



Authorization to enter into new  
lease and expend funds for  
Fondy Market

# Fondy Farmers Market 2200 W. Fond du Lac Ave.





# 2015 market operations

- 27 vendors
  - 22 farmers
  - 5 hot food vendors
- Open May 9 through November 21
- Weekly health education events
- Avg. weekly attendance: 3,500



# 2001 lease

- 50-year lease with Fondy Food Center, Inc.
- \$1/year rent
- Anticipates additional development at property; includes market structure and adjacent vacant land
- Tenant responsible for maintenance
- Tenant responsible for utility bills

# Today's situation

- Tenant has not met certain lease terms
  - No development has occurred
  - Unpaid water bill certified to tax bill (\$43,900.17)
- Market requires significant investment to address code problems
  - Basic maintenance issues
  - Capital improvements
  - Could reach \$250,000

# File #151305

- Acknowledge that Fondy Market provides valuable service in area with limited access to fresh food
- Terminate existing 50-year, \$1/year lease
- Authorizes renewable 3-year lease
  - Requires payment of nominal rent (\$14,400 over 3 years)
  - Eliminates vacant land from leasehold
  - Requires annual reporting and financial audit by Fondy Food Center, Inc.

# File #151305

- Use rents paid by tenants of City-owned tax-foreclosed property to:
  - Reimburse City account for delinquent water bill (\$43,900.17)
  - Spend up to \$250,000 for repairs to structure
- Rent funds held in dedicated RACM account; used only to pay bills associated with management and maintenance of City-owned foreclosed properties
- Balance reported annually to comptroller
- Comptroller directs disposition of balance
  - Carryover for next year's property expenses
  - Return surplus to City general fund
- Current balance: \$396,000