



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 2014 tax bill (\$43,900.17)
- Market requires significant investment to address code problems
 - Basic maintenance issues
 - Capital improvements

File #151305 - lease

- Terminate existing 50-year, \$1/year lease
- Enter into 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 - expenditure

- Use rents paid by tenants of City-owned tax-foreclosed property to make repairs (up to \$250,000)
 - Held in dedicated RACM account
 - Pay bills associated with management and maintenance of City-owned foreclosed properties
 - Balance reported annually to comptroller
 - Comptroller directs disposition of balance
 - Current balance: \$396,000
- Authorize Treasurer to write off special charge for delinquent water bill (\$43,900.17)