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From the Deputy Director, Department of Administrative Services, and the President and Chief Executive Officer, Milwaukee Public Museum (MPM), requesting authorization to amend Section 5.3 of the existing MPM Lease and Management Agreement to align unrestricted endowment asset requirements, expand definitions of uses for required fundraising, and extend deadlines to achieve fundraising goals, by recommending adoption of the following:

A RESOLUTION

WHEREAS, Milwaukee County (the County) entered into a Lease and Management Agreement (Agreement) with the Milwaukee Public Museum, Inc. (MPM) whereby the County would own the current museum building at 800 West Wells Street and all of the artifacts, exhibits, and other items of historical or scientific value or significance owned or held by the County and used or intended to be used for exhibition, display, education, or research in connection with the activities and operations of the museum; and

WHEREAS, the County would lease the current building, the personal property, and the artifacts to MPM, and MPM would undertake the primary responsibility for managing and operating the museum (File No. 13-598); and

WHEREAS, through this Agreement, the County agreed to reimburse MPM \$3,500,000 per year in support of the operation of the museum from the commencement of the Agreement through at least 2022 unless a number of performance criteria were not met, whereby the funding amount would be decreased; and whereby required MPM to maintain at least \$2,000,000 in unrestricted net assets from donors in the MPM Endowment, a condition that matched MPM's banking covenant; and

WHEREAS, subsequent to the execution of the Agreement in 2013, MPM has undergone significant changes in leadership and organizational strategy, and the MPM's Board of Directors is now focused on advancing plans to create a new facility for the museum in the coming years; and

WHEREAS, as this strategy has taken shape, it became increasingly clear that the use of donor or tax payer funds to invest in major capital improvements to the current facility was unwise; and

WHEREAS, subsequent to the execution of the Agreement in 2013, MPM's banking covenant has been reduced to \$1,550,000 in unrestricted net assets in the endowment; and

WHEREAS, the Committee on Parks, Energy, and Environment, at its meeting of July 17, 2018, considered this resolution for informational purposes only; and

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WHEREAS, the Committee on Finance and Audit, at its meeting of July 19, 2018, recommended adoption of File No. 18-532 (vote 7-0); now, therefore,

BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby authorizes the County Executive to execute the proposed amendment to the Milwaukee Public Museum (MPM) Lease and Management Agreement (Agreement), hereto attached to this file; and

BE IT FURTHER RESOLVED, the amendment to the Agreement are subject to approval by the MPM Board of Directors.

srb
07/19/18
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