

Milwaukee County, Milwaukee Regional Medical Center: Reach agreement on campus land purchase

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MILWAUKEE, Thursday, June 14, 2018 – Milwaukee County and four of the Milwaukee Regional Medical Center (MRMC) member organizations have reached initial agreements for the members to purchase the County land they lease and occupy on the MRMC campus in Wauwatosa. Currently, each member organization has a long-term lease agreement and makes annual payments to Milwaukee County.

The property being purchased will continue to be used by each organization for health care related services.

The four MRMC organizations that have signed option to purchase agreements are BloodCenter of Wisconsin Blood Research Institute, Children's Hospital and Health System, Froedtert Hospital and the Medical College of Wisconsin. The Milwaukee County Behavioral Health Division is not part of the transaction. Curative Care has a long-standing relationship with the County and MRMC and is working with partners to ensure a successful future for Curative on campus.

"This is a win-win situation for the County and for these partners who have heavily invested to build the MRMC campus into a set of world-class health-care facilities,"

said Milwaukee County Executive Chris Abele. “Having MRMC partners own the land they’ve built on empowers them to continue to invest in creating and maintaining innovative facilities. In exchange, the County receives income from the sale of the land and reduces long-term liabilities that were built into the leases. It’s the right time to transition into the next phase of growth for the MRMC campus and these partners.”

The Milwaukee Regional Medical Center was formed in the late 1960’s from the shared vision of Milwaukee County government and local business and civic leaders for a major academic medical center in Milwaukee. What began as a county hospital and a few additional county health-related services has developed into a comprehensive medical campus offering world-class health care, research and medical education, benefiting patients from across the region.

As the campus evolved, county staffing and funding for operations and maintenance of roads, landscaping, street lighting and traffic signals struggled to keep pace with the demands of a busy medical center, where annual patient visits now exceed 1.5 million per year. According to Milwaukee Regional Medical Center Executive Director Bob Simi, the members owning rather than leasing the land will simplify management of the campus and speed decision-making about infrastructure issues affecting members.

“The time is right to move from leasing to ownership,” said Simi. “Just as for a homeowner, ownership strengthens commitment. The MRMC members are deeply committed to continuing the public benefit that began on this campus when it became the County Grounds more than a century ago. Their dedication is demonstrated by the billions of dollars they have invested to develop the campus into a major hub of medical expertise, economic value and employment growth.”

With more than 16,000 employees on the campus, MRMC is a major economic engine for the region and state, generating \$237 million in medical research annually and \$4.88 billion in economic benefit to the region, according to the 2016 MRMC Economic Impact Study.

The options to purchase involve converting existing lease payments into the purchase cost for each property. The purchase will be beneficial to county taxpayers because the MRMC organizations will continue making monthly payments for many decades to come, providing an ongoing funding stream for the county. In addition, once the transaction is finalized the MRMC organizations will assume the

costs of ownership, relieving the county of responsibility and expenses for infrastructure improvements, maintenance and campus operations.

The transactions are expected to close in 2018.

More information about the agreements is available on the Milwaukee County website at county.milwaukee.gov/MRMC.