

COUNTY OF MILWAUKEE
INTER-OFFICE COMMUNICATION

Date: August 25, 2014

To: Chairwoman Marina Dimitrijevic, Milwaukee County Board of Supervisors
Supervisor Michael Mayo, Chairman, Transportation, Public Works & Transit
Committee

From: Don Tyler, Director of Administrative Services

Subject: 2014-2016 Budget Years Management Strategy Regarding the Consolidated
Facilities Plan (CFP) – **Informational Report**

BACKGROUND

Resolution #14-483 was approved at the Special TPW/T Committee Meeting and the June 26, 2014 Milwaukee County Board Meeting providing direction from the Board to the Department of Administrative Services (DAS) regarding specific actions related to the Consolidated Facilities Plan (CFP). During the Milwaukee County Board July cycle, an informational report was provided to the Transportation, Public Works & Transit Committee. This report is within the scope of the resolution and is meant to provide an update to the committee.

UPDATE ON PHASE 2 OF THE CFP

Deliverable # 1 – Detailed Space Program and Relocation Strategy for City Campus

Activities for this period include:

- The CFP Committee, along with CBRE and Quorum completed and reviewed “fit plans” on three of the four prospective office buildings to better identify the most efficient utility of space based on the County’s needs;
- The CFP Committee concluded that at this juncture, exploring a Courthouse restacking initiative within the Courthouse would be too costly and disruptive and may not be a suitable long-term strategy given the possibility of a consolidation of additional court functions into the Courthouse;
- The CFP Committee, Economic Development, Community organizers and City and County officials met at City Campus with the neighborhood community for a tour and listening session on Tuesday, July 29th. There were over 100 in attendance, many of which went on one of four tours of the facility. After the tour several public officials provided insight as to the future of City Campus and then the participants broke into four listening groups to share and tabulate ideas.
- The CFP Committee has engaged an outside contractor to fully assess what the cost might be to demo one, two or all three of the buildings at City Campus. The current estimate is \$3.8;

Deliverable #2 – Agreement with the State for Marsha Coggs Center

Activities for this period include:

- The short term lease with the State has been completed and is expected to be submitted to Milwaukee County Board for approval. Revenue from the lease agreement is essentially the same as in previous years but is now exclusively structured as lease revenue; previously it was split between lease revenue and IT support but the County is no longer providing IT support to the State;
- The State has yet to issue an RFP for space to house staff and operations currently at the Marsha Coggs Center due to delays related to the summer fire in the building housing the Department of Operations. We still anticipate the RFP to be issued in the coming months;

Deliverable #3 – Finalization of an Updated County Master Space Plan *(No Activity This Period)*

- Under the direction of the Board, as stated in Resolution #14-483, the Department of Administrative Services will present to Committee the plan no later than December 31, 2014;

Deliverable #4 – Disposition Plan for the City Campus Property

Activities for this period include:

- The CFP Committee is seeking approval from the Milwaukee County Finance, Personnel & Audit Committee for funding to underwrite the cost of space planning, relocation costs, furniture and fixtures and leasehold improvement related to the shutting down of the City Campus facility and relocation of staff;
- The estimated annual cost savings as a result of the relocation of staff from City Campus to other facilities continues to be expected to be approximately \$450-\$500,000 a year. This net annual cost savings assumes the elimination of approximately \$1.1 million in operating costs at City Campus against the additional rental and utilities costs.
- The current breakeven analysis suggests that this initiative will begin to generate positive cash flow to the County in 2019 on an annual operating basis and in 2017 when potential capital costs and avoidance is factored in.

Deliverable #5 – Comprehensive Plan for County Grounds *(No Activity This Period)*

- The Economic Development Division continues to pursue broad discussions with the City of Wauwatosa, Milwaukee County Research Park, Froedert and Children's Hospital, Milwaukee Medical College and other community organizations and institutions to begin to shape a long term strategy for maintaining a Milwaukee County government presence at the County Grounds as the Behavioral Health Division (BHD) continues to wind down.

Deliverable #6 – Courthouse Complex Plan *(No Activity This Period)*

- The CFP Committee is beginning its initial data gathering work specifically related to the development of a strategy for the Safety Building.
- The CFP Committee is aware of and will be phasing into some initial research work regarding various options related to consolidation of Milwaukee County Courts and alternatives for the Office of the Medical Examiner, the Community Correction Center and the 6th & State Street lot.

Deliverable #7 – Facility Management Consolidation *(No Activity This Period)*

This effort is an ongoing initiative begun with the creation of DAS-FM in the 2012 adopted budget and currently not specifically in the scope of the 2014 project and will be addressed in 2015.

NEXT STEPS

The CFP will provide a more comprehensive verbal update at TPW/T and will be seeking approval for funding at the September 2014 Finance, Personnel & Audit Committee.

Thank you for your consideration.

Prepared by: Don Tyler, Director of Administrative Services

Approved By:

A handwritten signature in black ink, appearing to read "Don Tyler", is written over a horizontal line.

Don Tyler, Director
Department of Administrative Services

- cc: Chris Abele, County Executive
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