

City of Madison Plan Commission

September 12, 2012, Meeting

Agenda Item 11: Legistar Identification Number: 27248

1 **NAN FEY:** Item number 11 is Legistar 27248. This is consideration of an alteration to an
2 approved conditional use planned residential development to allow an existing apartment
3 complex to be renovated and a new clubhouse and multi-space garages to be constructed at 1108
4 Moorland Road in the 14th Aldermanic District. Do you want to say something about this, or
5 shall we wait for Brad to get up? I can say.

6 We've, the Plan Commission was, and staff, were presented with a 42-page management
7 agreement today, which makes it highly likely that we will need to refer this item to a future
8 meeting so that everyone has a chance to digest what is in those 42 pages before making a
9 decision. But this evening, there are a lot of folks who have taken the time to come this evening,
10 and we'd like to honor that. We'll open the public hearing, and we'll take testimony tonight
11 from those of you who want to give it.

12 The speaking limit is three minutes unless there are questions, at which point we will
13 recess the public hearing and reopen it when the item comes back onto the Plan Commission's
14 agenda. By speaking tonight, however, you basically are saying, I've said my piece on this. If
15 you speak tonight, you've given up the opportunity to speak at the next, at the continuation of the
16 public hearing unless something very significant changes in the, on the issue. So it's up to you to
17 decide whether or not you wish to speak tonight or at some future date.

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19 **MIKE MERVIS:** Could we ask you a point of clarification, Madam Chair?

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NAN FEY: Yes.

MIKE MERVIS: If we, if it is put off, and as the applicant, will we have a chance to discuss whatever changes have been discussed with the staff and how, if, so . . .

NAN FEY: Absolutely.

MIKE MERVIS: . . . so we as the applicant would get a, there just wouldn't be a public hearing if the public hearing is held tonight?

NAN FEY: Well, no, I intend, we need to, the Commission needs to hear from the applicant and whoever wishes to speak this evening so that, you know, we can learn what's going on with this. All we have is what's written. And as I said, 42 pages of it is new. So tonight we would like to hear from those members of the public who wish to speak. We assume the applicant would be coming back in any case. But we would, I'm sure the Commission would like to hear some from the applicant and may have questions for the applicant this evening.

MIKE MERVIS: Okay.

NAN FEY: But then in the intervening time, there will be an opportunity for the applicant to certainly discuss all the contents of this 42-page document and whatever other issues may still be on the table with staff before this would come back before the Plan Commission.

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2 **MIKE MERVIS:** Thank you.

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4 **NAN FEY:** And it would not come back until October for sure. We're not sure, we probably
5 won't determine exactly which of those two meetings, but it won't be back until October. So
6 with that, I will open the public hearing and begin with the applicants so that they can set this
7 project up and everyone can hear it. If we get to folks who have decided that they wish to
8 reserve their remarks for the continuation of the public hearing, please just say so, and we'll
9 make a note of that and move on to the next individual who actually wishes or needs to speak
10 tonight because of, you know, difficulty of coming back a second time. Mr. Rewey.

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12 **MICHAEL REWEY:** I hope that everybody in attendance can see those. Okay. You are
13 turning them though.

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15 **NAN FEY:** Okay.

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17 **MICHAEL REWEY:** Okay.

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19 **NAN FEY:** Yep. Okay.

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21 **JONATHAN BRINKLEY:** Should I . . . I didn't want to block . . .

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23 **NAN FEY:** Yeah.

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MICHAEL REWEY: No, I want them to see it too.

NAN FEY: Yeah, no, everyone needs to be able to see, and this room is not ideal. It's not our usual space.

JONATHAN BRINKLEY: It's usually not normal.

NAN FEY: I apologize for that as well. But we'll begin with Mike Mervis, 710 North Plankinton in Milwaukee. He'll be followed by Jonathan Brinkley.

MIKE MERVIS: Thank you, Madam Chairwoman. Members of the Plan Commission, my name is Mike Mervis. I am assistant to the chairman of the board and vice president of Zilber Limited. I'm also chairman of the executive committee of the Zilber Family Foundation, which has committed over \$100 million to improving neighborhoods, provide support services for battered women and children, the homeless, and educational programs, including \$10 million of funding for Wisconsin's only school of public health, which opened last month.

There are two issues before you this evening, and I think the residents of Nob Hill will speak to both of them. The first is what is Madison's commitment to its citizens who earn \$40,000 plus for a family of four, not the homeless, not the frequently used phrase low income, but those earning \$40,000 plus a year? We want you to think seriously about those individuals who will live at Nob Hill and the thousands of citizens those individuals represent around your community.

1 This project is about them and what you in your community about, to say about them,
2 better quality of life, better opportunity, better place to live and raise a family, a secure
3 environment, or, well, the or is very scary. We can all agree that no one wants to go back to a
4 time when someone could say, I don't want you here. That's wrong, and we all know it. The
5 second issue you must consider is can an organization that's ranked 66th in Wisconsin in closely
6 held companies, soon to be owned by an asset by the Zilber Family Foundation, in business for
7 over 60 years with a deep and experienced management team and a strong balance sheet with a
8 net worth of over \$150 million, do what they say they can do?

9 The answer to the first issue, what happens to Madison citizens making around \$40,000 a
10 year for a family of four, is going to be up to you. You'll be asked to decide an issue in a matter
11 of public policy, which your staff, the local aldermen, the mayor, and his staff consider complex.
12 But in their words and the words of your staff report, lacking only a sound management and
13 operational plan, that plan is in your hands. We apologize for what was delivered and the scope
14 and nature of it. But I think your staff will support me when I say we sent an outline of this and
15 asked for comments, and those comments were not forthcoming. And we decided today to send
16 you that, and hopefully you'll have time before we next appear before you to review it.

17 The answer to the second issue is, of course we can do what we say we can do. That's
18 what we are in business for. We work for an organization that one of Wisconsin's leading real
19 estate developers and one of its largest philanthropists created. His name was Joe Zilber. We're
20 proud of our heritage. The mayor, the aldermen, and your staff know we can manage this project
21 from its construction through its expected lifespan. We can and will reduce police calls. Is it . . .

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23 **NAN FEY:** One more minute.

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2 **MIKE MERVIS:** One minute? Okay.

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4 **NAN FEY:** If you need it.

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6 **MIKE MERVIS:** Oh, yeah. I'll roll faster.

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8 **NAN FEY:** Three minutes is the standard.

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10 **MIKE MERVIS:** Okay. The captain, who is here this evening, we have talked to him about
11 our plans, which includes lighting, 18 video cameras, coordinated police community crime
12 prevention program that the captain told us in all of our meetings that he strongly advocates, and
13 we can manage those issues. And you'll hear, most important of all, you're going to hear from
14 the people who live at Nob Hill who are really most impacted by the decision that you will make
15 at some point in time, hopefully in the near future.

16 And at the end of our presentation, you'll hear from our CEO, Jim Borris, who will give
17 you our commitment as an organization who has been doing business in this state for 60 years
18 and I think is highly regarded and widely respected that we can do what we say we can do. And
19 that's what this debate is all about. Thank you.

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21 **NAN FEY:** Thank you. I should just take a moment to mention that anyone who does wish to
22 speak this evening needs to have filled out one of these green sheets and handed it to Mr. Parks

1 here so that we know who you are. The next speaker is Jonathan Brinkley, 229 East Division
2 Street, Fond du Lac, from Nob Hill Apartments. He'll be followed by Dewayne Pohl.

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4 **JONATHAN BRINKLEY:** Good evening. My name is Jonathan Brinkley. I'm the architect
5 for this project. I'm going to take you on a brief three-minute tour of what it is we have planned.
6 This project brings together two aspects of architectural work that our design team is most
7 passionate about, sustainability and accessibility. In regards to sustainability, this project
8 proposes the reuse and extensive reconditioning of 254 existing dwelling units that are 40 years
9 old and deteriorating rapidly.

10 From the sustainability standpoint, reusing our existing buildings is one of the most
11 responsible things that we can do. The site will be updated with all new asphalt parking. We're
12 going to add landscaping, 79 additional garages, community garden plots, and a soccer field
13 where the dilapidated tennis courts now sit. We're also going to provide a free-standing
14 clubhouse building to sit where the nonfunctioning in-ground pool is located.

15 The clubhouse will house the following amenities for our residents, a community room
16 with a warming kitchen, a fitness center, and a business center with computers and copiers.
17 Directly adjacent to the clubhouse would be a children's playground and basketball court. After
18 meeting with our residents last month, we have added at their suggestion a community grill to be
19 located on the patio outside of the clubhouse. In regards to the building exteriors, the clubhouse
20 will complement the existing architecture of the existing buildings.

21 The clubhouse will be clad in a mixture of matching brick veneer and fiber cement
22 siding. The existing apartment buildings currently look tired and worn due to their aging vertical
23 wood panels. And we will be covering all of those with new fiber cement lap siding.

1 Additionally, we will provide all new fascia, soffit, gutters, and downspouts. The existing decks,
2 which are in a severe state of distress, will be completely removed and rebuilt. In terms of
3 energy efficiency, we will be replacing all single-pane windows. We'll upgrade the building
4 insulation. We'll upgrade the boiler system and replace all of the air conditioners.

5 Inside the building, we're doing the following. We're replacing all of the floor coverings
6 in both the common areas and the dwelling units. We're replacing the appliances. We're
7 painting every dwelling unit. We're replacing cabinetry, and we're replacing every single
8 plumbing fixture. In regards to accessibility for those with disabilities, we're doing the
9 following upgrades in every unit, grab bars in the tubs, grab bars in the showers, grab bars in the
10 water closets, lever-type handles on every door, and single-lever faucets. Again, I want to stress
11 that we're doing these accessibility features to every unit.

12 The project will also make 5% of the total dwelling units completely accessible. To
13 accomplish this, we'll install an elevator in one building that will allow access to all three floors.
14 Our project will also have an additional 15% of the units with additional accessible features.
15 These features will include an accessible work counter in each unit, accessible device locations,
16 accessible closets, accessible water closets, and entrance doors. We will also have low-profile
17 thresholds at these doors.

18 In conclusion, this project will make a host of improvements to a deteriorating building
19 complex and breathe 30 years of additional life into it. Investing in our existing housing stock is
20 responsible and good for all communities. Including accessible design features for those with
21 disabilities is the right thing to do, and it's certainly needed in today's marketplace. Thank you.

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23 **NAN FEY:** Thank you. What's next? Oh, here we are.

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BRAD MURPHY: Sorry.

NAN FEY: That’s okay. The next speaker is Dewayne Pohl, 5218 Ridge Oak Drive, Madison. He’ll be followed by Terrell Walter.

DEWAYNE POHL: Good evening. My name is Dewayne Pohl. I’m the portfolio manager for ACC Management Group. I guess I’d like to start with giving you some background on ACC Management Group, as many of you probably are not familiar with our organization. ACC Management Group is a full-service property management firm dedicated to providing professional results-oriented services to our clients since 1976. We specialize in government-assisted housing, including Section 42 tax credits, along with market rate properties.

ACC Management presently manages over 40 apartment communities representing over 1,900 apartment units. ACC offers onsite management and maintenance to include 24-hour emergency maintenance. The corporate office includes accounting, marketing, and program compliance as part of our management services in addition to our portfolio manager and regional managers who regularly visit and monitor each property we manage. At ACC, we strive to provide exceptional integrity-driven housing management to owners, investors, and residents of the communities we manage.

We serve them promptly and proactively while maintaining economic controls. From the, I personally have over 30 years of management experience with 24 years in the real estate industry, including 22 as a Wisconsin licensed real estate broker. Fifteen of those years have been dedicated exclusively to multifamily marketing or multifamily property management with

1 ten years as a multifamily regional manager at a national level and prior experience as an onsite
2 property manager.

3 At the national level, I have managed or overseen the operations of apartment
4 communities ranging in size from 286 units to properties in excess of 1,000 units. From the
5 onsite management side, I strongly believe that the successful management of any apartment
6 community is a mix of a number of things that when combined and enacted create a positive,
7 safe environment for the residents at the apartment community. ACC has developed
8 comprehensive policies, procedures, and forms as a tool for the management of the properties.

9 This starts with strict residential screening criteria. ACC checks credit, criminal, and
10 landlord history on all applicants for housing. We have a zero tolerance for criminal activity.
11 And part of our criteria is to actually check the criminal history annually at renewal. And if that
12 household no longer qualifies, that lease will not be renewed. We work very, very closely with
13 local law enforcement so that we can be proactive instead of reactive to any criminal or
14 unwanted behavior. This would include weekly meetings with neighborhood liaison officers.

15 In addition to strict screening criteria, we establish community guidelines for the
16 community, which are an addendum to the lease and as such are enforceable. Creating social
17 activities that you will hear about shortly will increase resident retention thereby lessening the
18 turnover, which creates a much more stable property. ACC provides well-trained professional
19 onsite staff to ensure that the policies and procedures are enforced. ACC closely monitors all
20 building and property management performance.

21 There seems to be, in my opinion, a misconception that when rental community is
22 restructured with the Section 42 tax credits, and beautiful, affordable housing is being provided,
23 that the demographic at that property somehow suffers. ACC has been through 13 acquisition

1 rehabs very similar to the Nob Hill proposal. And in every one of them, the demographic has
2 improved dramatically. Several of these acquisition rehabs have been in inner city Milwaukee,
3 in far more troubled areas than Nob Hill, and have been very, very successful.

4 In summary, my staff and I feel that this project would not only be beneficial to the
5 property, it would be beneficial to the neighborhood, and it would be beneficial to the city of
6 Madison. Thank you.

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8 **NAN FEY:** Thank you. Next speaker is Terrell Walter, 710 North Plankinton, Milwaukee,
9 from the Royal Capital Group. He'll be followed by Kevin Newell.

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11 **TERRELL WALTER:** Good evening. As Jonathan mentioned, the proposed redevelopment of
12 Nob Hill includes the construction of a new community clubhouse. Through careful
13 consideration, we have drafted a few enrichment activities that we believe are relevant as it
14 pertains to the enhancement of Nob Hill residents. Additionally, we're going to hire a
15 community coordinator who will be responsible for implementing these activities and ensuring
16 that Nob Hill has a healthy living community for all that live there.

17 The offerings that we're going to have available for Nob Hill residents are as follows,
18 English as a second language. We're aware that Nob Hill has a population of residents that do
19 not speak English or do not speak it fluently. We want to cater to these residents by offering
20 them the opportunity to learn English as a second language at their own time and when it's most
21 convenient for them. The way we're going to do this is by installing English-as-a-second-
22 language software, such as Rosetta Stone, on all computers available to residents within the
23 community clubhouse.

1 Next, we're going to offer tutoring for students ages 5 through 18 at the development.
2 These tutoring sessions will take place on Tuesdays and Thursdays each week from 4:30 to
3 7:30 p.m. Today, we actually have a commitment from Alpha Phi Alpha Fraternity,
4 Incorporated, on the campus of University of Wisconsin-Madison, which is the Gamma Epsilon
5 Chapter. They've committed to actually designate at least, at a minimum, two of their members
6 each tutoring session to cater to the academic needs of these students.

7 We're also going to have a financial awareness component through a nonexclusive
8 commitment from UW Credit Union. They're going to provide onsite seminars within the
9 community clubhouse that will go over a host of different financial aspects for the residents
10 living there. I'll go into a brief list of the type of seminars that they'll offer. They'll include
11 building personal budgets and helping residents manage their money more effectively, how to
12 improve or repair your credit.

13 They're also going to cover financial aid and resources for those interested in and
14 pursuing higher education. In addition to these three components, we're also going to offer
15 fitness classes, arts and crafts sessions. Nob Hill will also host local, excuse me, organizations
16 that have an interest in developing the educational, health, and social activities of Nob Hill
17 residents.

18 And we are firmly committed, in addition to these aforementioned components, to
19 working with the City of Madison in order to develop resources and activities that are needed for
20 the enhancement of Nob Hill residents in addition to working with philanthropic organizations
21 such as the Zilber Family Foundation. Thank you.

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1 **NAN FEY:** Thank you. The next speaker is Kevin Newell also from the Royal Capital Group.
2 He'll be followed by Jim Borris.

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4 **KEVIN NEWELL:** Good evening, Plan Commission members. My name is Kevin Newell,
5 president of Royal Capital Group out of Milwaukee. The most important stakeholder in all of
6 this discussion is no doubt the residents. You know, we can have a lot of technical debate about
7 our proposal, but it all starts with these guys. And rather it be the local restaurant server on State
8 Street, the local school teacher, the local school bus driver, these are the folks who matter.

9 Now we've been told several times in several different communities, for instance, in the
10 city of Madison, somebody making less than \$41,000 a year is somehow low income, and these
11 low-income folks somehow lead to high crime, poor neighborhoods, and quite frankly are not
12 contributing citizens to the Madison and community area. We strongly disagree. For instance,
13 my mom has never, she's worked 12, she's worked her whole entire life, and has never made
14 more than \$12 an hour, never more than \$25,000 a year.

15 But she raised five kids in the inner city of Milwaukee, and she has one before you today
16 with a master's degree, a college education, a successful business, a good, contributing member
17 to the community all at the age of 28. We believe in the residents of Nob Hill. We had a, I
18 mean, a site-wide barbeque about a month and a half ago, invited the residents out. We had
19 hamburgers, brats, potato salad, all the fixings, and we also had our architect there to kind of go
20 over the design.

21 We also brought in our management company, ACC Management Group, to kind of talk
22 about the strict, no-nonsense policy that we wanted to implement post acquisition. We later
23 asked the residents for their support for our proposal by signing a petition. Over 165 residents

1 did just that. We also went door to door in the neighborhood and talked to the residents about
2 our plan. They gave us great feedback. We also then incorporated some of their ideas. Most
3 importantly though, the level of support for the neighbors of Nob Hill, for their neighbors at Nob
4 Hill was astonishing. It was very high.

5 Now rather it be Vandy, who's been living at Nob Hill for over 29 years and has, and is
6 also a retired City of Madison employee, or rather it be Teresa, who has, unfortunately, has a
7 grandchild who suffers from meningitis, and the child is going through several amputations, and
8 now Theresa is requesting a three-bedroom accessible unit, or rather it be Sam, who him and his
9 daughter are from the Congo, and Sam is a law school student at UW-Madison, these are the
10 folks who matter. These are the folks that we will continue to fight for, that we will continue to
11 stand up for. And Plan Commission, quite frankly, we ask for your support. Thank you.

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13 **NAN FEY:** Okay. The next speaker is Jim Borris from the Zilber Group, who will be followed
14 by Shellie Pierce.

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16 **MICHAEL HEIFETZ:** Madam Chair, procedural question?

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18 **NAN FEY:** Yes.

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20 **MICHAEL HEIFETZ:** Questions in order any time tonight as well as presumably if there is an
21 extension?

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1 **NAN FEY:** Sure, yeah. I mean, I think the, this is the, sort of the applicant presentation. I was
2 thinking we'd let them get through, and then we can come back if you have particular questions.
3 Okay. Sorry. Go ahead.

4
5 **JIM BORRIS:** Okay. Good evening. My name is Jim Borris, and I'm president of Zilber
6 Limited. What do we bring to the table? You've just heard from my associates. We bring a
7 commitment from a solid company that cares. We bring a hands-on owner. We are not, and you
8 will no longer have, an absentee owner. We bring an investment of \$10 million for new life at
9 Nob Hill. We bring a brand new clubhouse with education programs and tutoring. We bring
10 improved security and fire alarm systems.

11 We bring professional, experienced, responsible management. We bring focused resident
12 screening and enforcement. And most importantly, we bring cooperation and real-time
13 communication with law enforcement. We will lease to good citizens and evict those that are
14 not. We will make this community affordable but financially feasible. We are financing the
15 improvements with a 40-year fixed rate loan providing stability well into the future. We will
16 provide three-bedroom units that are desperately needed. This is a good thing.

17 City staff says there's a waiting list of over 500 people for 3-bedroom units. What we
18 offer is the opportunity for a better life, safety, and improved general welfare. Some may say,
19 no, we don't want to provide affordable housing here. The neighborhood is not conducive. The
20 apartments should never have been built. Low-income residents, these types are a problem. We
21 respectfully disagree. Should these hard-working people be excluded? No, they should not. The
22 property has great bones, great open space. It's a wonderful housing opportunity, and you will
23 be proud.

1 Finally, let's look at the seven conditional use standards that must be met. Staff only
2 questions if our proposal meets numbers one and numbers two. Regarding one, I ask you to
3 answer, will our program jeopardize or endanger public health, safety, or general welfare? The
4 answer is obvious. No, it will not. It would only enhance. Regarding two, can the City provide
5 municipal services to the property with consideration of cost? This is not a new project.
6 Services are already being provided.

7 The service agencies were all asked that question, and no objections were received. In
8 fact, the police captain has said our programs will reduce calls. The City's cost will only do one
9 thing from where it is today. That's decrease. And the issue of adding just 34 bedrooms in an
10 area that already adequately serves 6,300 bedrooms, well, we take issue with the characterization
11 of a few bedrooms as adding density. The City's code only refers to units per acre, and three-
12 bedroom units are encouraged by the comprehensive plan.

13 We respectfully submit these are easy answers. If you agree the seven conditions are
14 met, we should move forward. Members, I know there's opposition to our proposal, but I would
15 like to close by saying just one thing. I don't get it. I don't get why we would object to a
16 \$10 million investment, improve management in an opportunity like we have set forth. What
17 better alternatives are there? Let the property go? Let it get worse? Let the nuisances increase,
18 and maybe someday we can tear it down? Start over? I don't get that.

19 If you say no, what happens to this property, to its residents? Well, the \$10 million is
20 lost. The magnitude of our improvements will never happen. Do the problems get better, or do
21 they get worse? Does a new owner purchase and invest \$10 million? I can tell you no way.
22 Saying no to our program is by far the biggest risk to the city of Madison. Thank you very
23 much, and I respectfully ask for your support for this worthwhile proposal.

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2 **NAN FEY:** Thank you. Let's see. Are these all, are these guys still part of the applicant's
3 team?

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5 **BRAD MURPHY:** I don't believe so.

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7 **NAN FEY:** Oh, they're not.

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9 **BRAD MURPHY:** I'm not sure though.

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11 **NAN FEY:** Is that, was that the last speaker from the applicant's team?

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13 **BRAD MURPHY:** Yes.

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15 **NAN FEY:** Okay. It looked like maybe there were a couple of questions from commissioners.

16 We can take those before we hear from members of the public who wish to be heard. Go ahead.

17 Mr. Heifetz.

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19 **MICHAEL HEIFETZ:** I forgot the gentleman's name from ACC.

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21 **BRAD MURPHY:** Dewayne Pohl.

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23 **NAN FEY:** Yeah.

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2 **DEWAYNE POHL:** Dewayne Pohl.

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4 **MICHAEL HEIFETZ:** Thank you, sir. I'm not good with names.

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6 **DEWAYNE POHL:** That's okay. No problems.

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8 **MICHAEL HEIFETZ:** . . .

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10 **DEWAYNE POHL:** No problems.

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12 **MICHAEL HEIFETZ:** . . . with all of the folks discussing tonight. You mentioned first some
13 projects that loosely, at least, are similar to this . . .

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15 **DEWAYNE POHL:** Correct.

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17 **MICHAEL HEIFETZ:** . . . project. So does the data on police calls and those types of calls
18 show the improvements that others are discussing in this regard?

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20 **DEWAYNE POHL:** Absolutely. As an example, we have a property in inner city Milwaukee.
21 It is, it used to be called Camilla Court. When the, it was purchased by a Jewish nonprofit. At
22 the time of purchase, it's a 62-unit property, 50% of the units were condemned by HUD. There
23 were literally rats running around in the hallway. The people were living with them. The drug

1 activity was unbelievable. They were averaging five to six police calls a day at this property.

2 We purchased it. We did a tax credit rehab on it.

3 It was a cinderblock building. You know, it looked like a prison, is what it looked like.

4 We put efface on the exterior. We redid the entire, we literally gutted the units, rehabbed them

5 all. It's 100% occupied with a, it also is a project-based Section 8 property that we wrapped with

6 tax credits. We have about a 200-person waiting list on this property. The police calls are

7 virtually none. I'm not going to tell you it's zero, but, you know, if we have one a month, it's, it

8 would be, it would surprise me.

9 So it virtually created a completely new environment at this property. The neighborhood

10 that it is in is just off of Martin Luther King Drive. The surrounding neighborhood is not great,

11 yet, this property stands alone and runs wonderfully and literally with no problems.

12

13 **MICHAEL HEIFETZ:** Thank you.

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15 **DEWAYNE POHL:** You bet.

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17 **NAN FEY:** . . . another question? Yeah, oh . . .

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19 **TONYA HAMILTON-NISBET:** . . . gentleman.

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21 **NAN FEY:** Excuse me.

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23 **MAN:** Sir?

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2 **NAN FEY:** Excuse me.

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4 **MAN:** Dewayne?

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6 **DEWAYNE POHL:** Whoop, I'm coming back.

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8 **NAN FEY:** One more for you. Ms. Hamilton-Nisbet.

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10 **TONYA HAMILTON-NISBET:** I, when was this acquisition made? How long ago has it
11 been that you redid this property?

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13 **DEWAYNE POHL:** For the one that I . . .

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15 **TONYA HAMILTON-NISBET:** The one that you had just, were just talking about.

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17 **DEWAYNE POHL:** It was done in 2005.

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19 **TONYA HAMILTON-NISBET:** Okay. And can you tell us when the police calls got, started
20 to get better?

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22 **DEWAYNE POHL:** Literally, almost immediately, because, and I shouldn't say immediately,
23 because nothing happens overnight. But with the implementation of our policies and procedures,

1 when I say I have a no-nonsense, I just don't deal with criminal activity. I don't deal with drug
2 activity. And so literally within six months, it virtually was off the radar as far as the police
3 calls.

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5 **DEWAYNE POHL:** Yes, sir?

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7 **NAN FEY:** Mr. Cantrell.

8

9 **BRAD CANTRELL:** In the materials that we've received with our packet, one of the things
10 that I was kind of looking for and I didn't see was, and you have talked about, were the screening
11 of tenants. And I know the police department, in their letter to the current owner, was, wanted to
12 talk to that current owner about screening of tenants, because that is a huge part of making a
13 development work.

14

15 **DEWAYNE POHL:** Absolutely.

16

17 **BRAD CANTRELL:** And I guess I'm assuming in the materials that you've submitted to us to
18 review in the next few weeks . . .

19

20 **DEWAYNE POHL:** I believe that our resident selection criteria is, in fact, included in that.

21

22 **BRAD CANTRELL:** Okay.

23

1 **DEWAYNE POHL:** If it is not, I would be very, very happy to get that to you.

2

3 **BRAD CANTRELL:** Okay. I would be very interested in seeing that sort of information.

4

5 **DEWAYNE POHL:** Absolutely.

6

7 **BRAD CANTRELL:** Okay.

8

9 **DEWAYNE POHL:** I . . .

10

11 **KEVIN NEWELL:** It's in there.

12

13 **DEWAYNE POHL:** Yeah, it is in there. When you're looking forward at the top, it will be
14 called resident selection criteria.

15

16 **BRAD CANTRELL:** Okay.

17

18 **DEWAYNE POHL:** And it does go through all of our procedures, and all of the applicants
19 actually are provided this prior to filling out an application. They have to read through it, and
20 they have to sign it prior to us accepting an application from them.

21

22 **BRAD CANTRELL:** Okay. Thank you.

23

1 **DEWAYNE POHL:** You bet.

2

3 **NAN FEY:** Any other questions from commissioners for any members of the development team
4 on this occasion? Mr. Cantrell.

5

6 **BRAD CANTRELL:** The first speaker, and, again, I forget your name . . .

7

8 **MIKE MERVIS:** Mike . . .

9

10 **BRAD CANTRELL:** Mike.

11

12 **MIKE MERVIS:** . . . Mervis.

13

14 **DEWAYNE POHL:** Mike, you better switch spots with me.

15

16 **BRAD CANTRELL:** I think one of the concerns, at least I think repeated in the staff report, is
17 the commitment of the owner or the operator of this project to do what you say you're going to
18 do. And I guess the ownership of this project, do you plan to own it for 30 years as long as the
19 tax credits are in place?

20

21 **MIKE MERVIS:** That's our present intention.

22

23 **BRAD CANTRELL:** Okay.

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KEVIN NEWELL: Yes.

MIKE MERVIS: We're making that commitment, because that's what, yes, the answer is yes.

BRAD CANTRELL: Okay.

MIKE MERVIS: Otherwise, we wouldn't be here, and we've said that to the mayor, we said it to your staff in meetings. You know, when you've been in business 60 years, the next 60 are fairly easy, so I'm told.

BRAD CANTRELL: Okay. Good.

NAN FEY: Thank you.

BRAD CANTRELL: Good. Thank you.

NAN FEY: Okay. One more?

TONYA HAMILTON-NISBET: . . . one more.

NAN FEY: One more.

1 **TONYA HAMILTON-NISBET:** One of the speakers had mentioned 40 years. Is . . .

2

3 **MIKE MERVIS:** That's our financing.

4

5 **TONYA HAMILTON-NISBET:** That's your financing?

6

7 **JIM BORRIS:** Yes, that's the financing.

8

9 **TONYA HAMILTON-NISBET:** Thank you.

10

11 **MIKE MERVIS:** Yes. So there was a question early on in discussions. I don't know if it was
12 with Brad, whether it was staff, or when we were in with the mayor and everybody. There was
13 an issue that maybe somebody else raised about the financing and the stability of that. And so
14 we wanted to include that in our presentation to you so it's on the record. So our financing is not
15 something that anybody has to worry about. It's good, solid. It's part of what comes. As our
16 founder Joe Zilber would say, when you have a good balance sheet, maybe the banks will listen
17 to you.

18

19 **NAN FEY:** Okay. Thank you. So the other speakers registered this evening, I'll ask each of
20 you whether you wish to speak tonight or at the continuation of this public hearing when we
21 reconvene. We'll begin with Lisa Freitag.

22

23 **LISA FREITAG:** I'd like to reserve my right to speak at a later point.

1

2 **NAN FEY:** Okay. How about Laura Paglusch?

3

4 **LAURA PAGLUSCH:** Paglusch, Paglusch.

5

6 **NAN FEY:** Forgive me if I didn't get that right.

7

8 **LAURA PAGLUSCH:** What was that?

9

10 **NAN FEY:** I just apologized for mispronouncing your name.

11

12 **LAURA PAGLUSCH:** That's okay. I reserve the right to talk later.

13

14 **NAN FEY:** Okay. Is there anyone who wishes to speak tonight? And what is your name?

15

16 **TERESA BURKELAND:** Teresa Burkeland.

17

18 **NAN FEY:** Okay. Why don't you come forward? Anyone else? Whoever, anyone else who
19 might wish to, will be next, so get ready whoever you are.

20

21 **MAN:** Do you have your sheet?

22

23 **TERESA BURKELAND:** Yes. Oh, me?

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NAN FEY: Yes, I have a sheet.

TERESA BURKELAND: Oh.

MAN: I saw the . . . sheet . . .

TERESA BURKELAND: Oh, my fan. I'm sorry.

MAN: Oh . . .

NAN FEY: Okay. So this is . . .

TERESA BURKELAND: It's hot in here.

NAN FEY: This is Teresa Burkeland, 110 Moorland Road, Unit Number 8. You have three minutes. Go ahead.

TERESA BURKELAND: I've been living at Nob Hill since 2005, and I am in favor of them renovating. As somebody said, I have a grandson that got a rare form of meningitis that actually comes from mice. I do have mice in my apartment. There is no way to plug the holes. I have leaky pipes. I have moldy ceilings.

1 **CHILD:** . . .

2

3 **NAN FEY:** Yeah, you can't talk into that. I'm sorry.

4

5 **TERESA BURKELAND:** Sorry. I didn't have a sitter, so . . .

6

7 **NAN FEY:** That's okay. Just keep it over by you.

8

9 **TERESA BURKELAND:** I'm all for them renovating. I'm one of the people that would like
10 one of the handicap accessible. He's 55 pounds. We pick him up without legs and put him in
11 and out of the bathtub. He's going to have more amputations in his legs in the future, will be in a
12 wheelchair. I need the elevator. I need the bigger garage with wheelchair access. I was told that
13 the schools are overcrowded and that the City is against three-bedrooms. I think our schools are
14 overcrowded to begin with. I don't think adding the three-bedrooms is going to make a
15 difference. Our city is growing. It's going to keep growing. I don't want to have to move.

16 Living at Nob Hill is the only normalization this child has, his friends, his school, his
17 pets, that if I move somewhere else, we have to get rid of the dog, we have to get rid of the cat,
18 and that's been vital in his recovery along with the family and the doctors. I just, I remember
19 Nob Hill in the '70s. It used to be labeled Snob Hill. It's now going towards Slum Hill. I'd like
20 to see it become Happy Hill, in my opinion. Renovate it. Fix it up. I think in the long run, it
21 will do the whole community good.

22 The neighbors across the street in the houses, I think it'll help their property values. I
23 think it'll help their houses sell when they want to sell them, because you won't be living across

1 from a poor-looking area. I don't know. I just, I think it's a good thing. I think the complex is
2 long overdue, long overdue for renovating. It's got lead paint. It has asbestos flooring, it, just
3 things that should be there anymore that should have been gone a long time ago. And I would
4 just appreciate it if you would approve this proposal. And I plan on living at Nob Hill for a long
5 time. Thank you for your time, and I'm sorry that he was unruly.

6

7 **NAN FEY:** That's okay. Thanks.

8

9 **TERESA BURKELAND:** But this is what I'm here fighting for.

10

11 **NAN FEY:** Thanks for coming out. It's fine . . .

12

13 **TERESA BURKELAND:** So thank you for the time.

14

15 **NAN FEY:** You're welcome.

16

17 **TERESA BURKELAND:** Come on, Pumpkin. Say goodbye.

18

19 **CHILD:** Goodbye.

20

21 **TERESA BURKELAND:** Come on, Sweetheart.

22

23 **NAN FEY:** Bye.

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CHILD: Meet you sometime.

NAN FEY: Was there anyone else who wished to speak? I have registrations from Renee, Ivan, and Shellie.

IVAN CYARS: . . . speak.

NAN FEY: Okay. You must be Ivan.

IVAN CYARS: You guessed.

NAN FEY: Ivan Cyars, 1108 Moorland Road, Number 8. Go ahead.

IVAN CYARS: Yes. Good evening. My name is Ivan Cyars, as she just said, and I live in Nob Hill. You know, it's funny she mentioned pets, because it's kind of an analogy I thought of when thinking of what to do. When I first learned that Nob Hill was likely to be sold and obviously under new management, that means the current owner is looking to get rid of it. It's kind of like a pet. You don't want to push a pet on somebody that don't want it. If they're trying to get rid of it, they're not going to take good care of it if you force them to keep it.

So I like the idea that somebody coming in to take over Nob Hill with a better game plan than what currently exists would be giving Nob Hill what it needs. But whatever the current management or owners are not supplying, and these guys are coming in to take over and do

1 what's necessary to give it what it needs, a better look. I mean, it'll be just like, I'm sorry, I
2 don't know my neighbor's name, she was just sitting here, but what she said, a better place that
3 would reflect, would be more reflective of the neighborhood across the street.

4 I've been living there for five years. And I like where I'm living. I like the situation, the
5 price of where it is or the price point of the lease. And I question when I hear the concern has
6 been brought up about, there was something in the paper today about people earning such a
7 salary living in an area. Who else are you going to put in that building? Who else are you going
8 to put in that complex if you don't renovate it, if it don't get the necessary upgrades that is
9 needs?

10 You're not going to attract people with higher income levels if it stays looking the way it
11 is and if it gets worse. I would like for it to look better. I'd like to like, you know, appreciate
12 where I live at more than I do. I'm there because of the space I get, the square foot, and the
13 costs, you know, proportionately. But to come home to a place that's looking nice, that has more
14 services, that has more security, that has more lighting, that, you know, has management, you
15 know, that cares about the place, I don't like to feel, think that the current management doesn't,
16 but there's quite a contrast between what exists and what's being offered.

17 So as a tenant there, as a, living there is a, you know, that's my home. It's been there for
18 five years. So I've lived in houses as well. You know, I've lived in a lot of different areas in the
19 country. And I came to Wisconsin for a certain reason. And I could have chosen a lot of
20 different areas. But I did choose Nob Hill for what it is now. And for what these plans
21 represent, what it's likely to be, definitely I'm even more likely to stay there.

22 So these are things that I don't know what, I don't really understand the scope of how
23 you guys make your decisions. It kind of seemed like we're here fighting for this thing to

1 happen, and there's people in the City against it. I read in the paper Tim Bruer said there could,
2 no good could come of this. I don't understand that statement. How can that be true? After
3 putting millions of dollars into the development, I don't think you're going to, you know, that
4 statement is not proportioned to the amount of money that's being committed to make this a
5 better living complex. So as a tenant there and as a tenant, as a citizen of Madison, Wisconsin, I
6 ask you guys to support this as well.

7

8 **NAN FEY:** Thank you.

9

10 **IVAN CYARS:** Thank you.

11

12 **NAN FEY:** Questions? Okay. Now let me just confirm, is Shellie Pierce still here?

13

14 **SHELLIE PIERCE:** How are you guys this evening? My name is Shellie Pierce. I'm also a
15 resident of Nob Hill, and I also work for Growing Power-Madison, which is a nonprofit
16 organization. Seeing this project, when I look at it, it's building up the community. If you have
17 communities where they're just, you know, dirty, people who are afraid to drop you off or even
18 come to your apartment, it makes not just that neighborhood go down to value but the houses
19 across from it, the businesses across from it as well.

20 So when I see this project, I'm looking at sustainability. They want to put in community
21 gardens. I have a background in urban agriculture. I teach urban agriculture. I teach the science
22 behind it. I teach how to build them, replenish them, add nutrients back into it. So when you,
23 when they talk about putting in gardens, you're not just helping by making the aesthetics of the

1 complex better, you're also implementing services for them to, you know, if they're a stay-at-
2 home mom, maybe they want to go and garden. Maybe they'll go and make a resume at the
3 business center.

4 Maybe they'll use their time to go to the fitness center and maybe lose that few pounds
5 they've been looking to lose. So when I see this, I think this is a value asset to Nob Hill and also
6 the neighborhood where you're rebuilding, not just looking at the aesthetics of it and saying,
7 okay, well, this is bad, but we're not going to fix it, or we have a pool that's not being use, so
8 we're just going to leave it there without the neighborhood, you know, to do nothing, so we're
9 looking for outsources.

10 Here, you're bringing in an insource. You have the gym. You have the cleaning center.
11 You have a business center. You're having parks. You're having community centers and, you
12 know, so forth. So why not be in support of that and build the neighborhood whereas they're,
13 it's not going on right now? So I ask you guys to please support it. Thank you.

14

15 **NAN FEY:** Thank you. And the other registration I have here is from Renee Greck maybe. Is
16 Renee still here, and does she wish to speak this evening or, yep, okay, she's here. Good.

17

18 **RENEE GRECK:** My input is that Nob Hill is a good place to be. And, you know, I had lived
19 there a while back, and then I came back. You know, it's a quiet place. It's a good place. You
20 know, I just like being there, and I like the residents. I like the staff, you know. It's just a place
21 that I like to be. And, you know, they're concerned, they fix things when you want it to be fixed.
22 And it's just a place, I would hate to see, you know, I would hate to see that, I would, what I'm

1 trying to say, I would hate to see that Nob Hill, that someone trying to make it better that
2 couldn't get no help to make it a better place. And that's all I have to say.

3

4 **MAN:** Thank you.

5

6 **NAN FEY:** Thank you.

7

8 **RENEE GRECK:** Mm-hmm.

9

10 **MAN:** Thank you.

11

12 **NAN FEY:** Okay. So the folks who elected to speak at the resumption of this public hearing,
13 my understanding is it's Lisa Freitag and Laura Paglusch.

14

15 **LAURA PAGLUSCH:** Paglusch.

16

17 **NAN FEY:** Paglusch? I can't hear you either. So I'm sorry.

18

19 **LAURA PAGLUSCH:** Paglusch.

20

21 **NAN FEY:** Laura P., right. Okay. So that's correct, right? And there's no one else who wishes
22 to speak this evening?

23

1 **BRAD MURPHY:** We've got one more.

2

3 **NAN FEY:** Okay. All right. Are you Elvis Green?

4

5 **PATRICK GALLAGHER:** Patrick Gallagher.

6

7 **NAN FEY:** Okay.

8

9 **PATRICK GALLAGHER:** You've got my application.

10

11 **NAN FEY:** Okay. All right.

12

13 **MAN:** . . . ready?

14

15 **NAN FEY:** Yeah. Mr. Gallagher lives in Shorewood, and he represents Nob Hill Apartments,
16 the seller.

17

18 **PATRICK GALLAGHER:** I do. I represent the seller. Patrick Gallagher, president of Siegel-

19 Gallagher. We are a commercial real estate firm headquartered in Milwaukee. We have offices

20 in Madison. Went to graduate school here and worked here for several years during that time.

21 Over the last 15 years, I've sold over 10,000 apartment units throughout Wisconsin.

22 And I'll name a few of them in the Madison area so you get an understanding of the

23 depth of our experience, Holiday Gardens, 301 units, Springtree Crossing, 272 units, along with

1 Springtree Meadow, Nakoma Heights, 144 units, Arbor Lakes, 464 units, let's see, I know
2 there's more, Sunrise Heights, 192 units, Alhambra Apartments, 96 units, Ashford Arms,
3 16 units, Century Hollow and The Willows, 176 and 288 units in Middleton.

4 And the reason I wanted to speak is just to address the alternative to the Zilber Group
5 buying and renovating the property. I think there's a high likelihood that if they don't, the seller
6 who zoned the property for about 30 years may elect to find another buyer. Many times, these
7 buyers will, you know, it's all economics driven. They will underwrite the property to invest the
8 least amount that they can to make the highest return possible.

9 And so typically instead of investing \$30,000 per unit as Zilber intends to do, many
10 buyers will invest a least amount to make a marginal enough improvement to make a difference
11 to their financial statement. And in my experience, I see that amount between \$5,000 and
12 \$10,000 per unit invested. They'll put the vinyl siding on that you don't want. They won't
13 invest in any of these community programs. They will maybe make a marginal impact on the
14 number of police calls.

15 But they're there to make money. They're not there as a, more of an altruistic-type
16 investor that I see the Zilber Group being. And so I think the alternative is another buyer coming
17 in potentially, investing a fraction of what Zilber is going to invest, holding it for another 30
18 years, and you'll be struggling with the problem for a very long time. I can't stress enough my
19 admiration for Zilber.

20 I've been working, I've been doing this for 24 years. As I said, I've sold over 10,000
21 apartment buildings, units. I've sold over \$3 billion worth of real estate. And they are one of the
22 finest owners that I know. And I really encourage you to consider selling the property to them. I
23 think it'll be the, by far the best thing for the community. Thank you.

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NAN FEY: Questions for Mr. Gallagher? Okay. Ms. Hamilton, go ahead.

TONYA HAMILTON-NISBET: Have you in your transactions ever sold to the Zilber Group before?

PATRICK GALLAGHER: I have. I've . . .

TONYA HAMILTON-NISBET: And can you characterize your experience?

PATRICK GALLAGHER: They do what they say they're going to do. I've, they're people of honor. They're people of their word. I've never had them do anything other than what they say they're going to do. And, again, I just think the world of them. They're really incredible, wonderful people, and I think you would be really fortunate to have them as an investor and owner in your community. Thank you.

NAN FEY: Thank you. There's one other individual who's registered neither wishing to support nor oppose but available to answer questions, Elvis Green. Is Mr. Green here, and is he still wishing just to be available for questions? All right. Maybe he's not here. All right. I just wanted to make sure everybody who wanted to speak got the opportunity to do that. So the remaining folks were the, with us this evening registered are Captain Joe Balles from the police department. He's registered as available to answer questions in opposition. Natalie Erdman is the executive director of the Community Development Authority she is registered in neither

1 support nor opposition but available to answer questions and we'll now hear from Alder Bruer,
2 who does wish to speak. He's registered in opposition.

3

4 **TIM BRUER:** . . . just for me. Well, they say if you stay in politics long enough, what comes
5 around, turns around. And maybe in this situation it's not a good thing. But we have a project
6 before us that has a long and not such a great history. It would have been very easy, and my
7 heart goes out to the neighborhood that was rapidly deteriorating well beyond the concerns they
8 deserve is unquestionable. And I think we as public policy makers and we, the City, should
9 assure that they have the same quality of life as all citizens of Madison.

10 But I open it up as it relates to the tainted land use history of this property. And I really
11 would hope that you'd pay serious attention to it. This is an area that I, first of all, to be truly
12 transparent, my father and grandfather lived six blocks away. Both of them have deceased. So I
13 know the area very well. If you wonder why I know it, I used to ride horses on this particular
14 site as a kid.

15 I've got, today, multigenerational ties to this community and take with great pride, as this
16 Plan Commission should as well, the past decisions that completely took a neighborhood that
17 was rapidly deteriorating well beyond the concerns of Allied or Simpson Street just 20 years ago.
18 The captain of that time years ago was also a beat cop over on Simpson Street. And we saw,
19 through this entire corridor, areas that were plagued by decades of poor land use and social
20 policy.

21 In the '50s and '60s and even into the early '70s, for those who are familiar, this was the
22 new frontier of the city. It was also the ethnic melting pot. There's probably no area of the city,
23 and I think this is unquestionable, that has done more going back into the Park Street corridor

1 and these in the peripheral here, has done more in terms of welcoming urban immigrants than
2 South Madison. Park Street has been and will continue to pride itself in being the rainbow
3 community as this neighborhood is part of that neighborhood chain. It's been the Ellis Island
4 gateway.

5 In fact, this very roadway was the first concrete road, by the way, in the state of
6 Wisconsin. It was the old Moorland Road going to Milwaukee. The reason why I tell you this,
7 and this goes to your mission and purpose, this was an area in which it was supposed to be low
8 density, low density, let me repeat, low density. And what happened was because of the
9 different jurisdictional lines for this corridor, the town of Madison, Fitchburg, the city, we saw
10 developers, and these are very nice people, I've had the opportunity to spend some time with
11 them, they're well-intended.

12 But let's make no mistake about it, this is about profit. There's, and I'm a capitalist, as
13 everybody knows. I've gotten into some interesting political heat over the years for some of
14 those positions that encourage investment and really particularly takes to heart the future of the
15 city's economic health accordingly. But the reality is this particular corridor, again, was low
16 density.

17 This particular parcel, it was your predecessors, your predecessors, who in spite of
18 significant opposition from the neighborhood and argument of violation, of gross violations of
19 land use and impact expected on, in terms of the school district in future years chose to agree and
20 support to a compromise that was going to allow for the construction of Nob Hill. The speaker
21 was correct. The speaker was correct. This was a controversial project.

22 You know, this was, there's probably no area of the city that has absorbed more in terms
23 of three-bedrooms and apartments at a time that the single family home market, the interest rates

1 were double digit. And as we're seeing today, everybody is talking about building apartments.
2 But look at what has happened. In this particular corridor, it was to be single family. So a
3 compromise that led up to probably the max allowed under, quote, low density was to establish
4 this property not as three-bedrooms, not as three-bedrooms. It was deliberate.

5 It was deliberate. Why? Because the argument at the time by the, some very high-
6 powered, very influential and politically wired individuals who frankly are still, many of them
7 are still alive today and are friends of mine, you know, were able to push through this
8 development, which was high density, with the understanding that at the eleventh hour, they
9 would agree to efficiencies, some one-bedrooms, and we're going to throw some two-bedrooms
10 in. We're going to make sure that there aren't garages there, because we don't want to look,
11 make it first of all look like mini-warehousing on the peripheral of this island of the city.

12 We were going to make sure we had a swimming pool versus a community center,
13 because we're going to provide this, because the area needs, in the '70s, a shot in the arm so we
14 can attract young families, young, particularly professionals. That's why we're putting a
15 swimming pool in. And we're going to provide a buffer next door between this and the single
16 family housing that's modest in nature. And I challenge you to find how many other areas or
17 neighborhoods as there is in Rimrock, Moorland, or Indian Springs that has the vast majority of
18 the people who are residents who are third and fourth generation of this geographic track.

19 We're proud of that fact. But the developers came in and said, very vocally at the time,
20 they weren't shy about it, this development is going to do nothing more than to raise the bar of
21 those cracker boxes next door. It was insulting. It was elitist. It was totally unacceptable. And
22 what happened was there was an agreement with the Plan Commission, with the council, with

1 staff there would be a buffer, a property immediately adjacent between the single family and this
2 apartment complex.

3 And what happened, as Brad Murphy is well aware, they attempted to come in years later
4 and openly said, well, that was then, this is now and really didn't expect or anticipate that
5 anybody would be around to remember. Well, guess what? There is a few of us dinosaurs
6 around all the king that remembered. And it was this body, this body that rejected that request.
7 In addition, in addition, there was over 1,000 units of apartments, this is fact, 1,000 units of
8 apartments that had pre-planned approval by the City not including the ones that were coming in
9 600 to 700 units the Town of Madison was anticipating.

10 I came before this body, I came before staff prior, came in with a solid cross-section of
11 neighborhood support recognizing that a number of the apartments that were there were
12 deteriorating and deteriorating rapidly and that we needed to reverse 30 years of poor social
13 policy and land use. That's what the argument is about today. That's the real argument, folks.
14 And this body, to its credit, supported the neighborhood, supported the alder in downzoning and
15 reversing 30 years of poor social policy in terms of steering government dollar, tax credit
16 programs to certain neighborhoods.

17 I'm not even just talking about the city of Madison. I can go 20 blocks and start rattling
18 off documents from Brad Murphy's fair share and housing diversity study that appeared on the
19 front page of the Sunday paper, not once but twice. But you all, your predecessors, and the
20 council went out and downzoned in the city alone over 1,000 units, and that's what they call
21 today, folks, Indian Springs Neighborhood. And what was the object of that?

22 That was to recognize that we could never allow another Nob Hill to occur, we cannot
23 allow another Simpson Street, another West Badger Road, another Allied Drive, another

1 southwest side to occur. And what happened, interestingly enough? Right in the middle of that
2 process, we had another developer come in, come forth and was proposing across the street from
3 here almost, a new construction, lower density, but almost the same plan that's being submitted
4 tonight. That's the fact.

5 And what happened was the previous administration of Mayor Soglin sent a letter off to
6 WHEDA, and it was rejected. And admittedly, this one slid through. Why? Because staff will
7 tell you by and large that we weren't all talking to each other. We people thought it was
8 cosmetic improvements and upgrading the existing facility. And then the question was, was
9 there a tradeoff between improving the quality of the housing stock or holding the existing
10 property owner as the previous speaker suggested, you know, will undoubtedly sell.

11 There's no question that he's going to sell. He will sell. There's no question we're going
12 to hold them and him responsible. And I'm going to talk about that in just one second. But the
13 point I'm trying to make here is that this body, the City of Madison, with the residents, have seen
14 tremendous success based on this fair share and housing diversity strategy and policy. We have
15 gone out and rejected, discouraged, and fought against placing any more tax credits, any more
16 subsidy in these clustered areas unless we have in place a broader redevelopment strategy that's
17 going to, in fact, again, reverse 30 years of poor social policy and land use.

18 This neighborhood today is a success because of your predecessors and staff that is sitting
19 in this room today. And that's what we're arguing about today. How can we go out? It's not
20 just, you know, the one and two provisions. I can argue that's number three as well in terms of
21 the impact that it has around the peripheral area.

22 We have been able to demonstrate by reversing the zoning down, listening to the school
23 district. This school in this area, there's no question it's challenged. They cannot support the

1 density of kids that they've got today. They cannot respond to the special needs. They can't
2 take any more. They couldn't take in or absorb any more 500 kids ago. So I'm telling you this,
3 because, you know, you have the land use issue unto itself. What they're talking about doing is
4 treating the symptoms, not getting at the cause.

5 We have successfully dealt with and responded to and garnered the neighborhood
6 support. It would have been very easy here this evening to pack this room with a number of
7 adjacent neighborhood people and their association folks who had been here before. But they
8 thought the battle had been fought and lost. So I'm strongly urging you to realize that, you
9 know, that this project shouldn't have been here before you to begin with, but unfortunately it is.
10 People thought it was something else.

11 People, you know, people need to understand that we . . . along with that prior track
12 record that we've enjoyed not only in this neighborhood, look at Lake Pointe redevelopment.
13 Look at what's happening in Burr Oaks redevelopment. We have discouraged, and we have
14 rejected every similar proposal like this for the last 20 years. Why do we want to turn it around
15 tonight, or why do we want to turn it around at your next meeting?

16 Or why would the council, because surely this will be, if this body goes forward and
17 would approve this, which I can't imagine why you would do it, but respectfully, if that would
18 come forward, why would the council want to approve and reverse a winning strategy? I don't
19 believe, and I think you have the police department sitting here behind me. You've got CDA
20 who can talk in more specific detail in terms of why this density, you know. No good will come
21 from it.

22 Why, in terms of a landlord who has been totaling irresponsible, why the City has
23 accelerated its efforts, because this landlord, make no mistake about it, knows exactly what they

1 are doing, moving this property to the point, because they have attempted in the past, you know,
2 similar maneuvers for public financing, and they have failed. Why would we want to reward that
3 landlord who stands, or that property owner who stands to make a big chunk of change,
4 developers who only chose this location? In my meeting with them, I was very clear. Go to one,
5 you know, one-bedrooms, maintain your efficiencies.

6 Look at your two's. If you want to give a facelift, even though it's creating a poverty
7 pocket clearly for decades to come, at least we could respond to that. And the response was, no,
8 WHEDA won't score it high enough. We, this property was chose because it scored high and,
9 I'll guarantee them, that profit line in terms of the tax credits. That's what you have before you.
10 So to suggest that what we're here for is public good, in all due respect, I don't believe it, the
11 neighborhood doesn't believe it, and history has proven that it's not correct.

12 So it's not about a developer coming and wanting to do something for public good.
13 That's not what this is about this evening. So you have fair share housing diversity strategies
14 that, as I said in closing, you know, that the City has been firm, has had success and
15 effectiveness. This developer, I'm sure, will be able to go elsewhere and find another project
16 someplace else in the state.

17 I have no question in my mind that building inspection, the police department, and others
18 are going to replicate not only the same success that we've had elsewhere around properties that
19 have been distressed and challenging around this property, because we've had success in this
20 very neighborhood, but I'll even take one, and I'll leave you with this, almost identical situation.

21 It was a property that the realtor referenced that he had sold. Now I could go into some
22 of those properties that were sold and the issues associated all in poverty pockets and how those
23 neighborhoods, properties have accelerated with issues and problems. But I will give you a

1 property right now as a perfect example, Alhambra. The City of Madison, because the Town
2 failed to respond, the City of Madison, Dane County, and others moved very quickly, and the
3 City was prepared to . . . to paint that property.

4 And we worked with all the stakeholders, outside of our jurisdiction, by the way, got
5 acquisition and control by a new buyer. They emptied out the property completely. And by the
6 way, they're ones- and three-bedrooms, and they have phased in a redevelopment initiative that
7 has reestablished the economic balance in that particular quarter in that neighborhood that has
8 demonstrated a commitment in terms of investment. That's what we need to see here.

9 So I ask you, why would you reverse, why would you reverse, for the third time, why
10 would you reverse sound land use policies that have been worked, have been targeted in this very
11 area, that have been successful and place it at risk by approving this project and locking in a
12 poverty pocket for decades to come?

13

14 **NAN FEY:** Thank you, Alder Bruer. I want to take a moment just to explain to folks in the
15 gallery that the format of the public hearing allows for questions by commissioners only, not by
16 members of the public.

17

18 **WOMAN:** I don't have a question for him, ma'am.

19

20 **NAN FEY:** No.

21

22 **WOMAN:** I have the question, I thought it was a three-minute time limit.

23

1 **NAN FEY:** Well, actually, that . . .

2

3 **WOMAN:** And that's where I'm trying to understand.

4

5 **NAN FEY:** Oh, it, I'm sorry, I might have said something about that. The alder who represents
6 the district in which the project is proposed has the opportunity to speak to whatever length they
7 need, feel they need to in order to lay the, to set the stage for the decision makers. I'm sorry. I
8 didn't say that in advance, but that is our routine practice. And I apologize I didn't explain
9 exactly how, all the details of the public hearing, but the questions can only come from members
10 of the body. So at this point, I'll just remind folks that we, if anyone has questions for
11 Alder Bruer, Ms. Erdman, or Captain Balles, now would be the time to do that before we recess
12 the public hearing. Alder King?

13

14 **STEVE KING:** I would like to hear from Captain Balles and just get his perspective on the
15 project overall.

16

17 **JOE BALLEs:** Good evening, members of the Plan Commission. Alder King, I'm here
18 tonight, and I registered in opposition of the proposal. But I've got to tell you, there's an awful
19 lot of things about the proposal that I certainly like about it. And as Alder Bruer alluded to, my
20 heart goes out to the current residents at Nob Hill. And I thought Mr. Gallagher, who
21 represented the seller, was very, was probably very prophetic in terms of what will likely happen
22 to the property given that the Zilber proposal falls through.

1 In a nutshell, you know, the current situation at Nob Hill, as I've said to the mayor,
2 Mr. Murphy, and others, it's not a crisis per se. But have we seen an increasing trend in calls for
3 service at Nob Hill particularly over the last three years? Yes, we have. And I, and I'll just hold,
4 you know, hold this up for you. I think some of you may have seen this. But I did a, I looked at
5 1,500 calls for service just about since January 1, 2009, to July 31st, and we, when you aggregate
6 it by quarter, we've had a slow monthly uptick in calls for service down there.

7 A lot of that activity that we have down there, and right now it's, we're averaging about
8 40 calls a month down there, a lot of it is what I would categorize as order maintenance types of
9 issues, disturbances, noise complaints, parking complaints. But we've had some serious things
10 happen on the property too. We've had a number of batteries, aggravated assaults. We've had a
11 couple of robberies, one most recently of a woman who works at De Jo Puking(?) home at 4:00
12 in the morning, had her purse robbed as she was, assaulted and robbed as she was entering her
13 building.

14 And then we can't lose sight of the fact that we actually had a homicide on the property
15 that was definitely drug related in March of 2010. And I know at a very low level, there still is
16 some drug activity that goes on on the property today. One of my officers, just in the last two
17 weeks, recovered a firearm and several bindles of heroin that were dumped as we drove through
18 the lot and we recovered in some bushes. So we know some of that activity does go on there.
19 But is the property in a state of crisis? I would not describe it as that.

20 I would describe it as a lot of good people of various income levels that are doing what
21 they can. But the current physical state of the property, as I've said to Ms. Erdman, the mayor,
22 Alder Bruer, it's definitely in need of a shot in the arm. There is absolutely no question about
23 that. There is very little money going back into the property in any way, shape, or form. I know

1 city building inspection has been down there a number of times and just, you know, constantly
2 trying to keep the property up at a very basic level.

3 But, folks, you've got a lot of housing here. You have 280 units that, quite frankly, I sit
4 back, and I think about the members of the Plan Commission in 1973 when I was all but a few
5 years old and think what was going through their minds when they approved such a property like
6 this at that time, which was surely in some rural parts of Madison. When I look at this property
7 today surrounded mostly by single-family housing in the state it's in, the biggest issue that I have
8 with the current proposal is the density.

9 And I think that that's pretty much the time and theme amongst City staff that have
10 looked at this. There's a lot of good to like about this proposal. There's no question about it. I
11 particularly like the Zilber Group and Mike and Kevin and those guys and their interest in the
12 residence, because I wonder how many developers in this day and age really have the residents
13 in mind when they come in to do a project. But I really wish we could come to, I think the
14 WHEDA tax credits is, there is no question about it, is driving this.

15 That's the elephant in the room that nobody wants to talk about. But I think that's what it
16 is. And if somehow or another we could, this project could be swung, some WEDA tax credits
17 made available at the same time we manage to reduce the density of the plan, I think we've got
18 something here. We have, in this city, experience. I worked for many, four years, in Monona
19 Shores back from 1989 to 1983. We had 300 units in Monona Shores, and I watched that go to
20 hell in a hand basket.

21 The first investors that came in and bought that from the original owners in 1990 came in,
22 they did some roofs, they did some bathrooms, painted some walls. And you want to know
23 something? About, I think it was four or five years later, I'm sure Alder Bruer can correct me,

1 we ended up going in and demolishing over half the property. Today, the Monona Shores is just
2 over 100 units there. In fact, the City doesn't have, City CDA doesn't manage any property that
3 has more than 140 units.

4 So my concern is going forward with a proposal that still maintains 250 to 270 units,
5 actually about 280 bedrooms it looks like. That's a lot, particularly when you look where the
6 property is located, many miles away from Glendale Elementary School, and it's just really
7 isolated.

8 So that's kind of my take on this whole project, Alder King, and I know that we're,
9 myself and my officers, we're going to have to continue to maintain. We had Barb, the current
10 property manager, has been down there for several years. We had her into South District last
11 week to kind of do a general assessment of what the current situation is down there. And that's
12 all we can do, is kind of manage the day-to-day scene.

13

14 **NAN FEY:** Any other questions . . .

15

16 **JOE BALLEs:** Any other questions?

17

18 **NAN FEY:** . . . for Captain Balles? Go ahead, and then Tonya.

19

20 **BRAD CANTRELL:** Well, I guess I already . . . and obviously one of the things you
21 mentioned was tenant screening. And I'm assuming that's a big part of a project . . .

22

23 **JOE BALLEs:** Right.

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BRAD CANTRELL: . . . I would, in that if you screen out bad tenants and if you work with the police department, that a project can improve. And I guess I would like for you to potentially address that section.

JOE BALLE: What we do in regards to, the police department doesn't get involved in screening tenants.

BRAD CANTRELL: Sure, but you give guidance or suggestions or . . .

JOE BALLE: We give guidance, and we give, it's really important that all fair housing laws are followed and that whatever screening practices a rental property owner employs, that they do that consistently across the board. Yes, there are a variety of different means, and we did speak last week about the current rental practices and screening practices that are going on.

But one of the things that Barb told me last week, that they are some of the more recent apartments, they are putting people on month-to-month leases down there. That's concerning, because they're doing that deliberately knowing that the property is probably going to change over here, and they know they're going to have to empty out some buildings going forward in order to start the rehab of the property down there.

So there is concern always in, when a, when large properties like this, or quite frankly, any rental property is in that transitional phase in terms of, I'll use a term, and I've seen this happen in a couple properties I've dealt with over the years, current owners oftentimes fill up

1 their apartments to show that they've got 96%, 98% occupancy to make it look good for whoever
2 it is they're trying to sell the property to.

3 I don't think that's happening here, because I think the Zilber Group has been working
4 with the current owners on bringing this proposal forward. But those, screening is obviously a
5 big concern, and we actually refer people to the Nancy Jensen of the Wisconsin Southern
6 Apartment Association for guidance from them.

7
8 **BRAD CANTRELL:** I have one other question.

9
10 **NAN FEY:** Oh.

11
12 **BRAD CANTRELL:** You also had concerns about the garages and the hiding areas and spaces
13 that prevent or present problems . . .

14
15 **JOE BALLEES:** Right.

16
17 **BRAD CANTRELL:** . . . for security for residents and also the police department. And so
18 could you talk about that? Have you set down with staff and say, well, this garage has to go, this
19 one, it just, it's going to cause us a huge problem?

20
21 **JOE BALLEES:** I'll mention a term here that's been evolving in the criminal justice literature
22 for the last couple decades, but it's called Crime Prevention Through Environmental Design,
23 CPTED, and I see a lot of heads around the table. Some of you have heard of that. It's very

1 obvious that architects, in terms of how properties are designed, you can design out a lot of crime
2 by just how you design a building.

3 And today, it's common, our city or MPD crime prevention officer, Frank Chandler, on
4 the larger projects that happen in or around Madison, Frank actually will see site plans.
5 Mr. Murphy's staff will send them there, and we will actually look at them. And Mr. Murphy
6 has staff that's trained and very familiar with some of the basic principles of CPTED. But to
7 speak to those garages specifically and just the whole way, how kind of Nob Hill, I mean, there's
8 only two ways and in out of the property.

9 And then you go all the way in the back, and it kind of reminds me, in some respects, of
10 kind of a very large old days Somerset Circle where it, they, if this place, let's just say, and it's
11 not like this today, but just let's say if this place is just really, truly dangerous, I could see many
12 issues with just tactically how officers would respond into this area to deal with certain
13 situations.

14 Those garages, they, I mean, quite frankly, in today's age, you see underground parking
15 designed underneath structures like this. You don't see garages standing out there like that. If
16 you were going to take and level Nob Hill and rebuild it, I'm sure that's, with this many units,
17 I'm sure that's what you would do, is you would design and secure underground parking, and
18 those garages wouldn't be there.

19

20 **NAN FEY:** And Ms. Hamilton-Nisbet.

21

22 **TONYA HAMILTON-NISBET:** I'm, thanks for . . . I'm curious about when you went through
23 the list of all of the calls that you've had over the last few years, and you talk about some of the

1 calls being noise, disturbance, parking, things that are more management focused, do you know
2 roughly what percent of that, of those are more management-related calls that your officers have
3 responded to?

4

5 **JOE BALLEs:** Kind of like order maintenance?

6

7 **TONYA HAMILTON-NISBET:** Yeah, you know . . .

8

9 **JOE BALLEs:** Well, I don't have percentages figured out here, but I just put some numbers
10 out for you just generally. So out of 1,483 calls of service that I looked at, we had, about 200 of
11 them were what we call like 911 wireless calls, various different calls to the 911 center that we
12 couldn't just substantiate anything really further happening. But some of them were significant
13 things that I'm concerned about from a crime aspect, 8 aggravated batteries, 29 batteries, a
14 couple attempted suicides. They had 5 death investigations on the property, 108 disturbances,
15 92 domestics, 27 drug incidents, 7 fights.

16 The homicide, the domestic incident that we had on the property at that . . . that Kevin
17 and Kemaury McArthur, the twins that were murdered last summer, they were residents. They,
18 the mother lived at Nob Hill. And that incident actually started the day before that led to the
19 kidnapping and abduction that night of the kids. We've had 88 noise complaints, 17 burglaries
20 on the property, 40 preserve the peaces, those are generally domestic situations where somebody
21 is trying to move in and out property or take custody of a child in a child custody situation where
22 we get called to stand by, 46 thefts, 28 threats calls.

1 I mean, it runs the whole gamut, Tonya, in terms of what we do there. But like I say, I
2 get put, Tim mentioned Alhambra Apartments. Alhambra, in my eyes, did reach a crisis. It
3 wasn't in the city of Madison, but it was in the town of Madison. And I tell you some of the
4 things that were going on in Alhambra had a direct impact on a number of burglaries we were
5 seeing in Arbor Hills. When I looked at Alhambra, and I think they had just almost 100
6 apartment units up there, the town of Madison had over 500 calls for service in one year at that
7 property. Okay?

8 We're not at that point with Nob Hill, and Nob Hill has got 280 units, not even close.
9 Okay? But when you look at Nob Hill in just terms of just, you know, what's been going on
10 down there the last three years or so, I can't, I'd be negligent if I didn't tell you that it's been on
11 my radar screen. There's no question about it. But has it moved to the level where I'm ready to
12 go to Jennifer Zilavy's office and pursue a, seek a chronic nuisance action against a property?
13 No, we're not there yet. Okay?

14 But that meeting I did have with Barb last week, we, that's pretty much the first step in
15 creating a formal dialogue with the property to try to abate some of these issues that we're seeing
16 at the property.

17

18 **TONYA HAMILTON-NISBET:** So in your opinion, is the real issue the number of three-
19 bedroom units they, there are not three-bedroom units currently. The proposal is to add three-
20 bedroom units which increases the, largely increases the density?

21

22 **JOE BALLE:** Right, and, you know, Mr. Murphy and others can speak more specifically to
23 this, but the three-bedroom is the, is really the key for WEDA for the tax credits. And the three-

1 bedrooms is why the conditional use permit change is necessary in order for the project to move
2 forward.

3

4 **TONYA HAMILTON-NISBET:** . . . key for you from a safety and a crime . . .

5

6 **JOE BALLE:** Well, it certainly adds to the density. There's no question about it. When we
7 redid Monona Shores, I can't, I think maybe the three-bedrooms stayed in the condos in the
8 back, but I don't think any of the apartments remained as three-bedrooms. But I think
9 the condos in the back were three-bedroom.

10

11 **NAN FEY:** Any other questions for Captain Balles? Okay. Any questions for Ms. Erdman
12 from CDA? Mr. Heifetz.

13

14 **MICHAEL HEIFETZ:** . . . Mr. Bruer.

15

16 **NAN FEY:** Okay. Well, that's fine.

17

18 **NATALIE ERDMAN:** I could never speak for Mr. Bruer.

19

20 **MICHAEL HEIFETZ:** I would not ask you to do so having had my own conversations with
21 him over the years. This probably is more for Mr. Bruer, but, because it was mentioned that we
22 need a broader redevelopment strategy here, was your larger point.

23

1 **TIM BRUER:** No, correction, with all due respect, any necessary, I don't know if I'll be
2 facetious, but let me clarify. No, we have a redevelopment strategy that's been implemented
3 over a 20-year period that has radically reversed all the, not all but the principle concerns
4 associated with the land use plans that were ill-fated and deteriorating the quality of life rapidly
5 in that area. We reversed 1,000 units worth of apartments that had pre-planning approval, pre-
6 applied approval. We specifically were able to knock out a 200-unit apartment complex that was
7 supposed to be at the time 40 three-bedrooms.

8 We worked aggressively with existing landlords to improve the quality of their
9 properties. Some were actually forced in because of their inability to manage them into sale.
10 Those are some of the anchors of the area, projects about the size of this. So it's about
11 preserving and expanding upon our success of our redevelopment strategy that's worked so well
12 there and not risking all those gains tonight.

13

14 **MICHAEL HEIFETZ:** Okay. I'm not certain I accept that entire premise, but we'll let it go
15 for the discussion's sake. So what happens when the current owner sells or doesn't sell? This
16 project doesn't move forward. Are we in status quo, or is there a plan B?

17

18 **TIM BRUER:** I think we saw that as the captain talked into his Monona Shore's apartments.
19 We saw them coming forward asking for some other type of support. They weren't tax credits.
20 It was another vehicle. It failed, failed miserably, and then the question that time, if we didn't
21 approve it, you know, what are we going to have? We were going to see it melting down. What
22 we did was we made the property look prettier. We, short-term, we were able to clean up the

1 property. But almost overnight, it deteriorated to the extent that the City had to take aggressive
2 action, because it was in crisis.

3 Our experience has shown us also in the Badger Road corridor where we've had
4 properties that, as well that we were looking to secure tax credits. We aggressively fought
5 against that. And what we have today was a broader redevelopment strategy where, on a much
6 more scale by the way than the success that we've enjoyed in reestablishing not only that kind of
7 balance but the, a much better housing mix along the, more along the Indian Springs
8 neighborhood.

9 We saw with our building inspection, with our work the police, our community policing,
10 our work that we've done with the apartment association, the work that we've done with the
11 lending institutions, we actually are seeing now those properties being reinvested. I point out to
12 you that not so long ago, what was it, almost a 60% vacancy rate on Badger Road. It's now less
13 than 5% according to the data that's been presented to me. We've seen because of that
14 reinvestment and a reduction of those tax subsidy or those subsidy programs.

15 And that neighborhood has been transitioning positively into a greater open, the open
16 market. And we ourselves have gone out and invested, as you know, very heavily into senior
17 housing. They are to provide affordable housing to our elders, again, strengthening the, you
18 know, the mix of the neighborhood. It's been successful.

19 In this property, I have absolutely no question in my mind, I really believe this in my
20 heart of hearts, that the old argument that if you don't let this happen, you know, we're going to
21 get something worse, and we're going to have a property that's going to, you know, be another
22 Somerset, which, by the way, they utilized this very same program to transition, if you remember

1 years ago Las Masanetes Apartments, and we saw what happened there using the same
2 arguments you've heard this evening.

3 And we've found in, time and time again, and I can't speak for the rest of the city, but I
4 can speak for my district. I am beyond proud of the fact that our landlords and new landlords
5 have, that have stepped up to the plate, which I believe will happen in this situation, will come
6 and like the Alhambra experience, which is very recent, which was as the chief or as the captain
7 said was in crisis state, came in without tax credits, reinvested in the property, emptied the
8 property out, and were able to provide even greatly quality that life to probably about a third of
9 the residents, because they had such a high vacancy rate at the time.

10 I believe we'll be much better off if we don't violate the sound land use principles and
11 policies that this body has reinforced time and time again, and, interestingly enough, as I said
12 earlier, with this property. Do not be manipulated into a landlord who intentionally and
13 deliberately allowed this property to decay with the idea that it would be extremely attractive for
14 a new developer to come forth, acquire tax credits, increasing the density with three-bedrooms,
15 putting in garages, and violating the very land use principles that we've been steadfast for
16 decades.

17

18 **MICHAEL HEIFETZ:** So you have skepticism, may I continue? Thank you. So you have
19 some skepticism towards the current owner, and, you know, whether that's valid or not, I don't
20 know. But we have other decision elements that have to come into play here, the standards, etc.,
21 and what potentially could happen if we don't approve this type of thing. But it also sounds like
22 you're not necessarily convinced of the benevolence of the applicant.

23

1 **TIM BRUER:** No. I mean, I find them to be very pleasant people. I enjoyed spending some
2 time with them. This is not about public good, in all due respect. This is about the fact that
3 when you dig through this application that you have before you, you know, and it's the all-
4 American way in part, but when you're using tax credits to drastically adversely impact on sound
5 land use decisions or land use decisions that have been modified successfully and effectively to
6 change the overall quality of life, reduce significant numbers of police calls that occurred
7 decades ago in this area, this, again, let me repeat, this neighborhood was fast becoming another
8 challenged neighborhood.

9 And I don't need to go through and name neighborhoods, but we know which ones they
10 are. And what has happened in this corridor, again, the '50s, '60s, and '70s, you of all people
11 know personally that this was the new frontier of the cities I alluded to earlier. It was the ethnic
12 melting pot. And then in the '80s and '90s, we had a disproportionate number of government
13 programs come into this corridor and properties, after the tax laws changed, provide for a tax
14 subsidy, because they found it difficult to cite elsewhere, not only the city but other
15 communities. And this area absorbed a disproportionate number of subsidy and housing tax
16 credits and assistance programs. And we, government, created the poverty pockets.

17

18 **MICHAEL HEIFETZ:** I understand the history lesson, but I also understand what is
19 happening there now and some of the testimony we've heard from others tonight. So that also
20 weighs heavily on the Commission as well as yours. So if I can rephrase for CDA, so if there is
21 a grander plan, and perhaps, according to Mr. Bruer, a much sounder plan, is there a timetable
22 for it? Is it realistic in the near term? Because obviously, whether this plan is approved or not, a
23 decision to not go forward with this is a decision for that community.

1 No decision is a decision that has impacts. So if this thing somehow goes away, this
2 proposal, I mean, that means something. It's just not magically the status quo, and nothing ever
3 happens good or bad. So I'm interested in your perspective on when such a transformation, and I
4 use that term loosely, would happen.

5

6 **NATALIE ERDMAN:** So there is no plan, obviously, by the City's part or by the CDA's part
7 to say this would be the magic solution to reduce density, and we either have the resources or
8 could raise the resources to do something like that. I would reject the notion that you only have
9 two choices, one is this plan, or the other is total decay, because in general, you don't know in
10 real estate development what happens after you make the first choice, which is noted what's
11 before you.

12 You have other people who may buy the property of other people who may apply for tax
13 credits. You have somebody else who might be able to get long-term financing and do it in a
14 different manner, but that would require creative, experienced people who have strong
15 management skills, understand issues like screening tenants, services to a population of people
16 who are living on the fringe, etc. So I don't think there is a, I don't see, as a real estate
17 professional that deals with properties of this nature, a clear secondary path, but I wouldn't say
18 that there is absolutely no other path. I just, I don't see it sitting in front of us today.

19

20 **TIM BRUER:** And quickly if I could respond to that, the City has done a very remarkable job
21 of, I listened with great interest with some of the testimony of some of the, for example, the
22 building inspection questions . . . and issues that were brought forth. And the captain and I were

1 having an offline conversation, the building inspection is not only in there, but they are
2 accelerating their role, and we have had tremendous success with it.

3 There are other financial tools and other avenues and opportunities that are available that
4 undoubtedly could be available as an alternative. I don't think it's one or two either. I don't
5 think it's A or B. I think that there are other opportunities. I think we can focus on this property,
6 because it is an isolated property. It's, well, in fact, it's one of the most isolated in my district,
7 frankly. That's the other reason for the concern.

8 You know, if you're talking about providing some service level, and we can talk about,
9 you know, how much is actually, when you look at the bottom line for this project, you know, is
10 that enough, you know, is that enough, does that really do the job, because there's such a profit
11 cash flow margin in there. But that's really just reflective of needing to provide those types and
12 levels of services, increase them actually significantly over the current set of circumstances
13 there, because they're proposing significantly higher density and which further aggravates our
14 already sensitive situation with the school district and the fact that this is all out by itself.

15 You know the area. There's, you know, you know the area. And I'm concerned about
16 the folks sitting behind me, because I promise you, and Alder King knows when I get my teeth
17 into something, I don't let go, you know. And come tomorrow, we are going to go through, if
18 we haven't already, we're going to go through every unit out there. We are going to look at the
19 representatives of the existing owners.

20 And I have no question in the near future that there'll be another owner that may provide
21 the kind of investment. That's not pie in the sky at all, Mr. Heifetz. We have seen property after
22 property after property on Lake Pointe, on Badger Road, and those corridors where they have
23 stepped up and invested, because they see the level of commitment that the city and the

1 community and the neighborhood association and others have had for the particular area. And it
2 has been a C plan. And, you know, we've done very well with that, you know.

3 And while there is a . . . risk, I'd rather do that than violate land use. And we're talking
4 about the peripheral issues associated with this proposal, but the real issue is our land use. You
5 know, one of the things that Brad Murphy and this chair and her predecessors have beaten you
6 over the head with is land use policy, land use policy, land use policy, you know. We have it
7 here, you know. We would, you know, the past Plan Commissions didn't allow it to be violated.

8 I'm asking this body not to allow it to be violated. And have some trust and confidence
9 that we are going to aggressively address the concerns of those neighbors, and in addition,
10 they're looking at working closely with those buyers who come forward that are not just looking
11 at this because it scores high.

12 Now if this body wants to take out the three-bedrooms, if this body wants to take out the
13 garages, you know, wants to paint and maintain the pool that the owners told me two years ago
14 that they were going to rebuild and replace, which was part of their commitment that they made
15 actually ten years ago to this body when they got the approval to build on that buffer land. So
16 this is a war zone in terms of land use policy and debate, and I'm just trying to preserve, you
17 know, what we've committed to in terms of the community at large for decades.

18

19 **MICHAEL HEIFETZ:** We get a lot of those, quote, unquote, war zones over land use policy
20 here, and we have . . .

21

22 **TIM BRUER:** Yes, you do.

23

1 **MICHAEL HEIFETZ:** . . . many discussions over density and two-bedroom versus three-
2 bedroom. We are not always necessarily consistent in that regard, whether it was 20 years ago or
3 2 years ago, whether I was here, like I was 2 years ago or 20 years ago when I was not, so . . .

4
5 **MICHAEL HEIFETZ:** But you were.

6
7 **TIM BRUER:** But I was, right.

8
9 **MICHAEL HEIFETZ:** So, and it's not necessarily my faith and trust you really need on this
10 dilemma. It's the residents . . .

11
12 **TIM BRUER:** I agree.

13
14 **MICHAEL HEIFETZ:** And you know that better than I . . .

15
16 **TIM BRUER:** And I agree, and it's very difficult if you're sitting here as our representative and
17 then balancing also the interests of the surrounding neighbors who have been before this body in
18 droves to find that balance, and it's about their quality of life. Nobody regarding, and Alder
19 King has heard me say this time and time again, get me going on social economic justice issues,
20 and given my background with the bush and the heart of South Madison, you know, you know
21 my passion, and I walk that walk.

22 And I believe strongly that the people that are behind me tonight shouldn't even have to
23 be here this evening, because their quality of life should be preserved and protected as if they

1 lived in Nakoma or anyplace else. And my job, and the people around me right now, is to really
2 regroup the troops and focus on this property and assure that we see those benchmark
3 improvements, and we should be having things like grills out there for them. We should be able
4 to go out and make sure that they don't have cockroaches or rats or anything else.

5 They should be able to have those support services that are there. But the fact that
6 they're even here tonight and saying, well, we're going to provide this much of this much for its
7 support services to, as a result of increasing the magnitude of scale of this poverty pocket, you
8 know, is just wrong. We should be able to do that without any additional tax subsidy.

9

10 **MICHAEL HEIFETZ:** And I'll wrap up.

11

12 **NAN FEY:** . . .

13

14 **MICHAEL HEIFETZ:** So you and I just discussed much of the macro of all of this, but Mr.
15 Cantrell, I think, hit on a few actual project-related elements that, frankly, I think could lead us
16 down a road that improves what we're discussing here tonight. Whether that flips it over the
17 standards or if it keeps it below the standards, which I'm not saying it is or isn't right now, I
18 don't know. But he makes a very valid point, and I don't know what impact those will have on
19 the macro issues you and I have just discussed.

20 So this is a hard one for us, and the history is important, but I don't know how binding it
21 is given that there are facts on the ground. We have a much different economy than we used to
22 do, so betting on a different investor comes into play as well. I don't know of the benevolence of
23 anyone who comes before us. Sometimes we have some bad actors, and they come back here

1 again and again, and finally we learn. I don't know if we have that here today. They seem to
2 have a pretty strong record based on what we've learned thus far.

3 So, yeah, I appreciate the concern that you have for the neighborhood as well as the
4 residents have for their own neighborhood. I wish this was a little more cut and dried, but I
5 appreciate your comments.

6

7 **TIM BRUER:** Imagine if we would have allowed 2,000 units apartments on this site today, if
8 this body or the previous body, and this goes back to the decision that was originally made,
9 which arguably was the wrong decision, and we can't lose sight of the fact that this has been a
10 work in progress. We have succeeded in this area by taking out over 1,000 units apartments in
11 the city, another 800 in the town of Madison, you know, at a time that we had double . . . also
12 helped us at the time that we had double-digit interest rates, and we had an economy that was
13 failing.

14 But could you imagine what this neighborhood would be looking like today, the
15 challenges of the southwest side or Simpson Street at Lake Pointe? That would be totally in play
16 today, because the timing was just about exactly the same, Mr. Heifetz, and the environmental
17 safety issues that was brought on earlier about garages as an example about safety concerns,
18 there was a reason why they didn't put the garages in.

19 It was very clear. It was environmental safety issues and even the additional lighting that
20 they ended up having to put there, which is still inadequate, by the way, was because it is an
21 isolated area, it is, there's serious safety concerns. If we learned anything from Lake Pointe and
22 Badger Road is by addressing those environmental concerns and not allowing for those garages
23 to be placed. In fact, in some of our later developments, we did not do so on that very reason.

1 And I would hope that that and the three-bedrooms are the two issues that I think that along with
2 the tax credits and land use are what's really in debate here.

3

4 **NAN FEY:** We've got two more questions . . . Mr. Rewey.

5

6 **BRAD CANTRELL:** I guess this project is a multiple family project. We can identify, we can
7 show it on a map as low density, but it is what it is. It's multiple family, and, you know, and
8 that's what we have to deal with. I mean, it, unless someone wants to buy it and just level it and
9 then create single family houses, but I don't think that's likely to happen. So the reality is we're
10 dealing with a project which is a borderline on, I think, a crisis. And I think that, I think I heard
11 you say that the neighborhood is in excess today.

12 And I can understand your statement in that you've, the city and, has been able to block
13 and other multiple family developments in the area, and I think that's probably good. But the
14 fact is we have this project, we have a project across the street, which is in the town of Madison,
15 and a project up the street which is on Rimrock Road and Moorland, which is even bigger than
16 this one. So we have multiple family projects in the area. And, you know, I drove around all of
17 them, and this one, obviously, is, it appears to me, the most in need of fixing up.

18

19 **TIM BRUER:** No argument there.

20

21 **BRAD CANTRELL:** Right. So I guess I don't, I guess it's hard for me to believe that tax
22 credits and 26 three-bedroom units make a project bad. I can understand that maybe that wasn't
23 part of the deal back in 1972 or 1973 when the project was first conceived. And, you know, I

1 can appreciate that. As a planner, I've lived through those, you know, fights. But, you know,
2 the fact is we have reality today, and I guess what we have to balance is that, is the tradeoff of 26
3 three-bedroom units, is that tipping the scale to make this project in this area undesirable, and . . .

4
5 **TIM BRUER:** If we did not believe that that was the case, we would not be here this evening.
6 When you go from two- to three-bedrooms, it radically does change the density even well
7 beyond what we think the city standards should or could be. I can tell you that, because we
8 learned that in Simpson Broadway, we learned that on the West Badger Road corridor. It is what
9 it is. It's, so it's radically different.

10 And I would rather go forth, and if you believe that, then 27 units times X number of
11 additional people, and then multiply that as well, you're getting into, and maybe the chief would
12 like to, or, excuse me . . . with the chief, the captain or address that question in terms of impact to
13 Natalie from the CDA. We, in terms of the CDA, you know, recognize that and are sensitive to
14 it. So it's, if you don't want to take in land use decisions that were based on the standards from
15 30 years ago, from 15 years ago, whatever it was when they came back with the other round of
16 three-bedrooms, look at today.

17 What have we learned? We have learned that that will tip the scale. When they did
18 Somerset, Las Masanetes and just barely hanging on day just, you know, the days are ticking
19 away until the contract is done. I sat in the, a room exactly like this, and one of the members
20 sitting in the room said I really don't think that a project of this size is going to tip the scales, and
21 within 90 days it did. It's fact. And the impact that it had and it broke the camel's back was a
22 fragile corridor.

1 You know, for those who are familiar with the Badger Road corridor, when Somerset
2 came in, and they argued, well, they maybe three-bedrooms, but we're going to have lower
3 density in reality than people are expecting or anticipating, the exact opposite happened. And I
4 guess I would go to the captain and, if you don't mind, and have him address it from his
5 experience working in law enforcement or our housing specialist who's very much in tune with
6 what the impact of those three-bedrooms would have.

7

8 **BRAD CANTRELL:** I guess just one question for the CDA director. Do you have standards of
9 concentration of three-bedroom units, or is there a ratio that you have or kind of policy and . . .

10

11 **NATALIE ERDMAN:** We don't have a ratio. There's only 1 site where I think we have
12 between 150 and 160 units on 18.8 acres, and 120 of those are 2-bedroom units, but then the
13 other 35 or so are 2-, 3-, 4-, 5-bedroom units. But if I take a place like the apartments that we
14 own and manage on Allied Drive, which 50 units, quite a few 3-bedroom units, what I would say
15 is that as you go from that 2-bedroom to 3-bedroom unit, you dramatically increase the number
16 of kids on your site.

17 And for working families, so we're talking about families, many of these families will be
18 \$35,000 to \$45,000 a year in income with a couple of children. For those working families, the
19 number of children, the time that parents have at home, what kids do after school, during the
20 summer, it's really essential to have access to, whether it's the Y or Boys and Girls Club or a
21 neighborhood center or some place for those kids to be. And short of that, we have significant
22 issues.

23

1 **MAN:** Okay.

2

3 **NAN FEY:** Mr. Rewey.

4

5 **MICHAEL REWEY:** Thank you.

6

7 **MICHAEL REWEY:** Thank you. Alder Bruer, you mentioned before about concern of the
8 adjoining neighborhoods, and that struck me. We're used to getting a lot of people here when
9 they're against something. And I haven't heard anybody from the owner occupied surrounding
10 neighborhoods that have come here to say they don't want it.

11

12 **TIM BRUER:** They'll be more than happy since you've made that invitation to show up at your
13 next meeting.

14

15 **MICHAEL REWEY:** That's surprising to me that they haven't showed up.

16

17 **TIM BRUER:** Because they have been before this body time and time again, and, frankly, I
18 think that the decision was made within their leadership that they would, they undoubtedly
19 expected this would be referred. They were aware that at the 11th hour that you folks received
20 that plan today and surely anticipate that they will be at your next meeting, and they'll be
21 speaking loud and clear. You know, it's also sort of an awkward position when you've got
22 neighbors pitted against neighbors, because I think that overall they would share your same level

1 of concerns, because these are not NIMBYs. These are people who have supported CBFs in
2 their neighborhood.

3 They've supported other treatment programs. They've supported corrections facilities,
4 etc., etc., etc., brought on by the county. They've done all of that. But I think that there was,
5 there's obvious concern that you don't want to deprive folks who are, you know, living in an
6 environment that may be deteriorating of a better quality of life. But, you know, if, I'm sure you
7 will see them at your next meeting, and they'll be more than happy to testify as . . . to their
8 position. I think that, I'm sure that many are watching right now, frankly.

9

10 **MICHAEL REWEY:** And I'm also, and I think Natalie sort of alluded to it, I'm not so much
11 interested in Allied Drive, which was a lot of individual property ownerships. This is a single
12 ownership. I, what I want to hear about is what do you plan for this single ownership property if
13 you don't like what's on the board? It's a single ownership property. It's not multiple owned
14 properties like some of the other neighborhoods other than Somerset. So what do you plan for
15 this single owner property if you don't like what's on the board?

16

17 **TIM BRUER:** Is that a question?

18

19 **MICHAEL REWEY:** No, I just, I expect the answer at the next meeting.

20

21 **TIM BRUER:** Okay.

22

1 **NAN FEY:** Okay. Well, just I'm reminding everybody, we are going to be recessing this and
2 continuing, so if there's a burning question that needs to be asked tonight, go ahead,
3 otherwise . . .

4
5 **TONYA HAMILTON-NISBET:** I guess that, to that point, the only question I would ask is,
6 are you both planning on being at the next meeting?

7
8 **TIM BRUER:** Yes.

9
10 **TONYA HAMILTON-NISBET:** Okay. Then thank you.

11
12 **NAN FEY:** Okay. So, yes, as predicted at the beginning, we will recess this public hearing.
13 Those individuals who chose not to speak tonight will have the opportunity to speak when we
14 reopen the public hearing at whatever date in October it winds up happening. So if there are no
15 further questions for any of the registrants, we'll recess the public hearing and ask whether there
16 are any questions for staff this evening before we entertain a motion. Questions for staff?

17
18 **MICHAEL HEIFETZ:** Yes.

19
20 **NAN FEY:** Mr. Heifetz.

21

1 **MICHAEL HEIFETZ:** Mr. Bruer mentioned downzoning. And given that we're in the middle
2 of our fascinating ongoing, never-ending saga on the zoning code and maps, has there been a
3 discussion of that in this neighborhood?
4

5 **BRAD MURPHY:** I could check with the staff that are working on the zoning map to see if
6 there's any discussion.
7

8 **MICHAEL HEIFETZ:** . . . to request to do so, you know . . . off the top of your head?
9

10 **BRAD MURPHY:** I am not aware of a specific request to downzone . . .
11

12 **TIM BRUER:** There's nothing left.
13

14 **BRAD MURPHY:** . . . properties in the area.
15

16 **TIM BRUER:** There's nothing left. It's already been done. It was a preliminary plat approval.
17

18 **MICHAEL HEIFETZ:** I appreciate that, but you brought up the downzoning term in your
19 testimony, so I wanted to follow up a little.
20

21 **NAN FEY:** Yeah. Okay. If, we've got, the question was asked and answered, and I think staff
22 will pursue it.
23

1 **MICHAEL HEIFETZ:** Thank you.

2

3 **NAN FEY:** Any other questions of staff? Mr. Cantrell?

4

5 **BRAD CANTRELL:** The police department has raised a concern, and I read it in your report
6 too about the garages, and I guess I would like staff to work with the proposed applicant here to
7 really look at the need for those or at least the need and potentially eliminate the, those garages
8 that are troubling or at least most troubling to the police department, because I think that's a
9 great concern for me.

10

11 **BRAD MURPHY:** We can work with Captain Balles and the applicant to review that issue.

12

13 **BRAD CANTRELL:** Okay. Thank you.

14

15 **NAN FEY:** Any other questions for staff? If not, is there a motion? Alder King.

16

17 **STEVE KING:** Move referral to an unspecified date to be determined between agreement
18 between staff and the applicant and the alder.

19

20 **NAN FEY:** Okay.

21

22 **BRAD MURPHY:** Well . . .

23

1 **STEVE KING:** Or do you want it to go to a specific date?

2

3 **NAN FEY:** When it's ready?

4

5 **BRAD MURPHY:** Yes. I would like you to consider which date the project should be referred
6 to with, and consider the document we received today, which responds, I think, to a lot of the
7 concerns that have been raised by Captain Balles, Natalie Erdman, and staff with respect to
8 providing additional specificity on a service delivery plan, a safety and security plan, and an
9 operating and management plan that includes tenant screening. And I think that the document
10 we received is intended in part to respond to that.

11 So how much time does staff need to review it? I think we want to meet with the
12 applicant to, once we have reviewed it and then come back to the Plan Commission. And we
13 have, what, three weeks between now and your meeting of October 1st. And I think that it, we
14 should also ask the applicant if, and Natalie and Captain Balles if three weeks is enough time to
15 review the document, meet with the applicant, and then get back here and just see if that is
16 satisfactory or if we think we need until October 15th.

17

18 **KEVIN NEWELL:** October 1st for the applicant.

19

20 **NATALIE ERDMAN:** It's going to be fine with us.

21

22 **JOE BALLEs:** Fine with me.

23

1 **STEVE KING:** October 1st.

2

3 **BRAD CANTRELL:** Second.

4

5 **NAN FEY:** We have the zoning code on that agenda. I was hoping it wouldn't go to that.

6

7 **MAN:** . . .

8

9 **MAN:** So we had a motion and a second?

10

11 **NAN FEY:** Yes, there was a, moved by Alder King, seconded by Mr. Cantrell to refer to

12 October 1st. All those in favor, say aye.

13

14 **COMMISSION:** Aye.

15

16 **NAN FEY:** Those opposed, no. Okay. I guess we'll see you on the 1st . . .

17

18 **MIKE MERVIS:** Thank you.