

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: April 17, 2019

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Authorization to enter into a lease for concession services at McKinley Roundhouse.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input checked="" type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> 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	0
	Revenue	\$5,500	\$9,500
	Net Cost	\$5,500	\$9,500
Capital Improvement Budget	Expenditure	0	0
	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.

- A. Authorization to enter into a lease with Bartolotta Restaurant Group, LLC (Bartolotta), for the management and operation of food and beverage services at McKinley Roundhouse and surrounding environs. The lease is for three (3) years with two (2) options to extend for three (3) consecutive years.
- B. The vendor has agreed to pay the County a commission of four percent (4%) on gross sales as defined in the contract for the initial term and each renewal. Additionally, Bartolotta will establish a Park Improvement Fund of one percent (1%) of gross sales, for the purpose of maintaining and enhancing the McKinley Roundhouse, parking lot, and/or other environs having a positive impact on McKinley Roundhouse. Bartolotta will also reimburse a share of certain utilities.
- C. Revenue of \$8,500 is accounted for in the 2019 budget. Based on the projections of Bartolotta Restaurant Group, LLC., it is estimated that Parks will receive an additional \$5,500 of revenue in 2019 and an additional \$9,500 in 2020.
- D. It is assumed that Bartolotta's revenues will be \$350,000 in the first year and \$450,000 in the second year based on the RFP response.

Department/Prepared by: Milwaukee County Parks, Erica Hayden, Contracts Manager

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.