



Budget Allocation Request: Immediate Capital Needs for MPAC Parking Structure

Overview

The Marcus Performing Arts Center (MPAC) urgently seeks City support for immediate capital repairs to the jointly owned parking structure at Water & State Streets. This request is not a grant, but a credit against the City's long-standing financial obligation under the 1985 First Amendment to Lease.

Ensuring MPAC sustainability is a high priority.

- MPAC generates **\$60M in annual economic activity, \$1.3M in sales tax** revenue and helps ensure our vibrant arts and culture scene makes Milwaukee an attractive market.
- As Milwaukee's home for Broadway, MPAC is the largest performing arts and **IATSE union labor employer**.
- MPAC is a presenter of a diverse array of cultural programming and home to multiple local arts organizations, ensuring **access to the arts** for ALL in Milwaukee

Background

Deferred Redevelopment Timeline

- Redevelopment of the site is now projected to be 3–5 years away.
- MPAC cannot continue to shoulder full costs during this interim period.

Shared Ownership & Obligation

- The 1985 lease amendment mandates equal sharing of capital costs.
- MPAC has borne 100% of maintenance and capital expenses for 65 years.
- A cumulative \$2.7M is owed to MPAC by the City for past capital investments.

Capital Needs

Current Structural Repairs

- **\$189,000 required for concrete and infrastructure repairs.**
- Crumbling concrete poses trip/fall hazards and potential property damage.
- Engineers recommend completing repairs within one year for cost efficiency.

Current Elevator Accessibility

- One of two elevator cars has been out of service for months; both cars are original equipment that is more than 60 years old.
- While we currently have one operating car, temporary shutdowns of the second car have left the structure without elevator access at times
- **\$35,000 needed to restore one car.**

Ongoing needs

- Annually we have an engineering assessment performed by Graef Engineering; they have advised us that the structure may need up to \$200,000 annually in structural repairs to keep it operational
- We are aware that the above elevator repair is a temporary fix given that other failures could arise at any time.
- Full modernization for both elevator cars is estimated at \$250,000.