

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: March 3, 2020

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization to enter into a Lease Agreement and Development Agreement with the Kellogg PEAK Initiative for the construction of a new community center and public improvements to the pavilion structure in Tiefenthaler Park.

FISCAL EFFECT:

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

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 Year
Operating Budget	Expenditure	0	(\$1,000)
	Revenue	0	0
	Net Cost	0	(\$1,000)
Capital Improvement Budget	Expenditure	0	(\$75,300)
	Revenue	0	0
	Net Cost	0	0

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. Authorization for Milwaukee County Parks to enter into a lease agreement to redevelop the Tiefenthaler Park pavilion with the Kellogg PEAK Initiative ("PEAK"). This project would shift all operational expenses of the pavilion to PEAK (\$1,000 per year), reduce deferred maintenance to Parks with regard to the assets included in the project (\$753,000 over 10 years), and result in new improvements funded for Parks that were otherwise included in the capital budget.
 - B. Capital expenditure savings are estimated based on the deferred maintenance expense information available through the County's VFA system based on the lifecycle of the property divided by 10. Operating expenses are based upon real costs of operating the pavilion.
 - C. No impact in the current year as it is anticipated the project would not begin construction until 2021. Milwaukee County will shift the operational expenses of the pavilion and new improvements to PEAK.
 - D. None

Department/Prepared by: Jim Tarantino, Director of Recreation and Business, Milwaukee County Parks

Authorized Signature: _____

Did DAS-Fiscal Staff Review? Yes No
Did CBDP Review?² Yes No Not Required

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.