

MEETING WITH 10TH WARD STAKEHOLDERS AND DAVID VISZLAY

2.23.11

In attendance:

Becky Thatcher	Donnie Freyer	Matt Galluzzo
Brian Mendelssohn	Harry Geyer	Nancy Bittner
Claudia Dickey	Jenny Skrinjar	Ruthann Stutz
Dave Green	Jerry Gavinski	Tony Milczarek
David Vizlay	Lauren Byrne	

Purpose:

To discuss possible improvements that can be made to Vizlay's portfolio of residences in the 10th ward.

Current conditions:

- David Vizlay is using 5410 Butler Street and 5101 Keystone as model home renovations
- As of current he has no timeline for improvements on other properties
- He renovates when he gets money; 5255 Keystone is next in line for improvements
 - Vizlay has a court appt the first week of march for tenants of this property
 - Tenants will be evicted 20 days after court
 - Construction should start at the end of March
- If there is a problem, David asks to call him and he will take care of it
 - Harry suggested he take a more proactive instead of reactive approach
 - Brian asked what is his current process for tenant screening
 - David conducts criminal and background checks
- Vizlay stated that it is NOT the tenants that are the problem but their "add-ons"
- Vizlay believes most of the problems stem from the section 8 tenants
- Vizlay stated he has a no interest in making affordable housing; if he is going to invest in the property then he is going to make it deluxe
- Vizlay uses the same lease for all properties except those that require the specialized section 8 lease.
 - Vizlay confirms that ALL tenants have a lease
- Vizlay stated that he is open to new ideas to improve his properties, but expressed that he needs help
- Brian inquired about Vizlay's development cycle:
 - Vizlay stated:
 - 4-6 weeks to renovate each property
 - 18,000 – 35,000 investment in each unit
 - Vizlay was not able to project when he would have money for future renovations
 - Brian pressed on Vizlay about the management of construction, obtaining proper permits, confirmed budgets, drafted floor plans, etc
 - Vizlay stated that he was not aware that he needed a formal presentation prepared for the meeting
- Vizlay currently manages all his properties himself.
 - When he leaves for Afghanistan, he plans to have a management company handle his properties
 - Either his Oakland management partner or Ed Bartociewicz (As of now).
- All properties in Lawrenceville are owned by Vizlay and his wife
- He and a partner are currently under contract to purchase 5153 Keystone
 - He stated that money for this purchase comes from a separate account and he won't transfer money from one account to the one used to renovate current properties.

- Harry asked why he was purchasing this home if he didn't have the money to improve already owned properties.
- He also stated that he will transfer money from maintenance and upkeep on current properties
 - "Won't put money into a sinking ship"
- Vizlay admitted he is not a good judge of character with tenants
 - Brian suggested him making his tenants provide landlord references
- Nancy inquired about the cost to repair the buildings after the problem tenants move out
 - Vizlay estimated as much as 10,000 per property
- Current rents:
 - Natrona 2 bedroom – 500
 - McCandless row homes – 650 to 700
- Vizlay stated that he no longer advertises on the section 8 website, in hopes to attract better tenants
 - He says he is clueless of the advertising opportunities within the neighborhood and needs guidance

Strategy/ Expectations:

- Lawrenceville United would like to see proportional statics of property owned to % of crime... aka he owns 1% property, so his contribution to the crime should be 1%
 - Currently it is 18%
- Lawrenceville Corporation offered to buy the McCandless properties. Vizlay was interested and asked Matt Galluzzo to "give [him] a number".
 - The offer stemmed from concern over Vizlay's ad hoc renovation approach
- Matt also asked if Vizlay would be willing to enroll some of his properties in the Goodwill program
- Vizlay expressed interest in obtaining police reports and crime stats for his properties
 - He was formally invited and expected to attend 10th ward block watch meetings to obtain this information.
 - He was also told that the city blotter is another good resource
- Lawrenceville United has requested quarterly meetings with Vizlay and to see an actionable/ personal investment
 - These meetings would focus on maintaining accountability for 1% crime target
- Vizlay states "I am telling you what I have done and what I would do" to make things better
 - He is asking for the groups' trust
- Matt stated that it is NOT the community groups' job to keep Vizlay informed on his properties
 - Community groups WILL provide resources to help him manage his properties
- Currently the cost of his McCandless apartment cameras are split between LU and Vizlay
 - Nancy proposed that he take over the full cost of the cameras and informed him that he is welcome to view that video whenever he likes.
 - Vizlay agreed to cover the entire cost of internet for the MCCandless properties
- Vizlay agreed to no more property purchases once he closes on 5153 Keystone

Next Steps:

- Mr. Vizlay will attend the 10th ward block watch meetings (2nd Tuesday of every month – next is 3.8.11)
- Mr. Vizlay will not acquire anymore property in Lawrenceville
- Mr. Vizlay will devise a solid strategy to improve properties
- Mr. Vizlay will have a business plan for 5255 Keystone in 2 months
- Mr. Vizlay was asked to contact community groups and seek help as he moves forward
- Mr. Vizlay will cover the total cost of internet for the McCandless cameras
- LU will meet with Mr. Vizlay quarterly (beginning 3/23/11) to review plans for improvements, to share crime stats and info, etc.
- Next meeting between LU and Mr. Vizlay 3.23.11