

COUNTY OF MILWAUKEE  
INTEROFFICE COMMUNICATION

**DATE:** February 13, 2026

**TO:** Marcelia Nicholson-Bovell, Chairwoman, County Board of Supervisors

**FROM:** Isaac Rowlett, Interim Director, Office of Strategy, Budget, & Performance (SBP)  
Nichole Todd, Senior Policy Manager, SBP  
Lindsey Peterson, Operating Budget Manager, SBP

**SUBJECT:** From the Interim Director, Office of Strategy, Budget, & Performance, requesting authorization to apply for and accept three Act 12 Innovation Grant Applications and enter into associated service transfer agreements with service partners

**File Type:** Action Report

---

**REQUEST**

The Interim Director, Department of Office of Strategy, Budget, & Performance requests authorization to apply for and accept three Act 12 Innovation Grant Applications and enter into associated service transfer agreements with service partners.

**POLICY**

This report is provided pursuant to *Wis. Stat. § 59.52(19)* and Milwaukee County Code of General Ordinances § 56.06, as well as applicable provisions of *Wis. Stat. § 79.038 Innovation grants and innovation planning grants*.

Wisconsin State Statutes:	§ 59.52(19), § 79.038
Milwaukee County Code of General Ordinances:	MCGO 56.06
Specific Adopted Budget:	N/A
Specific Adopted Budget Amendment:	N/A
Specific Adopted Capital Project:	N/A

**BACKGROUND**

The Innovation Grant Program (Wis. Stat. § 79.038) was created by 2023 Wisconsin Act 12 and modified under 2025 Wisconsin Act 15; it is administered by the Wisconsin Department of Revenue (DOR). Through this opportunity, a county, municipality, or tribe can apply for an innovation grant to support the transfer of an allowable service to another county, municipality, tribe, nonprofit organization, or private entity (transferee). The purpose of this program is to generate long-term cost savings for local governments by transferring services.

If awarded, the annual award is equal to 25% of the total costs of providing the service in the calendar year immediately preceding the transfer as outlined in the contract/agreement (referred to as the "baseline" year). The number of annual payments an applicant can receive (3-5) is based on the date of the first grant payment (the earliest possible payment being 3/20/26) and the duration of the service transfer/number of contract years.

Once awarded, to remain eligible each year the total post-consolidation costs of the transferred service cannot exceed 115% of the total costs for those entities to provide the service during the baseline year.

Following the passage of Act 12 in 2023, the Director of the Office of Strategy, Budget, & Performance assigned the policy team within the Project Management Office to review the administrative rule that was promulgated by DOR in spring of 2025 and amended in July 2025, and assess all potential opportunities within Milwaukee County for eligible projects under the innovation grant program. Staff met with all administrative departments and elected offices that manage services that were eligible under the program.

The three Milwaukee County service transfers that met all innovation grant program and readiness criteria are DAS-Economic Development projects that are included within the service category of “economic development and tourism”.

All three service transfers have either been previously approved by the Board of Supervisors (items 1 and 2 below) or are being presented during the current March 2026 board cycle (item 3 below). The request for approval to apply for the grant and enter agreements in this report pertains only to the acceptance of innovation grant awards; *it does not alter previously approved actions in any way.*

Each application requires a signed agreement that describes, among other things, the total cost of the service during the baseline year; the amount the transferor will pay to the transferee for the length of the agreement; and details regarding how the grant award will be allocated to the County and the transferee. These agreements are attached to this file and are contingent on receiving an innovation grant award and no parties are obligated to honor the terms of these agreements if a grant award is not received.

**Service transfers/applications for which authorization is being requested:**

1. Transfer of operations of Charles Allis Museum [Service] from Milwaukee County, a government entity [Transferor] to the Charles Allis and Villa Terrace Museums, Inc., a private non-profit organization [Transferee 1]. *Approved per File 24-940 (12/2024) and*

Transfer of operations of Villa Terrace Decorative Arts Museum [Service] from Milwaukee County, a government entity [Transferor] to Villa Terrace Museum and Gardens, LTD, a private non-profit organization [Transferee 2]. *Approved per File 24-940 (12/2024).*

2. Transfer of operations of Marcus Center for the Performing Arts [Service], from Milwaukee County, a government entity [Transferor] to Marcus Center for the Performing Arts, a private non-profit organization [Transferee]. *Approved per File 25-467 (9/2025).*

3. Transfer of operations of the Wil-o-Way facilities and programming at the Grant and Underwood locations [Service] from Milwaukee County, a government entity [Transferor] to Easter Seals Southeast Wisconsin, Inc, a private non-profit organization [Transferee], *Department of Administrative Services is requesting authorization in current Board cycle.*

If awarded, grant allocations to Transferees will be as follows:

**Service Transfer 1:** The State of Wisconsin will allocate 100% of the award to Milwaukee County [Transferor]. Milwaukee County will retain 85% of the award and will provide 15% of the award to Charles Allis and Villa Terrace Museums, Inc. and the Villa Terrace Museum and Gardens, LLC. [Transferees]. The 15% shall be split equally between the two Transferees.

**Service Transfer 2:** The State of Wisconsin will allocate 100% of the award to Milwaukee County [Transferor]. Milwaukee County will retain 85% of the award and will provide 15% of the award to Marcus Center for the Performing Arts [Transferee].

**Service Transfer 3:** The State of Wisconsin will allocate 100% of the award to Milwaukee County [Transferor]. Milwaukee County will retain 80% of the award and will provide 20% of the award to Easter Seals Southeast Wisconsin, Inc. [Transferee]. The parties agree that the 80% that goes to the Transferer will support Milwaukee County Department of Health and Human Services (DHHS) programming and the 20% that goes to the Transferee will go to a maintenance reserve to be maintained by the Transferee.

**Table A: Summary of Service Transfer Grant Distributions**

Project/Application		Annual Grant Payment	Number of Payments Based on Length of Agreement	Total Grant Payments	Percent Award Retained by Milwaukee County	Net Grant Payment Amounts Retained by Milwaukee County
1.	Charles Allis Museum & Villa Terrace Decorative Arts Museum	\$72,463	3	\$217,389	85%	\$184,779
2.	Marcus Center for the Performing Arts	\$135,676	5	\$678,380	85%	\$576,623
3.	Wil-o-Way	\$135,846	4	\$543,382	80%	\$434,707
		<b>\$343,984</b>	-	<b>\$1,439,150</b>	-	<b>\$1,196,109</b>

**NEXT STEPS**

Upon authorization by the Board of Supervisors to apply for and accept the grants and enter into associated agreements, the applying departments will advance the agreements for approval following the County contract process and SBP will submit the innovation grant applications in the DOR online portal per the March 31, 2026 deadline.

**ALIGNMENT TO STRATEGIC PLAN**

The Act 12 Innovation Grant Program aligns with goal *3B: Enhance the County’s fiscal health and sustainability*, of Milwaukee County’s strategic plan, as it provides an opportunity to receive grant funding to transfer eligible services that will provide a long-term financial benefit to Milwaukee County while maintaining these critical institutions and programs in our community.

**VIRTUAL MEETING INVITES**

Nichole Todd, Senior Policy Manager, Office of Strategy, Budget, & Performance:  
[nichole.todd@milwaukeecountywi.gov](mailto:nichole.todd@milwaukeecountywi.gov)

Lindsey Peterson, Operating Budget Manager, Office of Strategy, Budget, & Performance:  
[lindsey.peterson@milwaukeecountywi.gov](mailto:lindsey.peterson@milwaukeecountywi.gov)

Ashley Adsit, Director of Project & Performance Management, Office of Strategy, Budget, & Performance:

[ashley.adsit@milwaukeecountywi.gov](mailto:ashley.adsit@milwaukeecountywi.gov)

Celia Benton, Economic Development Director, Department of Administrative Services:

[celia.benton@milwaukeecountywi.gov](mailto:celia.benton@milwaukeecountywi.gov)

Erica Goblet, Economic Development Project Manager, Department of Administrative Services:

[erica.goblet@milwaukeecountywi.gov](mailto:erica.goblet@milwaukeecountywi.gov)

Rami Peltz, Leasing Manager, Department of Administrative Services:

[rami.peltz@milwaukeecountywi.gov](mailto:rami.peltz@milwaukeecountywi.gov)

Tina Anderson, Aging & Disability Services Administrator, Department of Health and Human Services:

[tina.anderson@milwaukeecountywi.gov](mailto:tina.anderson@milwaukeecountywi.gov)

Jacqueline Formanek, Director for Disability Services, Department of Health and Human Services:

[jacqueline.formanek@milwaukeecountywi.gov](mailto:jacqueline.formanek@milwaukeecountywi.gov)

**PREPARED BY:**

Nichole Todd, Senior Policy Manager, Office of Strategy, Budget, & Performance

Lindsey Peterson, Operating Budget Manager, Office of Strategy, Budget, & Performance

**APPROVED BY:**



---

Isaac Rowlett, Interim Director, Office of Strategy, Budget, & Performance

**ATTACHMENTS:**

RESOLUTION

FISCAL NOTE

Individual Agreements

cc:

David Crowley, County Executive

MaryJo Meyers, Chief of Staff, Office of the County Executive

Members of the Committee on Finance

Scott Brown, Corporation Counsel

Steve Cady, Director of Research and Policy

Katie Domina, Director of Government Affairs, Office of the County Executive

Isaac Rowlett, Interim Director, Office of Strategy, Budget, & Performance

Shakita LaGrant-McClain, Executive Director, Department of Health and Human Services

Aaron Hertzberg, Director, Department of Administrative Services

Ashley Adsit, Director of Project & Performance Management, Office of Strategy, Budget, & Performance

Kelly Bablitch, Chief of Staff, County Board of Supervisors

Allyson R. Smith, Committee Coordinator