From: kevin.newell@royal-cg.com [mailto:kevin.newell@royal-cg.com]
Sent: Sunday, November 25, 2012 5:07 PM
To: ALL ALDERS
Cc: Soglin, Paul; Cover, Steven; Murphy, Brad; Erdman, Natalie; Monks@cityofmadison.com;
WFWhite@michaelbest.com; nwautier@reinhartlaw.com; Balles, Joe; Wray, Noble; Firchow, Kevin; Jim Borris; Mike Mervis
Subject: Most Frequently Asked Questions (Appeal of Nob Hill Plan Commission Approval)

Alders:

Thank you all for taking the time to discuss the Nob Hill Plan Commission approval which is being appealed before the council on Tuesday November 27, 2012. Please see the following attachment which highlights answers to the most frequently asked questions. We hope that you all will support the Planning Commission approval of this proposal.

If you have any further questions, please do not hesitate to contact us.

Sincerely,

Kevin L. Newell, MBA Principal Royal Capital Group (RCG) 500 W Silver Spring Drive, Suite K-200 Glendale, WI 53217 (O) 414.847.6275 (C) 414.202.9351 (F) 414.847.6201 Kevin.Newell@Royal-CG.com

MEMO

To: Madison Common Council From: Nob Hill Redevelopment Team RE: CUP for Nob Hill Date: November 25th, 2012

Dear Alders:

We would like to thank the alders who have expressed support for the decisions made by the Plan Commission and the Urban Design Commission with regard to the Nob Hill CUP. We also appreciate the questions that alders have set forth in our discussions with them. This memo includes answers to the most frequently asked questions.

Question: Are the typical residents of Nob Hill isolated from key daily services with no convenient abilities to access these services?

Answer:

- 1. The apartments are situated approximately one mile west of a Wal-Mart Supercenter with a full service grocery store and the South Towne complex.
- 2. Of the 244 occupied apartments at Nob Hill, 220 (91.6%) have at least one car; with several residences having multiple cars.
- 3. There is bus service which stops at Nob Hill from approximately 6:08am to 11:30pm during the week and on the hour over the weekends.
- 4. For over 40 years, residents and constituents out of preference have selected to call Nob Hill their home in place of other like housing options in the market.

Question: Does this CUP greatly increase the population of the development? Will City service costs increase as a result of this proposal?

Answer:

- 1. No. This is not a new development, the Nob Hill apartments were constructed 40 years ago.
- 2. The CUP as approved by the Plan Commission on October 2, 2012 allows for the 272 unit development to be reduced to 254 units with the addition of 26 three-bedroom units. This reduction in overall unit count which calls for multiple units to be converted into 3-bedroom units will increase total bedroom count from 412 bedrooms to 446 bedrooms. This results in a net increase of only 34 bedrooms in a service area of over 6,300 bedrooms (only 0.54%). Also, based on our assessment of, and discussions with, the resident of Nob Hill, many of the three bedrooms will be leased to current residents who simply want more space. The population increase in this service area, if any, will be negligible.

3. The proposal provides for greatly enhanced resident screening and enforcement procedures, as well as a substantial safety and security program including video surveillance cameras inside and outside the buildings, significantly increased site lighting, safe garages available to protect automobiles and other storage items and a commitment to communicate closely with law enforcement. The City's cost associated with law enforcement should decrease substantially.

Question: Will this development be created for the low-income (Section-8) or moderate income (Section 42) households?

Answer:

- 1. The redevelopment plan will be enabled by Section 42 Tax Credits which is designed to provide **safe**, **affordable**, **quality workforce housing for moderate income individuals**.
- 2. Residents applying for occupancy of the 3-bedroom units will have to have a minimum household income of \$32,000 (about \$15/hr. for a one wage earner) in order to qualify and show ability to pay the \$900/month rent. This is a standard practice in housing which requires residents to earn 3-times the monthly rent to show ability to pay.
- 3. The redevelopment plan calls for both market rate units as well as income restricted units. The market units will not have income restrictions and a household's income will only be used to qualify the household's ability to pay. The development will also have income restricted units for households who, at the time of move-in, earn less than 50% or 60% of the Dane County Median Income levels. For a household size of four, in Dane County, the household's income qualifies for an income restricted unit if they earn less than \$41,450 or \$49,740 annually at the time of move-in.

Question: Will current residents be displaced by this redevelopment plan?

Answer:

1. No. As a recipient of the Federal Tax Credits through WHEDA, the redevelopment will be governed under the Uniform Relocation Act which does not allow for tenants to be displaced. Residents will be provided temporary housing for approximately two months during the time period that their buildings are being redeveloped.

Question: Have the concerns of the Police Department been addressed in your redevelopment plan?

Answer:

1. Yes. In conjunction with Captain Balles of the South District, the development team collaboratively designed a safety plan that includes 18 security cameras at the development with exterior placements across the site, as well as interior placements in the common entrance ways and storage areas.

- 2. The camera selection will include license plate reading capability and night vision to better assist public safety staff in the event they have to conduct an investigation on vehicles entering and exiting the development in relationship to a crime.
- 3. The surveillance will be able to be accessed through both real time and recorded playback over the internet by public safety staff and management 24/7.
- 4. The current site lighting includes only two exterior community site lights. The redevelopment and safety plan calls for a total of 38 exterior community site lights.
- 5. Working collaboratively with Planning Staff, the CDA and Captain Balles, the development team received approval by the Planning Staff of a garage placement strategy that would have aesthetic appeal but would also be complimentary to public safety and its desires for the site.
- 6. Working collaboratively with Planning Staff, the CDA, Captain Balles, and ACC Management a tenant selection plan and background check criterion was reviewed and approved by Planning Staff.

Question: Will the redevelopment plan stress the available school area that services Nob Hill?

Answer:

- 1. Andrew Statz, who is the Chief Information Officer for the Madison Metropolitan School District, provided info to the development team which based on the 28 different building addresses of Nob Hill, shows there are 109 school age children presently living at Nob Hill.
- 2. Andrew Statz provided data that suggest the Madison area population and family size are both declining which will cause a decrease in enrollment in the school district in the next five years.
- 3. Mr. Statz's professional opinion is that the schools that serve Nob Hill (Badger Rock, Allis, Sennett and La Follette) will not be stressed by the redevelopment plan of Nob Hill.

Question: Aside from the renovations, what benefits will the residents enjoy?

Answer:

1. Aside from the physical renovations to their apartments, a community center will be introduced at the development. In addition to basic administrative and management functions, the community center will include after school tutoring, English as a second language programing, financial literacy education conducted by UW Credit Union, community gardening and additional potential programing needs of the residents of Nob Hill.

- 2. The development team will be advised by Carmen Porco on the successful implementation of these services in addition to organically incorporating the administrative, maintenance, and services of the overall development and community center.
- 3. The proposal includes providing significant accessible housing, including an elevator in one building. Accessible parking garages will also be provided.
- 4. The proposal includes providing significant new recreational facilities including a soccer field, basketball court, playground and garden center.
- 5. The proposal includes washer/dryers in the units and free wireless internet service in all buildings.
- 6. There will be a focused and comprehensive community safety program as outlined above.

Question: Is there an alternative to this project to renovate the Nob Hill Complex?

Answer:

- 1. No other alternatives have been proposed.
- 2. Developments similar to Nob Hill generally have a lifespan of 35-40 years. At that time, renovation and a sizeable reinvestment is necessary or the complex will decline, bringing various problems. Nob Hill is 40 years old and has aged considerably. In order to provide a comprehensive redevelopment plan that can be sustainable rather than a "band-aid fix", the development team is proposing to invest \$10,000,000 in hard cost improvements. The city is not being requested to provide investment dollars for the redevelopment. Also this proposal may in fact alleviate City service costs and prevent the City from having to invest dollars in the future in the event this proposal does not move forward.

We hope that this memo addresses your questions and we would appreciate your support in affirming the findings of the Plan Commission and the Urban Design Commission. Please do not hesitate to contact us for additional information.

Sincerely,

Jim Borris (414) 870-7938 President Zilber Ltd

Kevin Newell (414) 202-9351 Principal Royal Capital Group