

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 06/18/2025

Original Fiscal Note

SUBJECT: From the Economic Development Director, requesting approval to modify the Contribution Agreement, process appropriation transfers needed to modify budgets, and commit to capital funding in 2027 and 2028 associated with changes resulting from the 3rd Amendment to the lease between Milwaukee County and the Marcus Center for Performing Arts

FISCAL EFFECT:

- | | |
|--|---|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed within Agency's Budget
<input checked="" type="checkbox"/> Not Absorbed within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input checked="" type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|--|---|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Years
Operating Budget	Expenditure	\$0	\$1,750,000 (five years)
	Revenue	\$0	\$0
	Net Cost	\$0	\$1,750,000
Capital Improvement Budget	Expenditure	\$0	\$1,550,000 (2027 & 2028)
	Revenue	\$0	\$0
	Net Cost	\$0	\$1,550,000

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
 - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
 - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
 - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
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- A. Adoption of this resolution will authorize the Department of Administrative Services to modify the Contribution Agreement with the Marcus Center for the Performing Arts, Inc. (MCPA) to continue support for the next five years from 2026-2030. Support will be \$450,000 in 2026, \$450,000 in 2027, \$400,000 in 2028, \$225,000 in 2029, and \$225,000 in 2030. The resolution also authorizes the reallocation of capital funding from 2024-2026 from the Phased Building Exterior Cladding project to more immediate needs that will reduce expenses, increase revenues, or deal with an immediate need of the building for MCPA. Additionally, the resolution commits capital funding support of \$755,000 in 2027 and \$800,000 in 2028.
 - B. There are no direct costs, savings, or anticipated revenues in the current budget year. The recommended operating contribution to Marcus is for future years 2026-2030. The capital dollars in 2024 and 2025 are part of those respective budgets and are being reallocated from the Phased Building Exterior Stone Cladding project, which is not an immediate need, to projects that will help reduce expenses, increase revenues, or deal with an immediate property need of Marcus including security screening equipment, upgraded building security, Uihlein Hall Orchestra shell removal, peck drain line & campus paving, and digital signage.
 - C. The fiscal impact in future budget years for the increase in operating support is \$1,750,000 (2026-2027). The 2026 Phased Building Exterior Stone Cladding will be replaced in the 2026 capital budget with projects identified by MCPA that reduce

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

expenses, increase revenue, or meet an immediate safety or property need as approved by Milwaukee County in an amount not to exceed \$757,295. Additionally, this resolution commits to funding \$755,000 of new capital projects in 2027 and \$800,000 in 2028 for projects identified by MCPA that reduce expenses, increase revenue, or meet an immediate safety or property need. The changes in future budget years are summarized below in this chart:

D.

Year	OPS	CAP	Reallocated CAP	Net Levy Impact
2025		\$ 1,292,663.00	\$ (1,292,663.00)	\$ -
2026	\$ 450,000.00	\$ 757,295.00	\$ (757,295.00)	\$ 450,000.00
2027	\$ 450,000.00	\$ 755,000.00	\$ -	\$ 1,205,000.00
2028	\$ 400,000.00	\$ 800,000.00	\$ -	\$ 1,200,000.00
2029	\$ 225,000.00	\$ -	\$ -	\$ 225,000.00
2030	\$ 225,000.00	\$ -		\$ 225,000.00
TOTAL	\$ 1,750,000.00	\$ 3,604,958.00	\$ (2,049,958.00)	\$ 3,305,000.00

25/26 Projects funded with re-allocated CASH funding from 24/25 Agreement appropriations and anticipated 26 cladding appropriations (from 2nd amendment) to be reallocated pursuant to approval of the 3rd amendment.

E. No interpretations or assumptions were utilized.

Prepared by: Erica Goblet, Project Manager, DAS - Economic Development

Authorized Signature: Celia Benton

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required