



Department of City Development
City Plan Commission
Redevelopment Authority of the City of Milwaukee
Neighborhood Improvement Development Corporation

Rocky Marcoux
Commissioner
rmarco@milwaukee.gov

Martha L. Brown
Deputy Commissioner
mbrown@milwaukee.gov

June 1, 2020

Jim Owczarski
City Clerk
City Hall, Room 205

Dear Mr. Owczarski:

This letter responds to Common Council file 181544, which directed the Department of City Development (DCD) to report to the Common Council on the status of contractual relationships with the Friends of Housing Corporation (FOH).

DCD and FOH have agreed to a voluntary termination of its contract with FOH to manage five scattered site residential properties. The contract will terminate on June 30, 2020.

In accordance with a termination-for-convenience clause in its contract with FOH, the Neighborhood Improvement Development Corp. (NIDC) has provided the required notice to end its contract with FOH effective June 30, 2020.

Sincerely,

Rocky Marcoux
Commissioner





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May 28, 2020

Ms. Anissia Robertson
Friends of Housing
P.O. Box 772
Milwaukee, WI 53201
SENT VIA EMAIL (anissia.robertson@hacm.org)

Dear Ms. Robertson:

This letter is a follow-up to my correspondence of May 26, 2020 providing a ten day notice of termination for convenience of the Neighborhood Improvement Development Corporation, Inc.'s ("NIDC's") contract with Friends of Housing Corporation ("FOH") No. 18-040 pursuant to Section XV. That termination shall be effective June 30, 2020, ("Termination Date").

The Parties agree that they will complete all work required under the Agreement through the Termination Date. FOH will charge amounts for all work completed and credit all amounts collected through the termination date to the non-interest bearing account established for purposes of this Agreement. Following the Termination Date of this Agreement, FOH will close the account, provide a full and final accounting to NIDC of the balance in the account, and will cause a payment in the amount of the final balance in the account to be made to NIDC no later than fifteen days after the Termination Date. Further, FOH will provide a report to NIDC regarding the condition of the properties, current tenants, status of rent payments, all net rent receipts, and any and all other matters deemed necessary and proper by NIDC to close-out this Agreement one week prior to the Termination Date.

Sincerely,

Rocky Marcoux
Executive Director,

Neighborhood Improvement Development Corporation

C: Maria Prioletta
Larry Kilmer
Amy Turim





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May 26, 2020

Ms. Anissia Robertson
Friends of Housing
P.O.Box 772
Milwaukee, WI 53201
SENT VIA EMAIL (anissia.robertson@hacm.org)

Dear Ms. Robertson:

In a recent email to Amy Turim, you asked for more information about why the Department of City Development and Neighborhood Improvement Development Corporation are amenable to terminating existing contracts with Friends of Housing Corporation.

As you are aware from discussions with Amy, earlier this year, the Common Council adopted resolution file 181544. The file, which is included with this letter, expressed significant concerns regarding the management by Friends of Housing of several privately-owned buildings. The resolution directed the Department of City Development "to explore the feasibility of terminating all contractual relationships with the Friends of Housing Corporation..." We interpreted this clause to refer to both the FOH/DCD contract and the FOH/NIDC contract.

The NIDC contract includes a termination-for-convenience clause, requiring a 10-day written notice to FOH. Please consider this letter formal notification that NIDC will terminate its contract with FOH effective June 30, 2020. In connection with the termination, please furnish to NIDC regarding conditions of the properties, current tenants and status of rent payments, as well as all net rent receipts.

The DCD contract does not include a termination-for-convenience clause. However, in light of the Council's action in file 181544, we believe it is in the best interests of both DCD and FOH to mutually agree to end its contractual relationship effective June 30, 2020.

No later than June 1, 2020, please provide me with a letter from the appropriate FOH official confirming its agreement to end the DCD contract on June 30, 2020. Also by that date, please provide a report to Amy Turim regarding the conditions of the properties, current tenants and status of rent payments, as well as all net rent receipts.

Sincerely,

Rocky Marcoux

Commissioner, Dept. of City Development
Executive Director, Neighborhood Improvement Development Corporation

Attachment



08/03/2018	Solid waste violation
12/20/2017	Fire extinguisher missing
12/20/2017	Seal furnace smoke pipe to chimney to ensure a fume proof connection

; and

Whereas, In September 2018, FOH failed to correct a garbage and litter nuisance code violation at 1305 W. Madison St., forcing the City to engage a contractor to correct the violation; and

Whereas, On September 6, 2016, following a history of nuisance activities that led to police services at the Madison St. property, the Chief of Police issued a Notice of Nuisance Premises for the Madison St. property under s. 80-10 of the Code of Ordinances; and

Whereas, On December 6, 2017, the Chief of Police found that two units within the Madison St. property were drug houses under s. 823.113, Wis. Stats.; and

Whereas, On December 6, 2017, following multiple nuisance activities that again led to police services at the Madison St. property, the Chief of Police issued a second Notice of Nuisance Premises against the Madison St. property; and

Whereas, Friends of Housing failed to respond to or provide an abatement plan as required by each Notice of Nuisance Premises; and

Whereas, On four separate occasions in 2018 the Police Department, having provided services at the Madison St. property related to nuisance activities, requested that the Department of Neighborhood Services place special charges and administrative fees totaling \$6,618 against the Madison St. property as permitted under the Code for nuisance premises; and

Whereas, On August 16, 2018, the Chief of Police determined that, having been billed four times for the costs of police services within one year of the issuance of the 2017 Notice of Nuisance Premises, the Madison St. property was a chronic nuisance premises under s. 80-10-6 of the Code of Ordinances; and

Whereas, FOH is therefore responsible for managing the Madison St. property as a chronic nuisance premises and drug house to the detriment of neighbors and the surrounding community; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of City Development is directed to work with the City Attorney to explore the feasibility of terminating all contractual relationships with the Friends of Housing Corporation; and, be it

Further Resolved, That the Department of City Development shall report to the Common Council on the status of contractual relationships with the Friends of Housing Corporation within 90 days; and, be it

Further Resolved, That Common Council approval is required for any subsequent contractual arrangement between the City and Friends of Housing Corporation.

Requestor

Drafter
LRB173386-2
Dana J. Zelazny
March 18, 2019