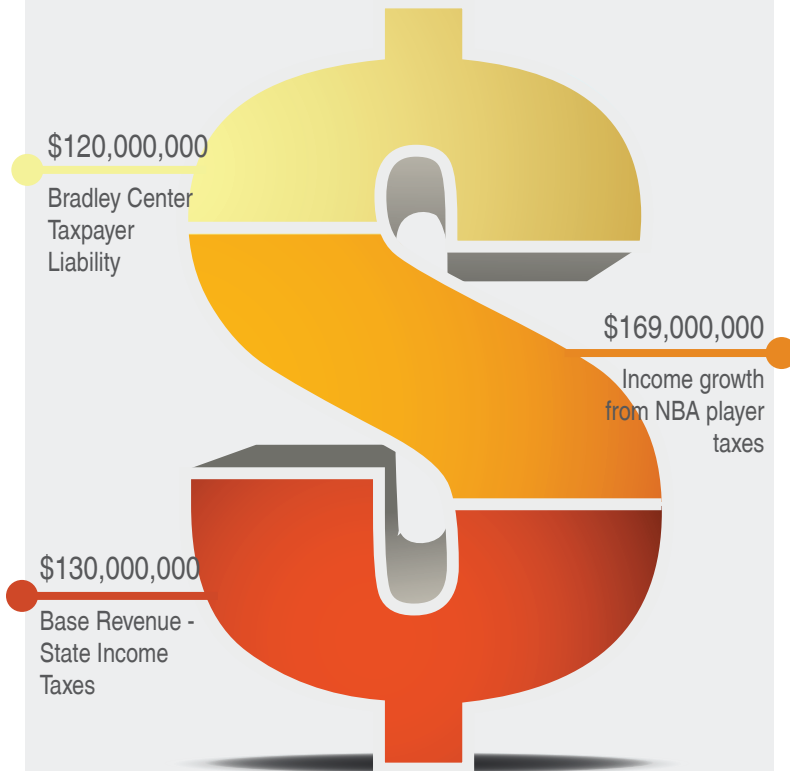


STATE TAXPAYER INVESTMENT

\$419 Million
No Bucks = No new arena



\$80 Million
Keeping Bucks = New Arena



Proposed investment of
\$4 million per year for
the next 20 years.

CONSEQUENCES OF DOING NOTHING

State taxpayer losses would be at least \$419 million over the next 20 years, including:

\$130 million
IN STATE
INCOME TAXES

Base income tax revenue generated by the Milwaukee Bucks and from the visiting teams of \$6.5 million per year in state income taxes, or \$130 million over 20 years

\$169 million
INCOME TAX GROWTH
OVER 20 YEARS

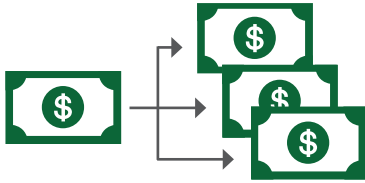
Income tax revenue growth estimated at \$169 million over 20 years due to future contracts and estimated NBA pay increases

\$120 million
TAXPAYER LIABILITY
FOR BRADLEY CENTER

Taxpayer liability for the Bradley Center estimated at \$120 million in costs over the next ten years

MILWAUKEE SPORTS & ENTERTAINMENT ARENA

3:1



For every dollar the state invests, state taxpayers will get a \$3 return through income tax revenue.

15,000



Approximately 15,000 jobs related to the new arena and surrounding development.

1 BILLION

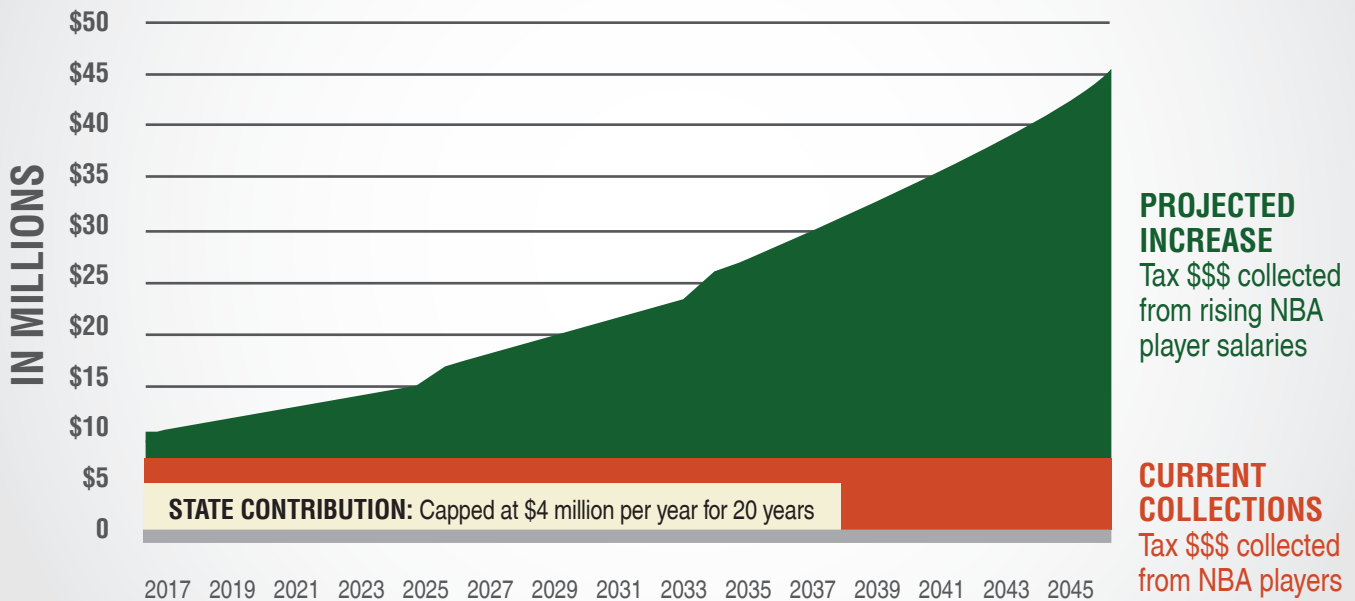


The state will benefit from a \$1 billion economic development project.

BENEFITS OF THE PLAN

- State income tax revenues from Bucks and visiting players projected to grow to more than \$400 million over the next 20 years.
- Funds arena with no new state or local taxes or state borrowing.
- 50% of project costs will be provided by Senator Kohl and the Bucks ownership, compared to an average 35% private funding for arenas built across the country since 1999.
- State investment capped at \$80 million with the Bucks responsible for any cost overruns.
- Bucks required to reimburse the public investment if the team leaves the state.

Projected Revenue Growth from NBA Player Taxes

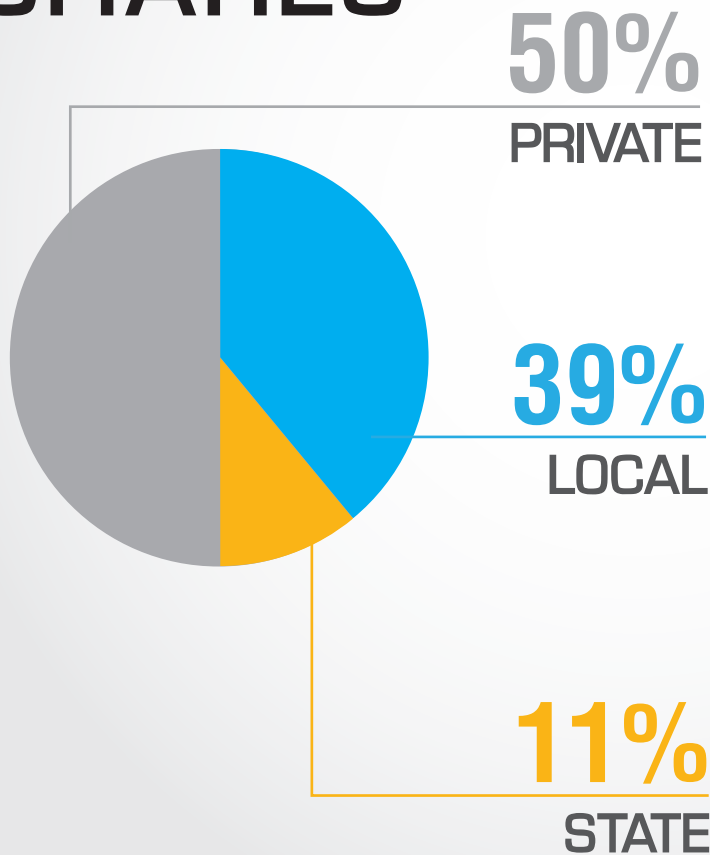


State and local governments will fund \$250 million, or half of the total project costs, toward building the new arena without tax increases or state bonding.

The total public contribution to the arena project is capped at \$250 million.

The State contribution is capped at \$80 million.

FUNDING SHARES



- The Bucks owners and Senator Herb Kohl will contribute 50% of the cost of the project.
- Any cost overruns would be paid by the Bucks.
- Maintenance and operations will be paid for by the team, not by the state or local governments - getting the state out of the arena business.
- Claw back provisions included to protect both the state and local governments. If the Bucks leave they will have to pay back the public investment. The payback will be proportional to dollars contributed.
- The city will contribute \$47 million through the creation of a TID and paying for a parking structure in upfront cash.
- The county contributes \$4 million per year over 20 years through a state debt collection agreement.
- The Wisconsin Center District uses existing revenue streams to finance roughly \$93 million in bonding for the plan.
- The state contributes \$4 million per year for 20 years, with the total state investment capped at \$80 million.
- State's \$80 million contribution toward the arena project is a 64% reduction from the \$220 million state contribution originally proposed by the Governor. The state contribution only occurs after the city and county funds have been committed.

BACKGROUND

In April 2014, new owners bought the Milwaukee Bucks from Herb Kohl in a deal approved by the NBA and contingent upon the construction of a new arena by 2017. **If a new arena is not constructed by 2017, the NBA will buy the Bucks back from the current owners and move the team to another state.**

The proposed arena will cost approximately \$500 million as a part of a total proposed \$1 billion economic development project spanning 30 acres

in downtown Milwaukee, which is estimated to create or preserve roughly 15,000 permanent and temporary construction jobs.[1]

The current and former ownership have committed to fund \$250 million toward funding the arena and are looking to partner with state and local governments for the remaining 50 percent of the total funding. Any cost overruns would be paid by the Bucks, not the state.

[1] MMAC Study