



*KENOSHA LAKESHORE BUSINESS
IMPROVEMENT DISTRICT*

**THURSDAY, October 20, 2016
KENOSHA AREA BUSINESS ALLIANCE
5500 6TH AVENUE, SUITE 200
8:30 AM**

CALL TO ORDER/ROLL CALL

- I. Approval of Minutes of September 15, 2016**
- II. Chairman Comments (5 min.)**
- III. Direction for 2017 (35 min.)**
 - a. October - Public Meeting Review**
 - b. 2017 Budget**
- IV. Open Items & Discussion (5 min.)**
 - a. Open Items**
 - b. Next meeting / Agenda items**

ADJOURNMENT



*KENOSHA LAKESHORE BUSINESS
IMPROVEMENT DISTRICT*

THURSDAY, September 15, 2016
KENOSHA AREA BUSINESS ALLIANCE
5500 6TH AVENUE, SUITE 200
8:30 AM

MEETING MINUTES

PRESENT: Maria Caravati, Kevin Ervin, Deanna Goodwin, Mark Johnson, Zohrab Khaligian, Paul McDonough, Don Miller, Lou Molitor, Mike Thomey

GUESTS: Alderperson John Fox, Alderperson Kevin Mathewson, Bes Bajrami, James Lawson (Kenosha News), Francisco Loyola, Christopher Naumann

CALL TO ORDER/ROLL CALL

The meeting was called to order at 8:32 am by Chairperson Paul McDonough. A quorum was present.

1. APPROVAL OF MINUTES OF JUNE 16, 2016

A motion was made by Mark Johnson to approve the June 16 meeting minutes, seconded by Lou Molitor. Motion passed.

2. CHAIRMAN COMMENTS

Paul McDonough commented that it was a fantastic summer season for our downtown. Overall, the weather was terrific, which helped the many events to achieve record crowds! While the summer was packed with events, perhaps the highlight was Labor Day Weekend where the Classic Car Show had 1,600 +cars and together with Cheese-a-Palooza, and HarborMarket, there were 25,000 - 30,000 people in Downtown Kenosha. HarborMarket averaged 10,000-12,000 people per Saturday, with a peak of 14,500 on July 2. The Market continues to be an outstanding event drawing visitors from thru out the county and beyond.

3. DKI MAIN STREET UPDATES

Downtown Director Christopher Naumann reported that DKI's move to 812 56th Street is complete and the Chamber of Commerce has taken over bookkeeping and check processing.

The withdrawal of funding from the City and KABA, will result in a \$45,000 shortfall which will be discussed later in the agenda.

Committee Updates:

Organization is focusing on volunteer recruitment and developing partnerships with other organizations. The most recent volunteer appreciation social at Mangia's had 90 people sign up and 70 attend.

Economic Restructuring continues to try and secure a bank(s) to provide funding for a facade improvement program and is working with WWBIC for business recruitment and retention.

Design is working on a bench program, new downtown street pole banners (with a vote on a design at the next meeting) and a 2nd historic walking tour.

Promotion is promoting a Fall Fest evening block party on 58th Street to complement the City's Fall Fest afternoon event, in the initial planning stages for Lightin' Up which will include the business decorating contest and Small Business Saturday promotion, and in the very early stages of discussing Snow Daze and Restaurant Week 2017. Promotion is also trying to recruit more volunteers to join the Marketing sub committee in order to implement the recently approved DKI Marketing Plan.

4. DIRECTION FOR 2017

- a. Wisconsin BID Comparison Review
- b. BID Budget History & Process Review
- c. 2017 Budget

Christopher Naumann presented all 3 items in a PowerPoint presentation. Key points included:

- * BID budget was \$130,000 in 2005, which was reduced to \$55,000 for 2006 following an attempt to dissolve the BID and then increased to \$80,000 to help fund DKI
- * BID property owners currently pay \$1.50/\$1000 of assessed value into the BID assessment. The average for all State BIDs is \$2.64/\$1000 of assessed value. When the Lakeshore BID was founded, 3 decades ago, property owners paid \$4.16/\$1000 of assessed value.
- * DKI's annual budget is between \$135,000-\$160,000. The City & KABA's withdrawal results in a \$45,000 reduction plus another \$10,000 reduction in in-kind costs
- * The first proposed change to the budget is to return to a fixed mill-rate instead of a fixed budget amount. This would allow the BID budget to grow as new development is introduced and the overall assessed values increase.
- * The second proposed change to the budget is to increase the mill-rate to \$2.50/\$1000 assessed value to be closer to the State BID average.

The first two changes would result in an increase in the BID budget from \$80,000 to \$133,000. Together with the continued contributions by KACVB and the

Chamber of Commerce should cover the anticipated DKI and BID expenses for 2017 and there may be a surplus that could be used to address sidewalk snow removal.

- * The third proposed change is to collect an annual fee from non-BID businesses that are located in the Downtown Kenosha marketing area to be included in the printed and on-line business directory and Second Saturday, Lightin' Up and other promotional events. A question was asked how this fee would be solicited and it was suggested that a voluntary donation would be requested in 2017 but then a mandatory fee be charged in 2018.

Frustration over the City withdrawing their financial support of DKI administrative costs was discussed, particularly because the creation of a Main Street Program was a priority of the Downtown Plan and it is at an early stage of the development of DKI. It was explained that the City is spending over \$20,000,000 to assemble property as a catalyst to new development and to construct a new parking ramp to contend with parking demand, both of which are also a priority of the Downtown Plan. DKI's hope is that, based on DKI's future performance, that the City will resume funding DKI's administrative costs. BID Board members may meet with the Mayor to express their frustration.

e. October Public Meeting

A motion was made by Zohrab Khaligian to schedule a public meeting to discuss the 3 proposed budget changes during the week of October 10, seconded by Lou Molitor. Motion passed. The BID board scheduled a special meeting at 8:30am on Thursday, October 20 to adopt a final budget to submit to the City. It was also mentioned that DKI's State of the Downtown meeting would be held on Thursday, October 27.

f. Officer Elections

2017 Officer elections were postponed until the BID's December 15 meeting to give current board members time to consider their interest in serving as a board officer.

5. OPEN ITEMS & DISCUSSION

a. Board Membership

Terms for Maria Caravati, Kevin Ervin and Scott Holloway expire in November. They are all eligible and interested in reappointment for another 3 year term. A motion was made by Zohrab Khaligian to request that the Mayor and Common Council approve their reappointments, seconded by Lou Molitor. Motion passed.

b. Open Items

None

c. Next Meeting/Agenda Items

Thursday, October 20, 8:30am, to review and approve 2017 Budget

Meeting was adjourned at 10:10 am.

SCORECARD: DOWNTOWN KENOSHA

January 1 - Sept 30, 2016

Downtown Kenosha Inc. (DKI) is required, per its State of Wisconsin accreditation (WEDC) to maintain monthly data keeping practices to track various efforts of community development. As a service to our partners, DKI produces quarterly scorecards to show progress over some of these same datapoints.

Businesses Support

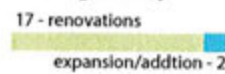
As part of its economic revitalization mission, DKI tracks several business categories. DKI measures how many business outreach efforts are being made, this includes both informal check-in's and formal consultative visits. The meetings are valuable to gauge business success, and challenges. It offers business and property owners and opportunity to get face-to-face updates, have questions answered, and learn about opportunities that exist downtown to participate in the program. This service is valued by many of our small businesses who want to build relationships and create a deeper downtown experience. DKI tracks business activities and job generation.



Business Activity



Building Activity



Downtown Employment



> \$ 1,212,000*
in NEW Investment
* includes recent City
"land bank" investments

Progress on Strategic Plan

In 2012, The Lakota Strategic Plan for Downtown Kenosha was published after a comprehensive participatory planning process. It outlines 24 specific initiatives to drive Downtown forward. Each initiative is driven by partners and stakeholders of the Downtown.



Progress #12

Core Downtown Streetscape

Enhancements to streetlighting decor by the Design Committee have been implemented. New Downtown Banners are being developed for 2017 as well as new public bench seating concepts. The City of Kenosha is currently planning to resurface much of the 6th Avenue Corridor in 2017 with new paving and sidewalk repairs.

Progress #19

Shared Parking Facility

The City of Kenosha recently announced it would be pursuing a public parking structure on the corner of 56th Street and 8th Avenue. The City has already secured the property and has approved up to \$8 Million on what could be a parking deck facility for up to 400 vehicles.

Marketing

DKI markets downtown to a very broad audience. Not only are we looking to communicate business opportunities, we are also building a supportive Downtown culture through multiple media channels. We track our internet performance and social media statistics which give us indicators to the breadth and scope of our reach and influence.

DKI website visits (Jan-Sept)

18,752 sessions*
> 234,351 pageviews
*Sessions Up 16.5% year-to-year.

Social media reach

> 1,247,309 post reach
> 2,714,665 impressions
> 13,252 likes
> 2,617 shares

E-mail Reach

> 2,131 newsletter list
> 908 business list
> 351 volunteer list

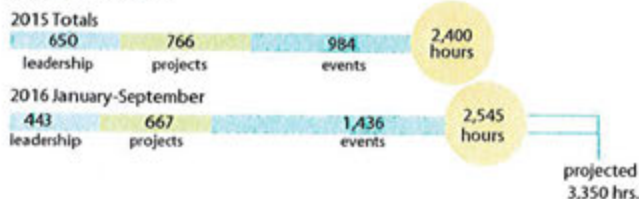
Printed Reach

> 10,000 fall/winter map
> 15,000 spring/summer map
> 500 monthly 2nd Sat.

Volunteer Base

Measuring DKI's volunteer base is a strong indicator to the level of stakeholder engagement the program is leveraging for project management and labor. Volunteers are the backbone for DKI, and showing consistency and growth and assigning a dollar value to this data is key in determining the value of the program's influence.

Volunteer hours



*based on \$23.07/hour
of value per the Federal
BLS, March 2015

Increasing the BID Mil-Rate/Levy

A Proposed BID Budget for 2017

Budget Proposal

Income

\$125,000-\$133,000 (estimated with a new mil-rate of \$2.50)

Expenses

Streetscape/Flowers/Seasonal Lights	\$25,000*
Promo Ads/Marketing project	\$25,500*
DKI Contribution admin	\$70,000*
Annual BID Audit admin	\$3,500
BID Bookkeeping	<u>\$1,000</u>
	\$125,000
Projects of Opportunity/Cushion	\$8,000**

* Paid to DKI for Projects or Services

** In the event the collection exceeds a conservative estimation of \$125,000, the BID Board should consider adding a Projects of Opportunity fund to take on projects in the event collections increase the budget line. (valuation shifts). The cushion allows additional work, like snow removal, if collections are above estimates, and a margin of error in the event collections are below estimates.

Increasing the BID Mil-Rate/Levy

Proposed Mil-Rate Adjustment



A commercial property worth \$100,000 (tax assessment), contributed approximately \$150.00 above their regular property taxes, as a BID contribution, in 2015. The total collection floats based on what the overall tax assessment value is of the Downtown year-to-year. If the Downtown experiences a great valuation change, the mil-rate stay the same but the amount collected is directly affected.

Kenosha Lakeshore Business Improvement District



A commercial property worth \$100,000 (tax assessment), contributed approximately \$150.00 above their regular property taxes, as a BID contribution, in 2015. However, the rate floats based on what the overall tax assessment value is of the Downtown year-to-year. If the Downtown experiences a great valuation change, the mil-rate is directly affected, causing an unstable annual BID contribution by individual taxpayers to meet the \$80,000 requirement.

Kenosha Lakeshore Business Improvement District

(BID) - 2016 BID Goals & Objectives

- reduce commercial and residential vacancies
- create a comprehensive advertising and marketing campaign
- promote cooperation with the City to beautify the BID, update infrastructure and preserve historic heritage.

2016 Budget

- **Income \$80,000** (Fixed Collections)
- **Expenses** Streetscape/Flowers project **\$25,000***
- Promo Ads/Marketing project **\$25,500***
- DKI admin contribution **\$25,000***
- Annual BID audit **\$3,500**
- BID Bookkeeping **\$1,000**

*Paid to DKI for Projects or Services

THEN VS NOW**Kenosha BID Tax Comparison****1985 vs 2016**

30 years Ago

<u>Street Address</u>	<u>1985</u>	<u>2016</u>	Estimated wi <u>2017</u>
5700 6th Ave	\$806	\$598	\$934
5814 6th Ave	\$212	\$233	\$352
5500 8th Ave	\$1,649	\$588	\$913
726 58th St	\$252	\$195	\$307
5801 6th Ave	\$569	\$211	\$163
5537 6th Ave	\$295	\$324	\$505
4924 7th Ave	\$447	\$257	\$408
5918 6th Ave	\$617	\$602	\$973
5606 6th Ave	\$905	\$838	\$1,301
5711 6th Ave	\$743	\$322	\$518
5614 6th Ave	\$316	\$207	\$332
5125 6th Ave	\$9,736	\$4,960	\$8,991
5901 6th Ave A	\$209	\$146	\$234
5012 7th Ave	\$204	\$186	\$315
5801 6th Ave	\$569	\$211	\$163
508 58th St	\$86	\$146	\$219
5523 6th Ave	\$260	\$261	\$253
5905 6th Ave A	\$249	\$172	\$275
5529 6th Ave	\$165	\$205	\$338
702 58th St	\$1,456	\$804	\$706
5500 8th Ave	\$1,649	\$588	\$913
5915 6th Ave A	\$238	\$242	\$360
5625 6th Ave	\$2,676	\$630	\$953
625 57th St	4433	2677	\$4,284
5800 7th Ave	6412	3005	\$4,810