be a separate entity from Appleton Downtown Incorporated (ADI). ADI shall remain a private not-for-profit organization, not subject to the open meeting law, and not subject to the public records law except for its records generated in connection with its contract with the BID Board, and may, and it is intended, shall contract with the BID to provide services to the BID in accordance with the Plan. Any contracting with ADI to provide services to BID shall be exempt from the requirements of sec. 62.15, Wis. Stats., because such contracts shall not be for the construction of improvements or provision of materials. If the BID does contract for the construction of improvements or provisions of material, it shall follow the requirements of such statutes to the extent applicable to assure open, competitive procurement of contracts and purchases. Further, the annual accounting required under 66.1109 (3) (c) Wis. Stats. Shall be deemed to fulfill the requirement of 62.15 (14) Wis. Stats. Ownership of assets of Appleton Downtown Incorporated shall remain solely with Appleton Downtown Incorporated.

A. Binding Clause

The adoption of this Operating Plan is subject to the BID Board contracting with Appleton Downtown Incorporated to carry out this Operational Plan, and if such contract is not entered into by the first day of the Plan Year, then the Plan shall be null and void.

**X. Severability and Expansion - no change has been made to this section from the previous year.**

The Business Improvement District has been created under authority of 66.1109 of the Statutes of the State of Wisconsin.

Should any court find any portion of the BID Law or this Plan invalid or unconstitutional, said decision will not invalidate or terminate the Business Improvement District and this Business Improvement District Operating Plan should be amended by the Common Council of the City of Appleton as and when it conducts its annual budget approval and without necessity to undertake any other act.

All of the above is specifically authorized under 66.1109 (3) (b) of the BID Law.

If it is determined by a court or administrative body that the parcel of property not be subject to general real estate taxes may not be included within the District, then said parcels shall be excluded from the definition of the district.

All appendices are hereby incorporated by this reference.

# **APPENDIX A**

**2017**

**Plan of Action**

# APPLETON DOWNTOWN INC., BUSINESS IMPROVEMENT DISTRICT and CREATIVE DOWNTOWN APPLETON INC.

## 2017 Plan of Action

### Mission

Our mission to establish a vibrant and accessible destination for business, learning, living and leisure is anchored in our focus to create an environment of success and sustainability for the new exhibition center, a robust employment center and a more liveable Downtown. Our strategic initiatives build support for an exceptional visitor experience, a strong business climate and an attractive, accessible and inclusive downtown where more people want to live.

### Vision Statement (proposed pending):

Downtown strives to be the premier urban neighborhood and talent center in the Fox Cities with world class arts and entertainment.

### Guiding Principles (Downtown plan rewrite)

- Fully embrace and leverage the diverse arts, cultural, and educational assets of the community
- Support additional neighborhood serving businesses
- Provide more housing options downtown
- Increase connectivity between the downtown, the river, and the region
- Support trails and recreational development along the Fox River
- Foster a culture of walking and biking
- Stimulate investment north of College Ave.
- Promote quality development along the Fox River by embracing the region's industrial and natural heritage
- Support diverse partnerships which make downtown more attractive for residents and visitors through: activities and events; public art and place making; on-going maintenance; and promotion and marketing
- Promote a safe, welcoming downtown
- Embrace diversity while fostering inclusiveness and accessibility for all
- Supporting downtown as an employment center for the region.
- Continue to support events and entertainment which draw visitors to Downtown Appleton including the exhibition center

### Key Accomplishments from The Past Year

Over the last 12 months our organization has experienced significant progress through several key initiatives and new projects including:

- The development of the CARE (Clean.Assess.Refresh.Enhance) Team established in partnership with Riverview Gardens and the City of Appleton. The CARE program is designed to provide employability skills to those experiencing homelessness or other barriers to employment while providing general cleaning service to the public areas of the Downtown district.

- Involvement in the Downtown Plan (Chapter 14) rewrite and community engagement resulting in guiding principles, unified vision statement, updated market study, cultural plan framework and strategic initiatives. The process has engaged over 1000 community members to discuss their hopes for the future and share ideas for growth. The plan will be finished in September and will be the basis for future ADI programs of work.
- Downtown engaged in important conversation hosted by the Plunge: Being Black in the Fox Cities whereby we identified and more fully unearthed the challenges and shortfalls we face as a community struggling with diversity and inclusion.
- ADI invested in expanding our capacity by hiring a Director of Community Partnerships to further our message of One Great Place and establish long lasting relationships with a variety of partners.
- Creative Downtown Appleton Inc. expanded the reach of public art with the addition of the Water Street Mural and the traffic control box project.

### **The State of Downtown Appleton**

The state of Downtown Appleton is strong. Across the nation there is a trend toward urban living amidst vibrant cultural districts. People, especially those without children, are desiring convenient, car-optional neighborhoods where residents can walk to work, shop and access entertainment. Downtown Appleton has benefited from this trend and the ADI board is optimistic that we are still in the very early stages of that trend.

Downtown Appleton has become the central social district in the area. ADI sponsored programs such as the Saturday Farm Market and Thursday concerts continue to grow in popularity. Special events such as the Mile of Music and Oktoberfest are attended by tens of thousands of people. With funding approved for the Exhibition Center, Downtown Appleton is poised to see even greater growth in visitors.

The employer base in Downtown Appleton is thriving and demand for office space has increased of late. Opportunities exist to further engage workers to take advantage of what Downtown Appleton has to offer.

Downtown Appleton enjoys many assets, and the opportunity to better leverage these assets is exciting: a riverfront district that is growing in popularity; a highly regarded university that brings world-class entertainment to Downtown Appleton; and historic buildings that are the core of good urban design.

Statistics indicate that Appleton is one of the safest cities in the country. However, as more people come downtown there are more security incidents and a concern about the safety of downtown.

More crowds also make it challenging to keeping our downtown clean. Today, downtown cleanliness is of utmost importance. Our recent launch of the CARE program is expected to improve downtown cleanliness, but we need to do more and ensure that we have a long term solution in place for continued financial support and growth.

In the last 25 years Downtown Appleton has become more diverse racially and ethnically. It is increasingly obvious that we need to be proactive about inclusivity. This is a challenge that ADI is recently recognizing. ADI has much to learn and our goal for this year is to better understand how we can make positive improvements. We look forward to our participation in the formation of a business diversity council under the arm of the Fox Cities Chamber of Commerce. Our goal is a downtown where ALL people feel safe and welcome.

Our work to create One Great Place is also about talent attraction. As the premier arts and entertainment district of the Fox Cities, downtown is a quality of life benefit highlighted by employers throughout the region to attract and retain a talented workforce. Employees are more often making decision on job selection based on community and quality of life. By adopting a creative placemaking approach to activating public spaces, recruiting a healthy business mix and integrating public art, we position downtown for employment growth and increased residential capacity.

### **Trends Impacting Future Downtown Development**

#### **Placemaking**

In creative placemaking, partners from public, private, non-profit, and community sectors strategically shape the physical and social character of a neighborhood, town, city, or region around arts and cultural activities. Creative placemaking animates public and private spaces, rejuvenates structures and streetscapes, improves local business viability and public safety, and brings diverse people together to celebrate, inspire, and be inspired. In turn, these creative locales foster entrepreneurs and cultural industries that generate jobs and income, spin off new products and services, and attract and retain unrelated businesses and skilled workers. Together, creative placemaking's livability and economic development outcomes have the potential to radically change the future of American towns and cities. (Source: *Creative Placemaking*, National Endowment for the Arts)

#### **New Urbanism and Urban Living**

New Urbanism promotes the creation and restoration of diverse, walkable, compact, vibrant, mixed-use communities composed of the same elements as conventional development, but assembled in a more integrated fashion, in the form of complete communities. These contain housing, work places, shops, entertainment, schools, parks, and civic facilities essential to the daily lives of the residents, all within easy walking distance of each other. New Urbanism promotes the increased use of multi-modal transportation options. Urban living is rapidly becoming the preferred way to live for people of all ages.

An annual outlook on real estate trends by the non-profit Urban Land Institute said urban living has ceased to be an emerging trend and is now the "new normal." "Younger workers in particular, though not exclusively, continue to flock to the urban core, preferring to work where they live, rather than take on long commutes," the report says. Members of the millennial generation are not the only ones giving up the more generous living space of suburbia for downtown living. Baby boomers with empty nests and the generation following the millennials, which the report calls "Generation Z," are also joining the trend.

#### **Walking and Biking**

According to Smart Growth America, "Local economic development has revolved around enticing companies to relocate with tax breaks and subsidies. There are a lot of problems with this approach, but perhaps the biggest is that today, it's a strategy that often simply doesn't work. A



new trend in local economic development is emerging. Talented workers—and the companies who want to employ them—are increasingly moving to walkable neighborhoods served by transit, with a vibrant mix of restaurants, cafes, shops, cultural attractions, and affordable housing options.” Homeowners are increasingly looking for walkable neighborhoods to settle down in. According to walkscore.com Appleton’s most walkable neighborhood is downtown. Walking score: average for downtown between 600W. College – 300 E. College: Current score average is: 82 <https://www.walkscore.com>

### **Trends and preliminary recommendations for Future Development: Source: Redevelopment Resources from the Downtown Plan rewrite**

#### **Trends:**

- Consumers demand a multi-media, primarily mobile approach to shopping.
- Consumers are spending in a more focused, deliberate manner; less overall.
- Retailers must be adept at marketing in multiple channels.
- Retail and office space is being leased and used more efficiently, so needs appear to be shrinking.
- Downtown residential demand is growing.

#### **Recommendations:**

- **Retail:** Existing space should be absorbed; any new development will be demand-driven per project.
- **Office:** Demand driven by project, estimates indicate +/-30,000 sq. ft. will be required over the next five years.
- **Hospitality:** Some absorption of existing bar/restaurant space ideal; additional capacity to follow housing increases in the downtown. Current market could absorb 2-3 mid-to- high end restaurants, and limited additional small meeting space.
- **Residential:** Over the next five years, downtown rental housing demand expected to total 385 units, where 245 units command rents of \$700-\$799; 140 units to command over \$1,000 per month. Townhomes and condos are expected to experience modest demand increases of 50 units. Single family homes are expected to add 470 units city-wide.

#### **Forward**

For the next year, the ADI board has identified three imperatives for advancing ADI’s Mission:

1. ADI needs to continue to play a vital role in the creation and launch of a successful Exhibition Center
2. Advance downtown living to increase the number of downtown residents and the economic diversity of those residents.
3. Play a more integrated role in business recruitment and retention efforts in partnership with Downtown property owners

#### **Goals**

The following goals are crafted to be inclusive of the work by Appleton Downtown Inc. and Creative Downtown Appleton Inc. supported in part by Business Improvement District funds. Please note several of the key performance indicators are tracked on the Vitality Index attached. New key performance indicators have also been included.

**Goal A: The premier destination of the Fox Cities**

**Key objectives**

**Convention and visitor attraction**

**Tell the One Great Place story**

**Provide an exceptional visitor experience**

**Initiatives**

- Assist the Convention and Visitors Bureau (CVB) and the Radisson with convention and event attraction
- Continue to host 100+ events annually
- Advocate for the redevelopment of Jones Park including the addition of an amphitheater
- Continue to partner with Mile of Music and Octoberfest on event coordination

- Enhance our social media depth with content creation
- One Great Place for your convention promotion
- Expand our message about the role downtown and ADI's work plays in talent attraction for the region

- Develop an Ambassador program focused on enhancing the convention visitor's experience outside of the Exhibition Center
- Explore opportunities to connect visitors to the riverfront
- Continue the CARE program in partnership with Riverview Gardens and the City of Appleton
- Plan to respond to visitor feedback

**Key Performance Indicators – Please reference the Vitality Index**

- Downtown hotels increase occupancy
- Exhibition Center bookings are attained

- Social media numbers increase
- Number of talent recruitment programs that ADI participates in or leads increases

- CVB reports high satisfaction from visitor groups and meeting planners
- Exhibition Center meets revenue targets

**Goal B: A liveable and walkable downtown neighborhood**

**Key Objectives**

**Increased residential demand and capacity**

**Enhanced walkability**

**Strengthened Neighborhood**

**Initiatives**

- Define trends and craft a vision and messaging for residential investment
- Host a Tour of Homes event to showcase the variety and quality of downtown living options
- Encourage second floor residential improvements to increase property values, retain tenants and increase rental rates
- Partner with the City and private developers to identify sides for potential housing options and projects

- Continue to support and expand the Downtown CARE program (Clean.Assess.Refresh.Enhance) in partnership with Riverview Gardens and the City of Appleton
- Add more seating options to public spaces
- Add dog friendly amenities to the district
- Promote the Fox Trot Trail to further enhance connectivity to the riverfront
- Explore the creation of a dog park within the district

- In partnership with the Downtown Appleton Neighborhood Group (DANG), administer a Downtown survey to identify needs and desired amenities
- Establish a grocery store recruitment taskforce
- Explore amenities like: bike, kayak and car sharing programs
- Work with law enforcement, business and residents to develop a security strategy with specific initiatives for the 2018 plan.
- Develop a residential garbage strategy

**Key Performance Indicators – Please reference the Vitality Index**

- Residential rental rates increase
- Housing stock options expands

- CARE reports indicate less high level maintenance needs
- Walkability Score (82)

- A needs and amenities baseline list is compiled and a Livability Score established
- Grocery store is recruited to the district

**Goal C: A healthy business climate**

<b>Key Objectives</b>		
Entrepreneurism Support	Employment Center Growth	Riverfront Development Support
<b>Initiatives</b>		
<ul style="list-style-type: none"> <li>Continue grant programs: business recruitment, facade improvement, marketing</li> <li>Distribute new market study data</li> <li>Participate in the development of a Business Diversity Council</li> <li>Provide exhibit and sales opportunities for local artisans</li> </ul>	<ul style="list-style-type: none"> <li>Develop a multimedia business recruitment packet in partnership with the City of Appleton and the Fox Cities Regional Partnership</li> <li>Present and distribute new Downtown plan initiatives and opportunities at a development summit and open house event</li> <li>Administer a business retention survey</li> </ul>	<ul style="list-style-type: none"> <li>Riverfront BID feasibility task force</li> </ul>
<b>Key Performance Indicators - Please reference the Vitality Index</b>		
<ul style="list-style-type: none"> <li>Increased number of businesses in the district</li> <li>Number of minority owned businesses increases</li> </ul>	<ul style="list-style-type: none"> <li>Employment numbers increase</li> <li>Occupancy rate increase</li> </ul>	<ul style="list-style-type: none"> <li>Recommendation for a riverfront BID or other development support tool is determined</li> </ul>

**Goal D: An inclusive physical and social architecture**

<b>Key Objectives</b>		
Improved accessibility	An inclusive environment	Activated public spaces
<b>Initiatives</b>		
<ul style="list-style-type: none"> <li>Continue to include accessibility improvements in facade grant criteria in partnership with Access Appleton</li> <li>Preparation for Mobility study</li> <li>recommendations: communication and parking adjustments</li> <li>Add bike friendly amenities</li> <li>Participate in Jones Park renovation planning</li> <li>Bike to work program established</li> </ul>	<ul style="list-style-type: none"> <li>Provide diversity training sessions for our members that reflects our aspiration for all cultures and communities of people to feel safe and welcome downtown</li> <li>Provide opportunities for multicultural inclusion in events and public art projects</li> <li>Adopt a policy for vendor and sponsor conduct at ADI events</li> </ul>	<ul style="list-style-type: none"> <li>Develop an arts and culture plan in partnership with Fox Arts Network (FAN)</li> <li>New placemaking initiatives that create social and safe public places</li> </ul>
<b>Key Performance Indicators</b>		
<ul style="list-style-type: none"> <li>10 Big Bell or access grants are awarded</li> <li>Number of employees biking to work increases – baseline established this year</li> </ul>	<ul style="list-style-type: none"> <li>Feedback from community leaders representing the cultural communities</li> </ul>	<ul style="list-style-type: none"> <li>Arts and Culture plan for the CBD and Riverfront is adopted</li> </ul>

# **Appendix B**

## **Vitality Index**

## Downtown BID Vitality Index

Measurement	2013	2014	2015	Source
Downtown Employment	7425	7493	7596	ADI
Student count		1519	1570	LU/Valley New School
BID District property value	\$121,992,200	\$121,863,600	\$120,855,100	City of Appleton
Traffic count on College Ave.	13,100 – 19,600	13,100-19,600	19,000 at Badger & Story 13,700 at Drew St. & College	2010 and 2013 City Traffic Counts
New Businesses	27	23	24	ADI
Business Closing or Move	13	16	11	ADI
Overall vacancy rate based on total number of available units	21%	20%	21%	ADI: 426 total units
Business Mix By Property				
Office	25%	33%	23%	ADI
Attractions	3%	3%	3%	ADI
Hospitality	17%	21%	16%	ADI
Retail	21%	20%	16%	ADI
Service	18%	23%	20%	ADI
Trolley riders	5756	6904	5864	Lamers
Event Attendance				
Death by Chocolate	400	450	450	tickets sold
Farm Market Summer	Up to 10,000	Up to 10,000	Up to 10,000	tickets sold
Farm Market Winter	Up to 1000	Up to 1500	Up to 2000	
Concerts in the Park	1500-2000	1750 - 2500	1750-2500	
Art on the Town	Up to 1000	Up to 1000	Up to 1000	
Soup Walk	400	450	450	tickets sold
BYGD	180	195	200	tickets sold

Walkability Score		N/A	79	82 average	Walkscore.com
APD Calls for Service in BID		197	226		APD reported
Hotel occupancy Radisson Increase over previous year			16.6% increase	7.7% increase	Radisson PVH
Hotel occupancy Copper Leaf Increase over previous year				4.4% increase	Copper Leaf Hotel
Residential rental rates – range				\$450 - \$1500	Loopnet
Commercial rental rates Class A – range				\$14 - \$22/sq ft	Loopnet
Commercial retail space rental rates – range				\$6 - \$12/sq ft	Loopnet

Appleton Downtown Facebook Page Likes	8958		Website Page Views	97,073
Downtown Appleton Farm Market Facebook	13000		Website Sessions	54,113
Downtown Appleton Food & Fun Facebook Page Likes	1789		Top Referral Sites	1801 2022 666 349
			com.google.android.googlequicksearchbox Facebook bing.com travelwisconsin.com	
Dwtneapolis Twitter	5680		Top Landing Pages	22948 13117 12748 7880
			Events Calendar 2016 Summer Concerts Business Directory Farm Market	
Appletonfarmmkt Twitter	2922		Eblast Active Contacts	4175
Instagram Followers	1072		By Device: Desktop 43%, Mobile 46%, Other 11%	
Website Visits by Location			Website Visits from Social Media	95% 4% 1%
Appleton, WI	37.5%		Facebook	
Neenah, WI	5.9%		Twitter	
Unknown	5.4%		LinkedIn	
Chicago, IL	4.2%			
Green Bay, WI	3.9%			
Milwaukee, WI	3.3%			
Oshkosh, WI	2.2%			

# **APPENDIX C**

**2017**

**Budget**

**Business Improvement District Budget 2017**

		<b>2016 Budget</b>	<b>2017 Budget</b>
<b>REVENUE</b>			
	BID Assessments	193,125	196,387
	Carry Over from Prior Year	7,200	
	Interest Income		
<b>EXPENSES</b>			
<b>Contracted Services</b>			
	ADI Staff	37,500	35,000
	Security Washington Sq	2,500	2,500
<b>Administrative</b>		7,000	6,387
	Telephone		
	Food/Provisions		
	Office Supplies		
	Postage		
	Conferences/Workshops		
	Dues, Fees, Subscriptions		
	Space Lease/Rental Fees		
	General Insurance		
	Parking Permits		
	Internet Fees		
<b>BID Audit/Accounting Services</b>		2,500	2,500
<b>Marketing</b>		87,000	85,000
	Website		
	Image Advertising		
	Design services		
<b>Economic Development</b>			
	Facade Grants	25,000	20,000
	Marketing Grant	10,000	10,000
	Recruitment Grant	10,000	10,000
	Maintenance	11,325	15,000
	Business Recruitment	7,500	10,000
	- Recruitment Packet		
	- Advertising		
		<b>200,325</b>	<b>196,387</b>



# APPENDIX D

## 2016 BID Board List

<b>Board Member</b>	<b>Business</b>	<b>Category</b>
Monica Stage – Treasurer	City of Appleton	City Government
Pam Ulness	Ulness Health and Downtown Resident	Property owner / service & Residential
Brad Schweb	Newmark Grubb Pfefferle	Property owner representative
Gary Schmitz – President	Universal Insurance	Business office / service
Steve Winter	Real Estate developer	Property Owner / retail
Mark Behnke – Secretary	Behnke Enterprises	Property Owner / hospitality & Retail
Jason Druyman	Avenue Jewelers	Retail & property/co-owner
Leah Fogle	Appleton Beer Factory	Hospitality owner
Nate Weyenberg	Angels Forever Windows of Light	Property Owner / retail

# **Appendix E**

## **Schedule of Assessments**