COUNTY OF MILWAUKEE

Inter-Office Communication

Date: 6/18/2025

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

- From: Donna Brown-Martin, Director, Dept. of Transportation Brian Dranzik, Airport Director, Dept. of Transportation, Airport Division
- Subject: From the Director, Dept. of Transportation, and the Airport Director, Dept. of Transportation, Airport Division requesting authorization to apply for the issuance of retail Intoxicating Liquor Permits for use at Milwaukee Mitchell International Airport (the "Airport") with all fees to be paid by SSP America Inc. and Paradies-Mark II, LLC ("Concessionaires").

File Type: Action Report

REQUEST

The Department of Transportation, Airport Division, is seeking adoption of a resolution authorizing SSP America, Inc. ("SSP") and Paradies-Mark II, LLC. ("Paradies") applications for Intoxicating Liquor Permits for use in conjunction with new concessions at the Airport.

POLICY

Wisconsin State Statutes:	Wis. Stat. 125.51
Milwaukee County Code of General	N/A
Ordinances:	
Specific Adopted Budget:	N/A
Specific Adopted Budget Amendment:	N/A
Specific Adopted Capital Project:	N/A

BACKGROUND

Wisconsin Statutes Section 125.51 authorizes the issuance of Intoxicating Liquor Permits to concessionaires conducting business in airports.

SSP and Paradies operate multiple concessions at the Airport, and some of them sell alcoholic beverages to Airport customers. In 2009 and 2012, the County Board adopted resolutions (File Nos. 07-283(a)(e) and 12-346, respectively) authorizing the County Board Chair and the County Clerk to apply to the State of Wisconsin, Secretary of Revenue, for Intoxicating Liquor Permits on behalf of SSP. In 2025, SSP America will open two new concession concepts including, the Central Standard Distillery Bar and Restaurant and Mitchell Market, at the Airport. Paradies will also open a new concept named Wisconsin Spirits. In order to permit the sale of alcoholic beverages at each concession location, SSP and Paradies request that the Milwaukee County Board adopt a resolution that will authorize their applications for Intoxicating Liquor Permits.

ALIGNMENT TO STRATEGIC PLAN

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

FISCAL EFFECT

Both SSP and Paradies pay the greater of a percentage of total alcohol and food sales or a Minimum Annual Guarantee ("MAG") as rent to the Airport. Currently, SSP's MAG is just over \$700,000 while Paradies's MAG is approximately \$1,900,000. The new concession concepts are expected to generate additional revenue to the Airport, including approximately \$255,000 for SSP and approximately \$100,000 for Paradies. Increased sales by both SSP and Paradies will also increase their individual MAGs. Permit fees will be paid by SSP and Paradies.

TERMS

- SSP America
 - o Initial Term: November 1, 2008 to October 31, 2019
 - First Extension Term: November 1, 2019 to October 31, 2024
 - o Current Extension Term: November 1, 2024 to October 31, 2031
 - No additional renewal options
- Paradies
 - o Initial Term: September 1, 2019 to August 31, 2029
 - Renewal Options: Three (3), one (1) year options

VIRTUAL MEETING INVITES

Donna Brown-Martin, Director, Dept. of Transportation John Rodgers, Deputy Director, Dept of Transportation Brian Dranzik, Airport Director, MCDOT Airport Division Matthew Hoffman, Director of Business & Commercial Development, MCDOT Airport Division

PREPARED BY:

Matthew Hoffman, Director of Business & Commercial Development, MCDOT Airport Division

APPROVED BY:

Donna Brown-Martin, Director, Department of Transportation

ATTACHMENTS:

Resolution Fiscal Note

CC: Kelly Bablitch, Chief of Staff, Milwaukee County Board of Supervisors Janelle M. Jensen, Legislative Services Division Manager, Office of the County Clerk