



Madison Police Department

Noble Wray, Chief of Police

City-County Building
211 S. Carroll Street
Madison, Wisconsin 53703
608 266 4022
(TDD) 608 266 6562

September 21, 2012

Ms. Barb Bouslugh, Property Manager
Nob Hill Partnership (Apartments), LLC
1108 Moorland Road
Madison, WI 53713

Dear Ms. Bouslugh (Barb):

Thank you for promptly responding to my correspondence dated August 30, 2012, in regards to the increasing trend in police calls for service at the Nob Hill Apartments over the past three years. On Thursday afternoon, September 6, 2012, we had the opportunity to meet in person here at the South Police District to further discuss the current situation at your property. Present at the beginning of the meeting were several representatives from private organizations looking to acquire and renovate the Nob Hill Apartments. Also present were South District Police Officers Mike Alvarez and Jason Ramirez who are familiar with some of your more problematic tenants and overall safety issues at the property.

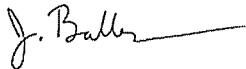
The purpose of this letter is to summarize and document those parts of our discussion related to the addressing the current situation at Nob Hill. Below is a summary based on my notes from our meeting:

- I provided you with a 33 page report listing nearly 1,500 Madison Police calls for service at the Nob Hill Apartments dating back to January 2009. This report was sorted by "building number" so as to give you the ability to work through the report and identify specific buildings on the property which appear more problematic than others.
- Starting October 1, 2012, you will receive, by e-mail, a monthly call for service report for your property from the South Police District. This report will be reviewed by myself and others here at the South District. We believe this regular monthly report will increase communication between the South District and yourself regarding activities taking place at the Nob Hill complex.
- Officers Alvarez and Ramirez discussed specific apartments and individuals where we suspected drug activity may be taking place. For the moment, those specific individuals do not appear to be on the property. However, we encourage you to contact us should you receive reports from any of your residents or staff regarding short term traffic or drug dealing. Given that your property was the scene of a drug related homicide in March 2010, it is imperative we receive information from residents and yourself if this activity is continuing on the property.
- We discussed the extent to which the property is currently posted for "No Trespassing." It appears there are locations where signs may need to be re-posted. Please work with Officers Alvarez and Ramirez to obtain, at no charge, as many "No Trespassing" signs as you need courtesy of the South Police District.

- We also discussed sharing a monthly rent roll of current tenants with the South District. We would be very appreciative if you shared this with Officers Alvarez and Ramirez. They in turn will share with other South District officers. In light of your current practice to do "month to month" leases with a number of new tenants, I am very concerned about the transient nature of your new tenants. Sharing your rent roll with us will help us stay informed as to who is currently leasing an apartment at your property.
- In regards to screening, you advised you were "checking CCAP" and that no "credit bureau" checks were being performed. I am very concerned, Barb, that you may be entering into month to month lease agreements with those who may cause significant issues for you down the road. It is important that rental property managers and owners be fair and consistent in their screening and leasing decisions. It is also equally important for rental property managers and owners to take advantage of relevant sources of information you have available to you when you conduct your screening and leasing process. We specifically discussed the Madison Police Department's Records Section and how "contact checks" can be obtained from MPD as an example of one information source you are not using right now. There are others as well. In short, I'm concerned there may be a "lack of screening" taking place at the present moment, and encourage you to re-evaluate your current application and screening process for new tenants so as to minimize potential problems down the road.

In conclusion, while we do not believe we have an immediate public safety "crisis" at the Nob Hill Apartments, the calls for service trend over the past three years does create concern. I believe our meeting was very productive, and appreciate the on-going efforts which have been taking place between yourself, Officer Alvarez and other South District staff addressing matters on the property. The long term ownership issues aside, we continue to have a community at Nob Hill of nearly 1,000 residents where we need to make sure they have a safe, high quality living environment. To that end, all of us here at the South Police District are here to help you and will direct whatever resources we can reasonably your way. If you have any questions or concerns, Barb, please do not hesitate to contact me by phone at 608-267-8687 or e-mail at jballes@cityofmadison.com.

Sincerely,



Captain Joe Balles
South Police District

cc:	Mayor Paul Soglin Chief Noble Wray Assistant Chief John Davenport District 14 Alder Tim Bruer Assistant City Attorney Jennifer Zilavy Mr. Kevin Newell, President, Royal Capital Group (RGC) Brad Murphy, Director, City Planning Division Kevin Firchow, Planner, City Planning Division
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Firchow, Kevin

From: Jim Borris [Jim.Borris@Zilber.com]
Sent: Wednesday, September 12, 2012 12:44 PM
To: Firchow, Kevin; Murphy, Brad; Erdman, Natalie
Subject: Support materials
Attachments: 1424_001.pdf

Dear Natalie, Brad and Kevin,

Attached is additional information about our management company, operations and services delivery plan. We will be submitting more information later related to the expected financial performance of the project.

We believe we have solid management and a strong plan. Our management company, ACC, is well qualified to manage this community. They focus on affordable housing and have extensive experience successfully executing on their responsibilities. Our ownership group is also well qualified as we think you will see from the attached information. Zilber Ltd and Royal Capital are the co-developers however Zilber is the controlling member. We are a substantial organization with an employment base of over 230 dedicated people. The Zilber Family Foundation will own Zilber Ltd, and its resources are also a significant benefit to this community.

The operating costs we have provided for in our current financial models are based on ACC's experience as well as input from Baker Tilly, HUD, PNC Real Estate and WHEDA. We are confident that we have thoroughly scrubbed these numbers and that we can deliver the programs as promised. We will be financing the project with HUD through a 40 year fixed rate loan, providing stability well into the future.

Please call me to discuss any questions you may have.

Best regards

James D Borris
President and CEO
Zilber Ltd

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Firchow, Kevin

From: Jim Borris [Jim.Borris@Zilber.com]
Sent: Wednesday, September 26, 2012 10:54 AM
To: Firchow, Kevin
Subject: Updated Nob Hill Information
Attachments: SEC10-Crisis Management.doc; ACC-CM-1005 Emergency Data Form.doc; 1618_001.pdf; 1619_001.pdf

Kevin,

Thank you for meeting with us this week to review and discuss our Nob Hill proposal and management plans.

We definitely agree with your comments associated with the community coordinator and have modified the job description and requirements (attached). We will certainly focus on finding the right person qualified for this job. We also agree we need to remain flexible on these programs and let them develop based on current needs and conditions.

Also attached are ACC's crisis management and contact procedures related to emergencies etc.

We also discussed alternatives related to garage locations. You will have this morning the updated UDC / PC submittal package which reflects a revised garage layout based on our conversations and site visit Monday. We look forward to working closely with the City to ascertain the layout which accomplishes everyone's goals and objectives as best we can.

The group including Captain Balles also discussed the safety and security programs Monday. We believe these were very productive conversations. We have incorporated the suggestions of our group, including Capt Balles, into the UDC/ PC submittal package. Some of the items that were added:

- 360 degree site video cameras vs. the one direction cameras.
- License plate surveillance cameras.
- Lobby cameras as suggested by Capt Balles.
- Additional site mushroom lighting in those areas we identified as having minimum lighting.
- Walkways to the community center and garden areas.
- Charcoal grills and pavilion areas.
- Enclosing off remote site areas to restrict access.

We believe we have excellent equipment and procedures associated with safety and security but remain ready to work together with law enforcement and the City to refine these items / programs to everyone's satisfaction. This will be an ongoing process, not just part of our initial rehab program.

Again thank you for the input and please call if you have any questions.

Best Regards,

Jim

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