



ADDRESS
555 W. Wells Street, Milwaukee, WI 53203

PHONE NUMBER
414.908.6000

WEBSITE
WCD.org

TO: WCD Board Members
FROM: Marty Brooks, President and CEO
RE: Wisconsin Center District Update
DATE: March 23, 2020

The lead of this story is that as of this writing no one from the WCD has come down with COVID-19 although everyone has been affected. Staff have been encouraged to work remotely and we have restricted admittance to our office only to staff. We have also limited in-person meetings to no more than 10 attendees and are following the guidelines for social distancing.

Like all other facilities we have been addressing the cancellation and postponement of events while being able to reschedule many into available dates in the third and fourth quarter of this year. A few have confirmed their events into 2021. The full list of events that have either cancelled or postponed is as follows:

Event Name	Date	Status
Admirals season		Cancelled
WAVE season		Cancelled
Badger Region Volleyball 2020 (3 weekends)	3/12/2020-3/29/2020	Postponed TBD
Men of Christ Men's Conference 2020	3/13-3/14	Postponed
UNSIL	3/17	Cancelled
Catholics for Trump Rally	3/18-3/19	Postponed TBD
FIRST Robotics	3/18-3/21	Postponed
Fabulously Funny Comedy Festival	3/20	Postponed TBD
Nerd Rage Gaming	3/21-3/22	Postponed to June 5 - 6 2020
National College Teachers of English	3/24-3/28	Cancelled
Reinhart Food Show	3/29-3/31	Cancelled
Blues Festival	3/27	Postponed TBD
AEW	4/1	Rebooked to October 28, 2020
Vistage Executive Summit	4/1--4/2	Cancelled
Midwest Gaming	4/1-4/5	Cancelled

Fax: 414.908.6010 | Box Office Fax: 414.223.0286

Wisconsin Center District owns & operates the Wisconsin Center, UWM Panther Arena & Miller High Life Theatre



ADDRESS
555 W. Wells Street, Milwaukee, WI 53203

PHONE NUMBER
414.908.6000

WEBSITE
WCD.org

Make a Promise Gala	4/3-4/5	Postponed TBD
Alice Cooper	4/4	Postponed to fall 2020
Wonderful World of Weddings	4/5/2020	Cancelled
MKE Marathon	4/8-4/10	Cancelled
Kellman Cares Foundation Battle of Badges After Party	4/11	Cancelled
CheeseExpo	4/12-4/17	Rebooked to April 2021
The "Time Served Tour" Featuring Moneybagg Yo and Yo Gotti	4/15	Postponed TBD
Engineering Exams	4/16/20-4/18	Cancelled
MBJ Steam	4/18	Postponed, looking at October 2020
Whirlpool	4/18 – 4/23	Cancelled
Newsboys	4/19	Postponed TBD
USJN Annual: Windy City Classic	4/22-4/27	Rebooking for June 2020
National Hard Wood Flooring Conference	4/27 – 5/1	Cancelled
MPS Biennial Music Fest	4/27 – 5/1	Postponed
JCCA of North America JSummit 2020	4/30-5/6	Cancelled
MMABSE	5/1	Cancelled
MDA Black n Blue Ball	5/7-5/9	Rebooked for September, 11 2020
2020 Electrical Wire Processing Technology Expo	5/7-5/15	Postponed, looking at September 2020
Circus	5/8-5/11	Postponed to fall 2020
Police Memorial	5/6	Postponed TBD
Mother's Day Celebration	5/10	Rebooked to September 5, 2020
Direct Supply TELS Summit	5/13-5/14	Cancelled
Wisconsin Right to Life Silent Auction	5/13-5/14	Postponed
FY20 FHC Championship Week	5/13-5/14	Cancelled
Secure Futures Investment Conference	5/14	Postponed, moving to September 2020
Boys and Girls Club Gala 2020	5/18	Postponed, looking at September 2020
Milwaukee Business Journal Women of Influence	5/29	Rebooked for July 31, 2020

Fax: 414.908.6010 | Box Office Fax: 414.223.0286

Wisconsin Center District owns & operates the Wisconsin Center, UWM Panther Arena & Miller High Life Theatre



ADDRESS
555 W. Wells Street, Milwaukee, WI 53203

PHONE NUMBER
414.908.6000

WEBSITE
WCD.org

Earlier today we implemented the following cost saving initiatives:

- Effective with the payroll period starting March 29th, all salaried and hourly full-time staff are taking a 20% pay reduction until further notice but at least through June 2020
- Deferring non-essential approved 2020 capital projects to 2021
- Hiring freeze on all open positions at least through June 2020
- Reducing departmental expenses for full year
- Reduction in utility use

These adjustments result in an expense reduction of \$2,250,800 for this fiscal year. The need for further adjustments will be closely monitored over the next 30-45 days and specifically watchful for changes made in connection with the Democratic National Convention. Inquiries for date availability in all three WCD facilities for the third and fourth quarters of this year are encouraging and we are guardedly optimistic that we will be able to offset some of the impact we are experiencing through June.

For the past eight months, under the direction of the Board, we have been working towards asking the Board to vote on the convention center expansion at our April 2nd Board meeting. COVID-19 has impacted the world in a way we have never seen before and has taken a huge toll on the hospitality industry. Everyone, regardless of position, has been deeply impacted. I believe the need to approve this project is more important now than ever before. Here's why...

The expansion will generate 1,154 on site construction jobs with estimated earnings of \$66,700,000 and an additional 1,154 off site jobs with estimated earnings of \$33,350,000 totaling \$100,050,000 during the two years of construction. The expansion will attract 100,000 new out of state visitors to Milwaukee annually.

Removing the expansion vote from the agenda in light of the issues we are all facing was contemplated. In response to my own imbalance on the right approach, we will be soliciting guidance from both the Finance/Personnel and Governance committees that will be meeting next Monday. In order to be prepared to move forward with a vote, should we choose to do so, the full expansion resolution will be sent to you by Friday, March 27th authorizing the District to issue bonds to fund the expansion at such time as market conditions have rebounded. The resolution contains the articles that address the various actions needed to be taken including establishing the parameters for which we can issue the bonds, namely that the issuance of the bonds can only happen after being reaffirmed to do so by a majority vote of the Governance Committee. Call in details for the meeting will be sent to you later this week as the meeting will be conducted via teleconference.

Incorporated as part of the expansion resolution is an article that addresses our ability to restructure existing debt which lessens our short-term (through 2027) debt payments. This article needs your

Fax: 414.908.6010 | Box Office Fax: 414.223.0286

Wisconsin Center District owns & operates the Wisconsin Center, UWM Panther Arena & Miller High Life Theatre

**ADDRESS**

555 W. Wells Street, Milwaukee, WI 53203

PHONE NUMBER

414.908.6000

WEBSITEWCD.org

approval regardless of your position on the expansion. If necessary, we will ask you for its separate consideration.

The combined team of CAA ICON, tvsdesign/EUA and Gilbane/Smith have determined the total project cost to be \$419,935,000, replacing the “Not to Exceed” amount of \$425 million.

By all accounts, the hospitality industry; hotels, restaurants, bars, theaters, arenas, festivals and amusement parks have been hit hard and thousands of employees have lost their jobs. The expansion of the convention center is ready and poised to bring economic stimulus to downtown. It will be the catalyst to creating a greater demand for hotel rooms, restaurants, bars and meeting and convention support businesses. As the largest convention center in the state, the WCD has an obligation to the entire hospitality industry to be ready to secure funding and begin construction. With this, the region can resume its course to making Milwaukee a not to be missed destination for conventions, meeting, residents, and leisure travelers.

On March 3rd I updated you on the Common Council’s move to refer back to committee their previously approved Resolution certifying that the requirements to obtain the State’s moral obligation for bonds issued to fund the expansion of the convention center were met. The Resolution was referred to the Steering and Rules committee’s March 13th meeting but was subsequently removed from the agenda.

During this same time period I met with a senior member of the City of Milwaukee’s governmental body to explore an agreement that would address a financial concern of the City by creating an annual Payment in Lieu of Taxes (PILOT) to the City by the WCD and the City would withdraw the resolution. Although the official did not commit to the discussed terms, I believe these are reasonable and could ultimately be accepted by both the Common Council and the WCD Board. I hope to have further discussions this week to bring this open issue to a close and will share the details with you at that time.

I would also like to address articles that appeared this past Friday pertaining to the delay of groundbreaking for the expansion. I spoke to media requesting information about the April 2nd meeting, but the delay of groundbreaking was an inaccurate deduction. A yes vote on April 2 will be authorization to act when market conditions rebound and with majority approval by the Governance Committee. While the go-to-market date is unlikely to be in April as we had expected a few short weeks ago, the situation is far too fluid to assume that groundbreaking will or won’t be delayed. I was disappointed in the delivery of the story and apologize if it caught you off guard.

Lastly, I wanted to express my appreciation for all of the support the Board has shown the District and its staff during these uncertain times. Your concerns and well wishes drive us even harder to pursue success for the WCD and the entire hospitality industry in our region.

Please reach out to me with any questions or concerns. Stay safe and I’ll speak with you on April 2nd.

Fax: 414.908.6010 | Box Office Fax: 414.223.0286

Wisconsin Center District owns & operates the Wisconsin Center, UWM Panther Arena & Miller High Life Theatre