

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: February 16, 2024

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Guy D. Smith, Executive Director, Milwaukee County Parks

Subject: Authorization to execute a lease and related agreements with Cream City Red Arrow LLC, d.b.a. Biggby Coffee, and Global Orange Development LLC, for the concession operation at Red Arrow Park

File Type: Action Report

REQUEST

From the Executive Director of Milwaukee of Department of Parks, Recreation and Culture, requesting authorization to execute a Master Lease Agreement and related agreements with Cream City Red Arrow LLC, d.b.a. Biggby Coffee, and Global Orange Development LLC, for the concession operation at Red Arrow Park

POLICY

Wisconsin State Statutes:	
Milwaukee County Code of General Ordinances:	
Specific Adopted Budget:	
Specific Adopted Budget Amendment:	
Specific Adopted Capital Project:	

BACKGROUND

Red Arrow Park is located in downtown Milwaukee. It had an estimated 86,000 visitors in 2022. Activities in the park include ice skating in the winter, roller skating in the summer and a bevy of special events year-round.

Starbucks Coffee ended its 21-year lease at the Red Arrow Pavilion concession area in November 2023. In response, the County issued a request for proposal for a year-round concessionaire in October 2023. After evaluating the respondents, an Intent to Award was issued to Biggby Coffee on December 18, 2023.

Parks has been negotiating with Biggby Coffee since January 2024, with an intent to have a lease in place by April 2024, so that Biggby Coffee can implement the necessary renovations and be open to the public in June 2024. Parks is requesting permission to enter into a lease agreement with Cream City Red Arrow, LLC, a franchisee for the Biggby brand and an agreement with franchise owner Global Orange Development, LLC. The agreement will be for an initial term of 5 years with three additional 5-year

extensions for a total term of 20 years.

Related File No's:	24-130
Associated File No's (Including Transfer Packets):	
Previous Action Date(s):	

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the [strategic plan](#):

3B: Enhance the County's fiscal health and sustainability

FISCAL EFFECT

The lease is expected to generate \$27,000 in annual revenue.

TERMS

1. Initial term: five (5) years
2. Renewals: three (3) additional five-year (5-year) extensions
3. Monthly rent: \$2,250.00; rent to be negotiated when renewals occur
4. Vendor responsible for actual utility costs, billed by County, for sewer, water, gas, city street lighting, steam, etc.
5. Franchise Owner retains rights to replace vendor, or cure vendor's defaults in lieu of termination.

VIRTUAL MEETING INVITES


Keith Washington, Biggby Coffee, keith@boardwalkrealtymke.com

Curtis Grace, Biggby Coffee, cgrace@biggby.com

PREPARED BY:

Saji Villoth, Contracts Services Manager, Milwaukee County Parks

APPROVED BY:

Guy Smith, Executive Director Milwaukee County Parks 

ATTACHMENTS:

- Resolution
- Fiscal Note
- Lease Agreement

CC: David Crowley, County Executive
Mary Jo Meyers, Chief of Staff, County Executive's Office
Sheldon A. Wasserman, Supervisor District 3, PEEC Chair
Steven Shea, Supervisor District 8, PEEC Vice Chair
Felesia A. Martin, Supervisor District 7, PEEC Member
Juan Miguel Martinez, Supervisor District 12, PEEC Member

Steve F. Taylor, Supervisor District 17, PEEC Member
Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Mgr, Office of the County Clerk
Aaron Hertzberg, Director, Department of Administrative Services
Joseph Lamers, Fiscal & Budget Director, DAS
Vince Masterson, Fiscal & Strategic Asset Coordinator, DAS
Pamela Bryant, Capital Finance Manager, Comptroller's Office
Justin Rodriguez, Capital Finance Analyst, Comptroller's Office
Allyson R. Smith, Committee Coordinator, Office of the County Clerk
Ciara Miller, Research & Policy Analyst, Office of the Comptroller
Anthony Rux, Budget & Management Analyst, DAS-PSB