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PARALEGAL
Ryan M. Riley

January 24, 2025

VIA ELECTRONIC MAIL

Satya V. Rhodes-Conway, Mayor
SRhodes-Conway@cityofmadison.com

All Common Council Alders
council@cityofmadison.com

Re: 15-day Notice of Intent to File a Public Nuisance Action Pursuant to Sec. 3.07(2), MGO

Pursuant to Section 3.07(2) of the Madison General Ordinances, this memorandum is to notify you that the Office of the City Attorney intends to file a public nuisance action under Chapter 823, Wisconsin Statutes, against Madison East Partnership, LLC, and the rental property it owns and operates, commonly known as Harmony at Grandview Commons Apartments ("Harmony"). Harmony consists of six (6) buildings with the following addresses: 5921 Milwaukee Street, 5901 Milwaukee Street, 114 Milky Way, 118 Milky Way, 5902 Jackson Quarry Lane, 5924 Jackson Quarry Lane, and an office and community space at 116 Milky Way, Madison, Wisconsin. There are a total of ninety-four (94) apartment units.

Royal Capital, 710 N. Plankinton Avenue, Milwaukee, Wisconsin, is the developer of this property and the entity that oversees the operation of the property. Harmony opened in the winter of 2019. Harmony is a low-income housing tax credit property.

On April 9, 2020, Madison Police East District Captain Cory Nelson issued a Chronic Nuisance Declaration to Harmony due to a series of violent incidents occurring at the property including two incidents in which people received gunshot wounds. Wisconsin Management Company was hired in the spring of 2020, and it managed to abate the nuisance activity. Harmony was removed from the Chronic Nuisance Abatement Declaration in February 2021. Wisconsin Management terminated its relationship with Harmony effective January 2022. Since Harmony opened in Winter 2019, it has had four (4) different management companies, including the current in-house management company that has been on site since September 2024.

In July 2023, a young adult male tenant was shot and killed at the Harmony. In October 2023, a teenage female tenant was shot and killed at the Harmony. Prior to the

October homicide, the City had been meeting monthly with Royal Capital and management to discuss on-going issues related to police calls to the property, general management issues, and issues related to providing services to residents. After each homicide, the City evaluated the Harmony's police calls for service to determine whether the criteria were met for another Chronic Nuisance Declaration and determined the criteria were not met. After the October 2023 homicide, the City began meeting weekly with Royal Capital and its management company.

After the October 2023 homicide, the City provided a list of action items for Royal Capital to complete in response to the two (2) homicides. Royal Capital completed the majority of the items, but one of the safety items, a gate to control direct flow of traffic from Milwaukee Street through the complex to Jackson Quarry, remains incomplete to this date.

Since September 2024, when Affiliate Management Services ("Affiliate" is Royal Capital's in-house management company) came on site, tenant living conditions have gone from bad to worse. Affiliate only has management staff on-site Tuesday, Wednesday, and Thursday each week. The hours for each of those days are 11am-6pm, 12pm-7pm and 10am-3pm respectively. That is nineteen (19) hours of on-site property management per week at a property that has ninety-four (94) apartment units, a history of two (2) recent homicides, and a longer history of gun violence. There are times when police, tenants, and other agencies are unable to find management staff during those limited hours which they indicate they will be on site.

When Affiliate came on board, there were already at least one hundred one (101) existing maintenance requests from tenants. Some tenants have been waiting for over a year to have their requests addressed. Up until December 2024, Harmony did not have a full-time maintenance person on site. Affiliate's practice has been to have maintenance on site when management was on site. Thus, nineteen (19) hours per week for maintenance, if that.

Since September, Affiliate and Royal Capital have said certain repairs would be done by the end of the week or the end of the following week. It is difficult to discern fact from fiction in terms of where Affiliate stands with tenant repairs. Its staff provides inconsistent information at the weekly meetings. There are several tenants who do not have working appliances (e.g., washers, dryers), and Affiliate has been promising those would be fixed "by the end of next week" since October 2024. When the City or Public Health questions Affiliate regarding the appliance repairs and other issues, they are met with hostility.

At present, there are seven (7) tenants whose Housing Assistance Payment ("HAP") is not being paid by Section 8 due to repairs not being completed. There are an additional seven (7) units that currently have outstanding repair orders on them but are not yet in abatement.

Since July 2024, there have been twenty-one (21) Building Inspection cases opened related to Harmony. To date, 12 of those have been closed and nine (9) remain open, which means items still need to be repaired. At times when Affiliate has had items

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subject to a building inspection order repaired, it did so in an unworkmanlike manner which had to be re-done. A total of seventeen (17) citations have been issued to Madison East Partnership and two (2) long-form complaints have been prosecuted in Madison Municipal Court. Madison East Partnership currently owes the City \$22,956.40 in forfeitures for the aforementioned citations and cases.

The City intends to file a Public Nuisance Action under Wis. Stat. 823.02, in Dane County Circuit Court and will ask the court to appoint a receiver to abate the nuisance that presently exists at the Harmony.

In accordance with MGO Sec. 3.07(2), if the Mayor or any member of the Common Council wants this matter considered by resolution, they shall, within fifteen (15) days of receipt of this notice, provide a written request for such resolution to the City Attorney. Any such request shall be submitted to the City Attorney by February 10, 2025.

Sincerely,



Jennifer Zilavy
Assistant City Attorney

JAZ/dbs
2019-0865

cc: Elmer Moore, Jr., CEO, WHEDA
John Errigo, Director of Equity Investing, Minnesota Equity Fund
Warren W. Hanson, President and CEO, Greater Minnesota Housing Fund
and Minnesota Equity Fund
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