

COUNTY OF MILWAUKEE
Inter-Office Communication

Date: 9/8/2021

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

From: Amos Morris, Executive Director, Milwaukee County Zoo

Subject: Approval to Accept the U.S. Small Business Administration Shuttered Venue Operators Grant (SVOG) funds for the Fiscal Year 2021 for the Milwaukee County Zoo

File Type: Action Report

REQUEST

Request for approval to accept the U.S. Small Business Administration Shuttered Venue Operators Grant (SVOG) funds for the Fiscal Year 2021; and to recognize grant funds and align expenditure authority per the grant rules and regulations.

POLICY

Wisconsin State Statutes:	
Milwaukee County Code of General Ordinances:	56.06(1)
Specific Adopted Budget:	2021
Specific Adopted Budget Amendment:	
Specific Adopted Capital Project:	

BACKGROUND

The Milwaukee County Zoo is one of the top four attractions in Wisconsin and is the largest cultural institution. It annually attracts over 1.2 million visitors. The Zoo has a full-time staff of 135 and has an additional 150 seasonal and hourly staff during its busiest season. It lies on a 192-acre wooded campus and houses 2,213 specimens of 330 species. The Zoo is open every day except Thanksgiving Day, Christmas Day and New Year's Day.

The Zoo was open for regular operations in 2020 through March 14; including February 20, 2020. On March 15, 2020 the Zoo was forced to close to the public under regulations from the State of Wisconsin and local health department, due to the Covid-19 pandemic. The Zoo remained closed until June 13, 2020. This closure not only affected normal visitation, it also disrupted one of the busiest times of the year, the spring break and field trip seasons. Once allowed to reopen in June, attendance capacity was limited to 25%. Public health restrictions remain in place today. Regardless of being open to the public, our animals and facility require daily care and maintenance.

From March 15, 2020 to December 31, 2020 the Zoo lost \$11,480,288 (64%) in earned revenue. The Zoo placed 95% of its staff on decreased work hour furloughs. Since January 2, 2021, the Zoo has been open at reduced hours and follows County Administrative orders as it relates to capacities and pandemic restrictions.

In January 2021, the U.S. Small Business Administration (SBA) released guidance on the Shuttered Venues Operators Grant (SVOG). The SVOG would allow the Zoo to address revenue shortfalls experienced due to closures and capacity reductions. At the time of the release, there was no indication on when the opportunity would go live for applications. Additionally, the Parks Department had indicated their interest in applying for the grant. Over the following months, internal discussions were held with Zoo, Parks and Department of Administrative Services staff to identify how the County could apply for this opportunity. In March 2021 additional guidance was provided to applicants by SBA which limited the dollar amount a single entity could apply for. Given that the Zoo had significantly higher financial losses than the Parks department, it was determined that the Zoo would put forth the SVOG application for Milwaukee County. This decision occurred at the end of March 2021. Shortly after that decision, SBA announced that the application was due on April 8, 2021.

The confluence of no hard deadline for applications and the late notice on applicant guidance prohibited the Zoo's ability to request approval from the Finance Committee and Board of Supervisors prior to the scheduled cycles. Rather than request a special public meeting ahead of the deadline, the Zoo is requesting retroactive authority to apply for, and receive, the 2021 SVOG and to hold the public hearing and review for the application during the regular September 2021 cycle meeting.

In order to mitigate the risk of losing grant funding, the Zoo submitted the grant application on April 8, 2021. Then, the public hearing and review of the application will occur at the Finance Committee on September 16, 2021.

The total SVOG allocation to the Zoo is for \$6,849,482.40 to offset the Zoo's net deficit in 2020 and any potential deficit in 2021.

ALIGNMENT TO STRATEGIC PLAN

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

FISCAL EFFECT

The SVOG does not require a local match.

In order to shore up revenue loss sustained by the Zoo as a direct result from the COVID-19 pandemic, it is recommended that the Zoo be authorized to accept SVOG funds. In addition, the Comptroller's Office in conjunction with the Department of Administrative Services – Performance, Strategy and Budget (DAS-PSB) and the Zoo are directed to process an appropriation transfer to recognize the revenue and align expenditure authority per the grant rules to benefit the Milwaukee County Zoo.

TERMS

The "Budget Period" for the grant covers March 1, 2020 through December 31, 2021.

VIRTUAL MEETING INVITES

Amos Morris, Executive Zoo Director will present, but please also include Vera Westphal, Deputy Zoo Director. Email addresses as follows:
Amos.Morris@milwaukeecountywi.gov; Vera.Westphal@milwaukeecountywi.gov;

PREPARED BY:

Vera Westphal, Deputy Zoo Director (Admin/Finance/Operations)

APPROVED BY:

Amos Morris, Executive Zoo Director *vera westphal*

for Amos Morris

ATTACHMENTS:

Report, Resolution, Fiscal Note, Grant Award

cc: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors
Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk
David Crowley, County Executive
Mary Jo Meyers, Chief of Staff, County Executive
Scott Manske, Comptroller
Aaron Hertzberg, Director, Department of Administrative Services
Joseph Lamers, Director of Performance, Strategy & Budget
Michelle Nate, Deputy Comptroller
Steve Cady, Research and Policy Director, Comptroller's Office
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Anthony Rux, Budget and Management Analyst, DAS-PSB
Vera Westphal, Deputy Zoo Director