

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE : October 10, 2017

TO : Theodore Lipscomb, Sr., Chairman, Milwaukee County Board of Supervisors

FROM : Teig Whaley-Smith, Director, Department of Administrative Services

SUBJECT : Wasserman – Sports & Entertainment Arena Agreement

Information Requested

Supervisor Wasserman requested information as to whether Milwaukee County can change or re-negotiate the existing agreement related to the construction of a new Milwaukee Arena. Supervisor Wasserman also requested information as to whether or not the contribution by Milwaukee County is indexed to inflation.

Background/Analysis

2015 Wisconsin Act 60 was enacted on August 12, 2015 and outlines the contributions and responsibilities for constructing a sports and entertainment arena. In relation to Milwaukee County,

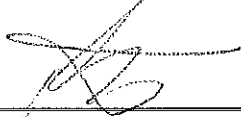
”Beginning with the distributions in 2016 and ending with the distributions in 2035, the annual payment under this section to a county in which a sports and entertainment arena, as defined in s. 229.41(11e), is located shall be the amount otherwise determined for the county under this section, minus \$4,000,000.”¹

The above citation is the only mention in the enabling legislation of the contribution by Milwaukee County toward the project. There is no language for adjusting the contribution based on inflation. Changes to the contribution by Milwaukee County or additional revisions to the terms of the contribution may only be changed through additional legislation at the state level.

Additional provisions within Act 60 in sections 349 & 846 of the Wisconsin Statutes were included to assist sponsoring municipalities with tools for recouping costs related to expenditures for the sports and entertainment arena. Provisions included in the original legislative language for changes to section 71.93 of Wisconsin Statutes were intended specifically to credit Milwaukee County’s contribution but were subsequently removed by amendment.

Although 2015 Wisconsin Act 60 did not provide a revenue offset for the Milwaukee County contribution, all of the land in the Park East corridor where the arena is being constructed is either under development or has an option for purchase. Within the Park East corridor an estimated 10,000 jobs are expected to be created over the course of the development, including more than 200 workers placed through the UpLift Mke program. UpLift MKE provides job training and placement to workers in the zip codes with the highest rates of unemployment and underemployment. Milwaukee County will also benefit from the increase in net new construction which factor into the growth of the tax levy.

¹ <https://docs.legis.wisconsin.gov/2015/related/acts/60/49>



Teig Whaley-Smith
Director, Dept. Admin. Services

Cc: Chris Abele, County Executive
Raisa Koltun, Chief of Staff, County Executive's Office
Kelly Bablitch, Chief of Staff, County Board
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