

FEB 29 '96 10:16AM DIR OF STATE COURTS

1995 SP. 243

FISCAL ESTIMATE
OOA-2048 N(R1094)

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
4442/1

Attachment No. if Applicable

Subject
Residential Rental Practices and Powers of Court Commissioners

Fiscal Effect
State: No State Fiscal Effect
Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues
- Decrease Costs

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

Local: No local government costs

1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Governmental Units Affected: <input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenues <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others _____ <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected: GPR FED PRO PRS SEG SEG-S

Affected Ch. 29 Appropriations

Assumptions Used in Arriving at Fiscal Estimate

This bill establishes residential rental practices regulations in the statutes. Presently, the administrative code provides these regulations. It also permits court commissioners to conduct eviction actions in small claims cases except with trials to a jury.

It is estimated that 23,000 eviction actions are filed in the circuit courts annually. Of these, approximately 10% are contested and would most likely be affected by this bill. Presently, these contested cases would be handled by a judge and a court reporter, both of which are paid by the state. Under this bill court commissioners could handle them. Court commissioners and their court reporters are county paid employees. It is expected that the more populous counties are the ones that would have court commissioners and may want them to handle evictions. The increase in county costs and the corresponding decrease in state costs cannot be predicted with the data available.

Long-Range Fiscal Implications

Agency/Prepared by: (Name & Phone No.) Director of State Courts	Authorized Signature/Telephone No. 6-6884 <i>Sheryl Deuser</i>	Date 2/29/96
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FEB 29 '96 10:16AM DIR OF STATE COURTS

FISCAL ESTIMATE WORKSHEET

1995 Session

Detailed Estimate of Annual Fiscal Effect
7A-2047 (R10/94)

ORIGINAL UPDATED
 CORRECTED SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
4442/1

Amendment No.

Subject

Powers of Court Commissioners

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):

II. Annualized Costs:		Annualized Fiscal Impact on State Funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$	\$ -
(FTE Position Changes)		(FTE)	(- FTE)
State Operations - Other Costs			-
Local Assistance			-
Aids to Individuals or Organizations			-
TOTAL State Costs by Category		\$	\$ -
B. State Costs by Source of Funds			
GPR		\$	\$ -
FED			-
PRO/PRS			-
SEG/SEG-S			-
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		Increased Rev.	Decreased Rev.
GPR Taxes		\$	\$ -
GPR Earned			-
FED			-
PRO/PRS			-
SEG/SEG-S			-
TOTAL State Revenues		\$	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ -indeter.	\$ +indeter.
NET CHANGE IN REVENUES	\$	\$

Agency/Prepared by: (Name & Phone No.)

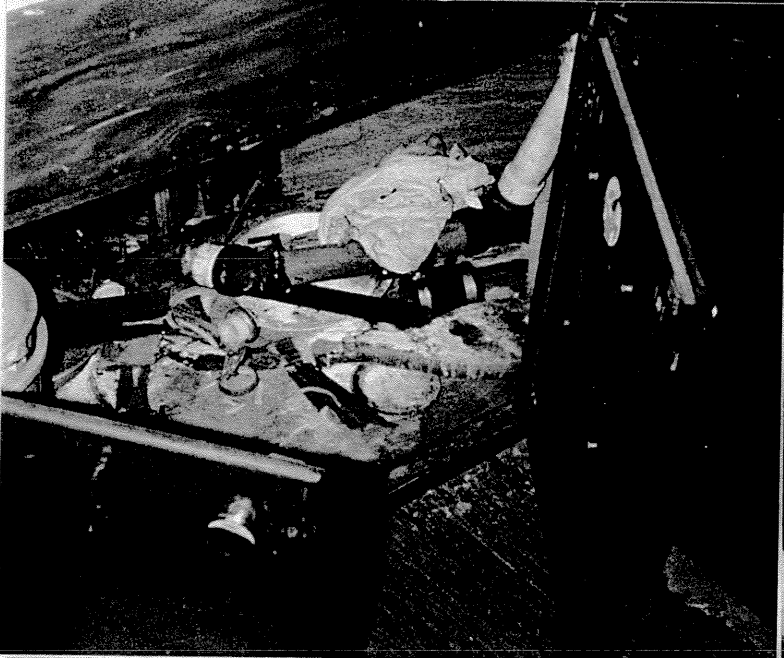
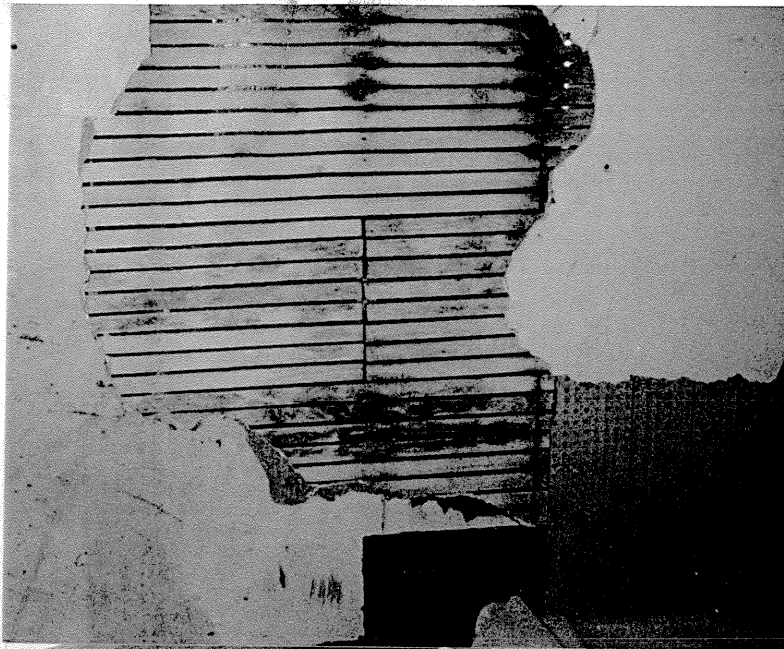
Director of State Courts

Authorized Signature/Telephone No.

Sheryl Dewar

Date

2/29/96



RE: Criminal Damage to Property Statute

(Paul Henningsen's Concerns)

The CC passed a resolution which contained very vague language recommending that the State tighten up the law. Most particularly is the phrase "rubutable presumption..." (meaning, in certain crimes, if it is reasonable to presume that a particular individual committed the crime, but the individual denies it, it is not possible to prosecute).

Ald. Henningsen would like to see "Standards for Prosecution" developed.

- Damage over a certain amount (What dollar amount is recommended)
- Discovery of the damage within a certain period of time (24 hours?)
- Research other municipalities and cities approaches to this problem
- Possibly the statutes should require a form signed by the tenant and landlord indicating the condition of the premises at the time the tenant moved in so that there would be no doubt as to what was defective when the tenant moved in and out

Before any final language is drafted, should consult with the District Attorney to determine what the proper language should be-- what language is the D.A. looking for.

Earliest possible resolution of this issue so that the matter can be introduced to the legislature as soon as possible.

Ald. Henningsen feels that the legislation should provide or better define language regarding proof of guilt; for instance, if the premises were in good condition when the tenant moved in, is found to be damaged within 24 hours (?) after they move out, there is no other evidence that anyone else caused the damage, that the D.A. could prosecute the former tenant.

Poor must be helped into work

SOME POOR people are willing — but not quite ready — to work. Policy-makers need to take that reality into account when mandating work in exchange for aid. To succeed, a safety net designed to replace the present welfare mess must include support services to make the needy job-ready.

Here are the types of services the new system should offer:

- **Job-training** — Policy-makers must watch out for the pitfalls, however. Some past training programs have disastrously led to jobs that didn't exist. And generalized job-training has displayed only modest success in removing clients from the welfare rolls.

The record does show, though, that training works well when it zeroes in on specific jobs in collaboration with employers. Public officials, educators and business leaders, therefore, must join forces to develop effective programs.

- **Basic education** — Unfortunately, some destitute people can't take advantage of job training, not to mention work, because they can't read or write adequately or do simple math. The new system should send dropouts back to school or prepare them to obtain a high school equivalency diploma. The system must also aim basic courses at high school grads who nonetheless have not mastered the three Rs.

- **Counseling** — Poor people sometimes have mountains of problems that hamper their readiness to work and that could benefit from professional help. Some mental problems, such as depression and paranoia, might not be intense enough to disable, but still could get in the way.

- **Family and personal problems** could be overwhelming. For instance, a mother might be going through severe difficulties with her teenage child

over drugs, crime or a pregnancy. Or a woman might be a batterer's punching bag.

Or a person might be trying to overcome an addiction to drugs or alcohol. Here the system ought to ensure treatment, perhaps through the provisions of universal health care.

(At the same time officials must monitor children of addicts closely for signs of neglect, which should prompt removal from the home. Also, addicts should not be given public aid in cash without supervision. Why not consider giving addicts vouchers in lieu of cash, or directly paying such service providers as landlords?)

On the other end of the spectrum are people with college degrees and skills, and without major problems except that they're undergoing a bout of poverty. They are already job-ready; they just need a job.

To accommodate both extremes and those in between, the work mandate should translate during the first six months of public aid into a requirement to look for work, with the possible help of a job-placement service that's woven into the new safety net. There's no need to activate a whole array of services for people who will find a job in relatively short order.

After six months of making every reasonable effort to secure regular employment, a person on assistance should be assigned a public-service job (that is, a job with government) or a community-service job (that is, a government-financed job at a private, non-profit agency). The community-service assignment of a college grad could be, for example, to tutor in a basic-education course.

All in all, flexibility must be a watchword of the replacement of welfare as we know it. To avoid failure, support services must be offered where — and only where — appropriate.

Next: Stemming teenage pregnancies

ESCAPING WELFARE



Fourth of a Series

Finance committee

\$13 million pared for added tax relief

But Benson criticizes cuts in Department of Public Instruction

By RICHARD P. JONES
Journal Madison bureau

Madison, Wis. — A key legislative panel endorsed cuts yielding another \$13 million for property tax relief, but state Superintendent of Public Instruction John Benson said it was irresponsible to take \$1.4 million out of his agency's hide.

"They acted in the most irresponsible manner that I could possibly imagine," Benson said Tuesday. "I believe they don't have the foggiest notion about the staffing patterns" at the Department of Public Instruction.

The Legislature's Joint Fi-

nance Committee, responding to a state audit pointing out increases in public instruction's management ranks, endorsed the 10% cut on a motion by Sen. Margaret Farrow (R-Elm Grove). To take effect, the cut would need backing by the Senate, Assembly and Gov. Tommy G. Thompson.

Benson is trying to head that off. He said he would meet with legislators to discuss his plans to restructure the department and to reassign supervisors so they would work more closely with individual school districts.

The roughly \$13 million in cuts recommended Tuesday in the name of property tax relief were in addition to \$190 million in surplus funds already set aside for tax relief by the committee co-chairs, Sen. Joseph Leece (R-Waupaca) and Rep. Barbara Linton (D-Highbridge).

After finance committee action on the budget-adjustment bill Tuesday, Leece said more than \$200 million was available for property tax relief that could begin with a school levy freeze this December.

"We ought to freeze levies," Leece said. "We've got the cash to do that, and I'm hopeful in a bipartisan way that we can resolve this. But because of the fine line of control in this Legislature, there's a lot of politics being played with this issue, and that complicates doing something."

The cuts, made on a 15-1 vote with Rep. Ben Brancel (R-Endeavor) in opposition, include:

- \$500,000 in community policing grants. Thompson had included the item to end criticism over his vetoes of state

funds for two Milwaukee substations.

- Elimination of a \$3.7 million increase in supplemental payments to Milwaukee County for medical care for the poor.

- \$8.4 million in general tax dollars to the community aid programs that finance a variety of services for low-income people.

- \$250,000 for a new hunger-prevention program.

In other budget action, the committee approved an additional \$2.8 million to finance the Milwaukee east-west transit corridor study. The money is in addition to \$1 million in transportation funds already held in reserve.

The study will look at bus and light rail alternatives for the corridor, running from Waukesha along I-94 to downtown Milwaukee, then north beyond the University of Wisconsin-Milwaukee to I-43 and Hampton Ave.

CONTINUED on Page 4

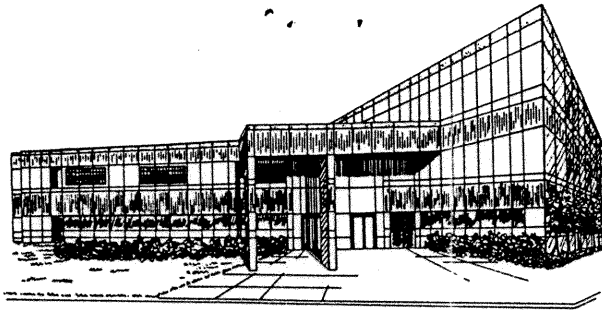
BASIC EVICTION PROCEDURE: BEST CASE SCENARIO

<u>Action Taken</u>	<u>Time Spent</u> (all times are approximate)	<u>Money Spent</u>
1. Owner serves tenant with 5-day notice on 2nd day of the month. Tenant does not pay rent.	1. .5 hour	1. none
2. Owner purchases Summons & Complaint on 7th day of the month.	2. 1 hour	2. \$46 at present \$56 as of 10/1/95
3. Summons and complaint must be served by Sheriff or a private process server.	3. none	3. \$15 - \$30
4. Owner gets Writ of Restitution on court date.	4. 2 hours court time	4. \$5.00
5a. If tenant fails to vacate, owner must get letter of intent from Bonded Mover.	5a. .5 hours	5a. Deposit of \$300 (Milwaukee County)
5b. Owner must give Writ of Restitution and Letter of Intent of Sheriff. *Costs and procedures will vary by county.	5b. .5	5b. \$130 *
	Total: 4 hours	Total: \$500 to \$600 (per eviction!)
6. By the time all this has occurred, the landlord has lost at least one month's rent, maybe more**. Also, mover's costs could very well exceed the \$300 deposit.		** These costs do not reflect physical damages to the building or lost rent monies which can run into hundreds of dollars.

**EVICTION TOTALS
MILWAUKEE COUNTY
1992 TO PRESENT**

1992*	1993*	1994*	1995*
January -- 969	January -- 909	January -- 659	January -- 803
February -- 828	February -- 771	February -- 818	February -- 799
March -- 889	March -- 1087	March -- 801	March -- 773
April -- 924	April -- 928	April -- 822	April -- 680
May -- 826	May -- 817	May -- 891	May -- 756
June -- 1087	June -- 1062	June -- 844	June -- 922
July -- 1054	July -- 911	July -- 944	July -- 799
August -- 1096	August -- 1159	August -- 1063	August -- 1080
September -- 1051	September -- 966	September -- 913	September -- 953
October -- 925	October -- 815	October -- 1037	October -- 1015
November -- 884	November -- 735	November -- 739	November -- 898
December -- 941	December -- 798	December -- 821	December -- 799
Total : 11,475	Total: 11,994	Total: 10,352	Total: 10,277
Monthly Average:	Monthly Average:	Monthly Average:	Monthly Average:
956	999	863	891

* These statistics only show *actual* evictions. These numbers do not reflect the amount of skips where there is no public record. Those numbers are estimated between 4 - 8 times the number of evictions.



Kenosha County Sheriff's Department

Allan K. Kehl, Sheriff

To: All Landlords

Re: Eviction Action Procedures

Eviction Action Procedures through the Sheriff's Department are as follows:

1. Papers are served, at which time the tenants are given a specific amount of time to move out (three days for a Writ of Restitution, two weeks for a Writ of Assistance)
2. A walk-through will be scheduled with the landlord or his agent as soon as possible by the Process Division. If the tenant is still in residence after the walk-thru, the Sheriff's Department will make arrangements for an insured moving company to move the tenant's belongings out and have them stored. The tenant must leave the premises.

It should be noted that the Sheriff's Department will not extend time periods allowed for tenants to move out prior to a walk-thru. If the landlord wishes to completely stop an action, he may do so, but he may not extend time limits.

The following fees will be collected at the time papers are accepted for service:

1. One check in the amount of \$40.00 to Kenosha County Sheriff for service of papers.
2. A second check in the amount of \$750.00 (if east of I-94) or \$1,000.00 (if west of I-94) to Kenosha County Sheriff as a deposit for the moving company. This amount will be returned if a Sheriff's move is unnecessary.

Also, attached is the moving company's rate schedule of their various charges.

Please feel free to contact our Civil Process Division Department at 656-7312 if you would like additional information on eviction procedures.

ALLAN K. KEHL - SHERIFF
KENOSHA COUNTY

By: *Captain C. Mielke*
C. Mielke, Captain of Services

RATE SCHEDULE FOR KENOSHA MOVING & STORAGE

Basic Rate - \$125.00/hour -- Includes travel time from office and return.

Cancellation Fee - \$100.00 -- Cancellation by phone or other means with less than 24 hours to the scheduled move.

Appearance Fee - \$250.00 -- Cancellation at site of scheduled move. Two hours minimum charge.

Heavy Item Charge - \$10.00 -- There will be a \$10.00 fee for every heavy item to be moved, i.e., refrigerator, freezer, musical instrument, shop tools, etc.

Packing Boxes - \$4.00 -- 20 moving and packaging boxes are included in the cost of the move. Any additional boxes will be charged at a rate of \$4.00 each.

EVICTON INSTRUCTIONS

YOU HAVE BEEN GRANTED A JUDGMENT OF EVICTION AND THE COURT HAS ORDERED THAT A WRIT OF RESTITUTION SHALL ISSUE . YOU SHOULD GO TO ROOM 209 AND PURCHASE THE WRIT OF RESTITUTION FOR \$5.00. FILL OUT THE WRIT COMPLETELY LEAVING NOTHING BLANK. WHEN IT IS FILLED OUT, YOU CAN RETURN TO THE COURT ROOM AND HAVE THE COMMISSIONER OR THE CLERK SIGN IT. YOU MUST THEN TAKE THE WRIT TO THE SHERIFF'S OFFICE TO HAVE THEM CARRY OUT THE EVICTION.

YOU ARE ALSO BEING GIVEN A LETTER FROM THE SHERIFF'S DEPARTMENT EXPLAINING THEIR PROCEDURES. READ IT CAREFULLY BEFORE YOU TAKE YOUR PAPER WORK TO THE SHERIFF'S OFFICE.

Circuit Court

Chambers of
Lee Wells
Judge

Civil Division — Branch 35
Courthouse
Milwaukee, Wisconsin 53233
(414) 278-4560

September 20, 1990

Supervisor Richard Nyklewicz
Milwaukee County Board of
Supervisors
Room 201
Milwaukee County Courthouse
Milwaukee, Wisconsin 53233

Re: Voucher System for Payment of Rent
to Landlords by AFDC Recipients

Dear Supervisor Nyklewicz:

Enclosed with this letter is a list of the number of new eviction cases that have come to my Court between the dates of August 28, 1990 and September 20, 1990. I am supplying this information to you because of your interest in the proposed voucher system for payment of rent directly to landlords. The new eviction cases are heard by myself every morning of the week and generally these cases take the entire morning to complete. If these cases are contested, they are set on my afternoon calendar for trial.

It would be a fair estimate that 95 percent of eviction cases are commenced by landlords because they have not been paid rent for one or more months. The unpaid rent and other unpaid costs claimed by landlords as damages would probably average somewhere between \$500 to \$1,000 per case. It would be my estimate that 85 percent of the eviction cases involve tenants who are on AFDC. Court Commissioner Frank Liska handled evictions for approximately one year before I began the new assignment. It is Frank Liska's estimate that approximately 95 percent of the eviction cases were cases in which the tenants were receiving AFDC payments. It is difficult to be precise on these figures because many tenants do not appear in Court, so we often don't know whether the tenants were on AFDC or were privately employed.

The advantage of a voucher system to pay landlords directly for rent is that there should be a dramatic reduction in the number

Page Two
September 20, 1990

of eviction cases to be heard every day. It would also ensure a stable home environment for the children of parents who are receiving AFDC payments. Further, prompt receipt of rental payments may encourage responsible landlords to better maintain and repair their rental facilities. It would also encourage landlords to be more willing to rent to potential tenants who are receiving AFDC benefits.

There also exist several concerns about the voucher system. Tenants often complain that landlords do not return their security deposits to them after the tenancy has been terminated. Because of this complaint, tenants often withhold the last month's rent at a facility with the expectation that the landlord will take the last month's rent out of the security deposit. Under a voucher system, the final month's rent would be paid by voucher to the landlord. It should be noted that the law gives substantial protection to tenants who have not received a return of their security deposit. If a security deposit is not returned within 21 days after termination of tenancy, a tenant can commence a legal action for twice the amount of security deposit that the tenant paid plus the tenant's full attorney's fees. The potential for this significant lawsuit encourages responsible landlords to promptly return the security deposit if appropriate.

A second concern about this proposed voucher system might be that the tenant would have no "clout" to encourage the landlord to timely make repairs to the premises. Often tenants withhold all or some of the rent in hopes that the landlord will fix the residential premises in order to receive that rent from the tenant. The City of Milwaukee has an underused rent withholding program. This program can be very effective in protecting the tenant's rights to have the residential premises repaired and maintained by the landlord. Pursuant to this program, rent is paid directly to the City of Milwaukee Building Inspector's Office and will not be sent on to the landlord until all defects in the premises have been repaired by the landlord. The Building Inspector's Office determines the nature of the defects and checks to make sure that these defects have been cleared up before the rent is paid to the landlord. This rent withholding program could be handled with the voucher system in the same way it is presently handled with cash payments by the tenant. Tenants should be encouraged to use this rent withholding program to force necessary repairs to be made by the landlord. The voucher system could be used successfully with the rent withholding program.

Page Three
September 20, 1990

A third concern is that the proposed voucher system would substantially reduce the financial flexibility available to tenants who are AFDC recipients. If rent is paid by voucher, AFDC recipients will find it more difficult to respond to unexpected financial crises in their life. These unexpected financial problems include health problems, legal problems, travel difficulties, job difficulties or other financial problems. I do not have a solution to this third concern. However, one should recognize that a landlord should not be responsible to accept the burden of the financial difficulties of his or her tenant.

There may exist other benefits or detriments to this proposed voucher system that I'm not aware of at this time. If I can be of further assistance to you, please contact me.

Very truly yours,



Lee Wells
Circuit Judge

LW/hm

Enclosure

cc: Ms. Kitty Shekowski
Mr. Joseph McLean

Eviction Cases

<u>Date</u>	<u>Number of Cases</u>
August 28, 1990	89
August 29, 1990	105
August 30, 1990	72
August 31, 1990	48
September 4, 1990	21
September 5, 1990	51
September 6, 1990	40
September 7, 1990	36
September 10, 1990	28
September 11, 1990	29
September 12, 1990	34
September 13, 1990	14
September 14, 1990	23
September 17, 1990	18
September 18, 1990	30
September 19, 1990	46
September 20, 1990	100

Hunger vs Homelessness

Point...

After watching the City Council, State and Federal Governments, I have come to the conclusion that they are correct. Poverty is a terrible thing. Homelessness has been attacked by some of the most progressive legislation, and now this thinking must be used to combat hunger. I believe that the eviction laws are a model to emulate, therefore I propose the following solution:

Any grocery store customer who refuses to pay at the cash register must be allowed to take his goods home without payment. The manager of the store must give the customer 5 days notice that he should stop taking goods without paying. If the customer doesn't stop, then the manager will pay a fee to the court, say \$100. In court the manager will have to follow the rules in a 1" thick book to the letter, or start the process over. If the manager has followed the rules, he will then pay a constable another \$80 and the customer will only be allowed to keep taking goods without paying for another 30 days. If the customer does not like this resolution, he can appeal. This will allow him to keep taking goods from the store for another 30 days. If he really thinks all of this is unfair, he is allowed to wreck the store.

This solution will punish the people who are making money out of peoples' need to eat. It will also decriminalize the actions of people who need to feed themselves and would rather spend their money or food stamps on something other than food. A. Landlord

Counterpoint...

Hunger is a real crisis and we are enthusiastic in our support of the new laws. However, we will have to take the following measures to protect our stores from excessive loss:

1. We will require a security deposit equal to two months average food purchases from each customer.
2. We will need to check everybody's credit before letting them into the store.
3. We will need references from two previous stores before allowing customers into our stores.
4. We will be increasing our prices by 10% to cover the anticipated losses.
5. We have decided not to renovate any more of our stores because of the damage we expect.

We understand that these measures will make it more difficult for people who are not known by our store to shop here, and it will be very difficult for people who do not have credit, but this is fair because our good customers will also have to pay a higher price and a security deposit. I know that our stores and our shareholders will learn to live in these new times. It is our competition, the "Mom and Pop" store, where they trust people, who will be driven out of business. John Galt - Manager, Wiss Supermarkets

Hunger vs Homelessness was written by John Bates of the Lancaster, PA Real Estate Investors Association and reprinted, with permission, from the REIL Association's May 1994 newsletter. I decided when I read this article that I needed to share it with as many people as possible. The analogy that is drawn here is a clear demonstration of how differently landlords and housing are treated from other businesses. Put in the context of a grocery store, the things that a landlord faces sound utterly ridiculous. Keep this in mind the next time you are considering the fairness of new legislation. Is housing all that different than food or clothing, except in the way that the providers are treated? Thank you John for sharing this with us.

TALKS BREAK DOWN

ESHAC

faces loss of homes

Foreclosure expected
on 28 houses owned by
community group

By JACK NORMAN
of the Journal Sentinel staff

ESHAC, one of Milwaukee's best-known non-profit community groups, faces foreclosure on 28 Riverwest houses it owns after settlement talks aimed at resolving a lawsuit ended unsuccessfully.

ESHAC was sued in January by the Housing Partnership Corp., a non-profit housing finance agency, in a dispute involving payments on nearly \$1 million in mortgages on the 28 single-family and duplex properties.

The suit was filed after months of negotiations failed to produce a settlement. Now, it appears that another month's worth of settlement talks also have failed to yield a compromise.

A proposal from ESHAC was rejected by the Housing Partnership on Tuesday afternoon, and talks came to an end.

"Our attempt to solve it was unsuccessful. We expect to go to foreclosure," said Donald Schoenfeld, attorney for the Housing Partnership.

In response to the lawsuit, ESHAC released a strongly worded statement calling the foreclosure action "illogical" and questioning Housing Partnership's commitment to

Please see ESHAC page 7

MILWAUKEE JOURNAL SENTINEL THURSDAY, FEBRUARY 29, 1996 7B

ESHAC/Agency faces foreclosure on homes

From page 1

the central city.

Foreclosure — involving a sheriff's sale of the properties — still would be a lengthy procedure.

Caught By Surprise?

ESHAC apparently was not expecting the Housing Partnership to break off negotiations Tuesday.

The group wants to refinance its mortgages and pay off the Housing Partnership, said Rich Larson, a banker who heads ESHAC's housing committee.

"Since it's in the Housing Partnership's interest to be paid off, it's surprising that they would complicate our refinancing prospects with a foreclosure action," Larson said.

Later, ESHAC released a statement reiterating that "funds have been made available" to pay the loans, and that the organization's efforts to refinance "have been dismissed by the lender."

The statement continued: "This can lead us to no conclusion other than questioning the commitment of the Housing Partnership Corporation to affordable housing in Milwaukee's central city. Their actions are illogical and seem to merely be an attempt to drag ESHAC's good name through the mud for questioning their authority."

The problems of ESHAC and a few other non-profits in managing rental properties have led to worries in the affordable-housing community that some lenders may be less willing to put up money for large rental housing projects, many of which involve buying central-city

houses and rehabbing them for quality low-cost rental.

Background of Problems

In interviews in recent weeks, current and former ESHAC officials have acknowledged that the group ran into trouble after a big expansion of its rental portfolio in the early 1990s. ESHAC now owns nearly 200 units of rental housing.

"The concept we originally had was that rental housing could be a profit center for a non-profit group," ESHAC Executive Director Mike D'Amato said in a recent interview. That concept — adopted before D'Amato joined ESHAC — led to rapid growth of its rental portfolio.

D'Amato recently began a leave of absence from his ESHAC job to campaign for an aldermanic seat in Milwaukee's 3rd District.

ESHAC's rental-housing strategy ran into problems D'Amato said. "We learned that what we thought was a money-maker was a money-loser."

Indeed, ESHAC found itself with many of the same problems other rental-property owners faced, such as tenants not paying rents and high insurance rates. Cash-flow problems eventually led to the dispute with the Housing Partnership over missed mortgage payments.

ESHAC recently has removed itself from the business of managing the properties it owns, having contracted with the Milwaukee Housing Assistance Corp., another non-profit housing agency, to take over maintenance and tenant-relations duties.

Protesters give absentee owner rotten pumpkin for run-down house

By ANNE BOTHWELL
of The Journal staff

Housing and neighborhood advocates gathered to present the "Rotten Pumpkin Award" Monday to the owner of a long-vacant, boarded up home at 2402 W. Highland Ave., just in time for Halloween.

The owner of the home received the dubious honor — in the form of a rotten pumpkin — as a group of about 15 protesters went to her Brookfield home to present it.

Empty bottles and broken glass litter the yard of the home Sue Ann Morder owns in Milwaukee, which is across the street from Milwaukee High School of the Arts.

The collapsing porch stairs, graffiti and broken windows give the building the feel of a haunted house. Morder is listed as the property owner in city records.

About 60 protesters, including 30 children from neighboring Highland Community School, 2004 W. Highland, gathered in front of the house to announce

the award and call attention to the problem of long-vacant homes in the city.

Members of the Citywide Housing Coalition, a collection of housing advocates, and members of neighborhood groups, also called for support of a proposed city ordinance that would allow the city to raze buildings that have been boarded up and vacant for six months.

The group organizers passed out a list of 12 homes, including the one on Highland, that have been vacant and boarded up for six months to several years. Eight are within one block of a community center or school.

Now, housing officials must sometimes wait as long as two years, or wait until a house or building has deteriorated to a point where it is unlikely to be repaired, to begin the process that would lead to tearing down the vacant structure. A draft of the proposed ordinance will be discussed Tuesday at a meeting of the Common Council's Zoning, Neighborhoods and Development committee.

The proposed ordinance would allow property owners, or housing or neighborhood groups, to appeal the city's order to raze a building.

Supporters of the ordinance hope such a law will prompt property owners to take care of abandoned houses faster so the buildings won't have to be torn down, said Martin G. Collins, Deputy Commissioner of the Department of Building Inspection, who wrote the draft ordinance.

There's a direct correlation between the "amount of time a building stands vacant, and the probability that it will become toothpicks under a bulldozer," said Collins, who attended the protest.

The property becomes a nuisance to the neighborhood, Collins said. In addition, many people who live next to vacant buildings such as the one on Highland cannot get fire insurance, he said.

Most who gathered in front of

Please see Housing page B6

Housing/Protesters give absentee owner dubious honor

From page B1

the vacant house agreed with Collins.

"If this building catches fire, it's going to spread to my house," said Ron Miranda, who lives next door to the house. Miranda said he has called the city several times to ask that the house be torn down.

People congregate on the porch steps and break into it, he said. Inside, the house has been

contact her at several addresses, said Michael Bachhuber, an attorney who works with housing advocates.

Members of the housing group tracked Morder, whose last name they believe is now Dompke, to the address in Brookfield. (An official from the building inspector's office said he could not confirm that the address where the protesters were going was in fact the property owner's address, since Mor-

der had not notified the city of any of her address changes, as required.)

Morder did not answer the door. Protesters left a sign on her front porch. Then they fanned out, knocking on neighbors' doors, and handing out leaflets that described the condition of the Milwaukee property.

Morder has an unlisted phone number and could not be reached for comment.



Who are all the real rotten pumkins.

Please let me ask a few questions and draw a little more attention to the house at 2402 W Highland Ave. which was on the front of the metro section on Nov. 1, 1994.

The first question is how did this house get so run down in the first place? We can take the easy route and blame the owner or we can look a little deeper. I strongly believe that the tenants who occupied the building are the party who are responsible for much of the damage. As a building owner and member of the Apartment Association we have worked for many years with the Building Inspection Dept. and city officials trying to convince them that as building owners we must hold tenants responsible for the damage they do to rental units regardless of their income or who did the damage. It is obvious to me and also to most logical people that the owner who has a vested financial investment in the building is not going to go in and destroy their own building or even let it deteriorate to the point that this particular building is.

We have a severe problem in many sections of this city finding good responsible tenants who will pay their rent and keep their apartment in a clean and respectable condition, the reality is that we have a growing percentage of people who live in city neighborhoods that are totally irresponsible and are destroying the housing stock, it is very difficult for most owners to keep up with the damage that these people do, of course you will not read about these tenants on the front page of the Milwaukee Journal.

When a building becomes vacant because tenants leave without paying rent or even bothering to lock the doors this is when the scavengers move in, they literally tear-out the furnace, water heater, bathroom and kitchen fixtures and anything they think has any value at the scrap dealer whether it is nailed down or not, yet no one ever seems to see this happen or knows who is doing it. At this point the owners best option is to walk away from the building and give it back to the city because it would be financially impossible to try and put the building back together at this point.

The Building Inspection Dept. seems to come up with one magic solution after another, such as Rental Registration, dead bolts, window pins, drug abatement and the list goes on and on. The reality is that all of these things have not made a measurable difference in the quality of life of the good central city residents, yet every time we place these additional burdens on the owners backs, more and more people decide to walk away from their buildings which in effect decreases the affordable housing stock in the city. What we really need is tenant responsibility laws with some teeth in them, and that the District Attorney will be willing to enforce. Until we can get some relief destructive and dysfunctional tenants the conditions in the city will continue to deteriorate.

Sincerely,

Orville Seymer
Legislative Chair

Apartment Association of Milwaukee
1442 North Farwell, Suite 102 • Milwaukee, Wisconsin 53202 • 414-276-9637

Exclusively Representing the Interest of the Rental Housing Industry in the Greater Milwaukee Area

Drug abuse putting tenants on the street

County eviction cases are spiraling as impact of cocaine use, economic strains hits home

By MELITA MARIE GARZA
of The Journal staff

Eviction cases filed in Milwaukee County have doubled over the past eight years, and experts blame increasing drug abuse among tenants and the growing economic strain on many renters.

"Drugs play a major role in 80% of the evictions we conduct this year," said Sheriff's Deputy Dennis Kielpinski, who has conducted evictions in Milwaukee County for four years.

"Four years ago, drugs might have been a factor in 40% to 50% of the evictions, and then it would be hidden. Maybe you'd see some drug paraphernalia when you moved a couch or opened a drawer, but not the drug altars we're finding out in the open now."

In 1980, 4,005 eviction cases were filed. In 1988, the number reached 8,828, with about 15% of those resulting in forcible evictions.

And so far this year, the number is up to 7,133.

In most eviction cases, the tenant moves out or resolves the case with the landlord before the Sheriff's Department must physically remove the tenant. But the number of people put out on the street rose from 990 in 1986 to 1,337 in 1988.

To date in 1989, 1,301 people have been forcibly evicted.

Advocates for the homeless attribute the trend to higher rents and a decline in the number of well-paying jobs.

Between 1980 and 1985, the median annual income for apartment renters rose by only 7%, from \$11,616 to \$12,450, according to federal and city census data. During the same period, however, the median rent rose by 61%, from \$238 to \$384.

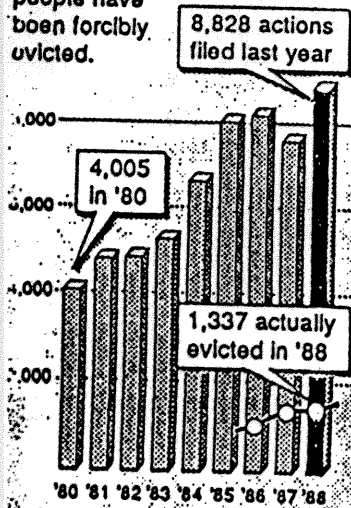
Please see Eviction, Page 8A



Professional movers, under the supervision of Milwaukee County, carried furniture from the home of an evicted tenant.

Eviction filings in county

To date, 7,133 eviction actions have been filed this year in Milwaukee County, and 1,301 people have been forcibly evicted.



Source: Milw. County Journal graphic

Eviction filings double since '80

Eviction, from Page 1A

"More and more people cannot find safe, affordable housing," said Judith Cohen, director of First Call For Help, a social service agency that provides emergency shelter, utility and food referral services.

Cohen said that for the first time last year, callers cited evictions as the leading cause of homelessness.

The increasing number of eviction cases is leading to an increase in homeless people and abandoned properties, landlords and advocates for the homeless say.

"If things don't change, we might see wholesale abandonment of properties [by property owners] in whole parts of the city, because it will simply no longer be economically viable for the private sector to be in the housing business," said Joseph J. McLean, chairman of the legislative committee of the Apartment Association of Milwaukee.

tion of Milwaukee.

Mike Brady, director of housing rehabilitation and development for the Department of City Development, said that citizens and the government would step in to prevent the crisis McLean predicts. Landlords themselves also must take the initiative, he said, because some compound the problem by renting irresponsibly.

John P. Savage, a Milwaukee building owner and attorney who has represented landlords trying to evict tenants since 1977, said he believed that only a deep-rooted sociological problem — in this case drugs — could be at the center of the tremendous rise in the number of cases.

"In many cases the landlords say that the tenants have got good jobs, or they are getting a steady income of AFDC checks," said Savage, who advertises as The Evictor Inc. "After the tenants have moved out, many [landlords] have mentioned that they

have seen drug paraphernalia in apartment."

Kielpinski, the sheriff's said: "It's routine to see coat with cotton on one end and alcohol [used to freebase crack pipes, baking soda, str the mirrors and razor blades cut cocaine."

Others, however, say the goes beyond drug abuse and not making enough money rent.

McLean said that in the years "a professional tenant had emerged.

"These people know how the game," he said. "They'll lie friend to pose as their former lord. They'll say they work for brother who owns a paint business. They might pay the month's rent, then they'll say had a family emergency and pay for the following month."

Woman plotted to set fire at duplex, police say

Scheme allegedly part of plan to get out of lease

By MARK EDMUND
of The Journal staff

A 29-year-old woman involved in a dispute with her landlord figured she could burn down her North Side duplex to get out of the lease, police said. But they caught her before she had the chance.

The woman was facing attempted arson charges after police discovered the alleged scheme to set fire to her home.

According to Police Capt. Ken Meuler.

The woman was contacting

friends and acquaintances during the weekend to help her move pieces of rental furniture out of the lower flat of a duplex in the 3200 block of W. North Ave. One of the people contacted by the woman called police. Undercover officers met the woman at the storage facility and questioned her.

Detectives discovered that the woman planned to move the rental furniture out of her residence and put it in the storage building nearby. She wanted to replace the relatively new rental furniture inside the duplex with older, less-expensive items, before setting the fire.

The woman thought she would not be responsible for the

lease agreement on the furniture, and the rental company would replace the furniture supposedly burned in the fire.

The woman had arranged to have her three children, ranging in age from 8 to 12, out of the building when she set the fire.

There is another woman living in the upstairs flat of the duplex with her two young children. The mother told investigators she was unaware of the scheme.

Police did not give details of the woman's dispute with her landlord at the duplex, but said she was unhappy with her rental agreement.

November 23-29, 1995



THE URBAN POLITIC:

• race • citizenship • development

by J. Gilmer



Home Ownership Vs Better Tenants?

In 1966, I resigned as a City Building Inspector after 13 years. My job was to enforce the City Housing Code as it related to home maintenance and sanitation. Years later, I worked for 6 years as a licensed Real Estate Broker. Between those 2 jobs, there were two very important things that I learned.

1) Everyone is not a potential homeowner. While lack of financial responsibility is often a factor, many people are just not suited to it. Some would rather golf, fish, hunt or do other things with their spare time. They don't want to use evenings and weekend cutting grass, painting or fixing a house.

2) "Slum Lords" are often made, not born. Often, a family lives in a duplex. Their finances improve and they buy a single family home. However, if the duplex is in the "inner city", they can't sell it. So they rent it.

That turns out to be profitable for a time and they buy another (and perhaps several others). Soon they discover that they have a real management nightmare: Some people destroy houses: Some don't pay rent on time: Some move out in the middle of the night owing big bucks: Drugs become a major problem. They still can't sell and they become a member of "the dirty dozen", the worst of the worst landlords.

This leads to deterioration of large parts of the inner city since it is much easier to damage a home than it is to fix it. It also leads to very high rents (often paid by those least able to afford it). A duplex in Bay View, for example, may sell for \$90,000 and the owner may collect \$400/month rent for each unit. A similar property on the near north side, may sell for \$15,000 (cash) and the owner may collect \$550/

Unfortunately, most efforts of local governments ignore 1) and focus on 2), trying to make absentee owners take better care of them. After 45 years of observation and viewing today's situation, I maintain that is a losing strategy!

Given the fact that so many of the residents of Milwaukee's inner city north side will NEVER become homeowners, an alternative is to try to make tenants more responsible. Unfortunately, I have never heard of an effort which attempted to do that. While I don't know how, does that mean it cannot be done? Does it mean that we can't try?

(This is similar to education where most people seem to agree that without a parent interest in, and support for the efforts of teacher, learning is not likely to occur. Yet, I have never heard of a major effort to try to obtain this support. Nobody really seems to be interested in trying.)

The way the housing code is written, tenants really have no

Continued from page 4

Continued from page 4
ity. Obviously, wading into the waters of educating tenants is far more challenging than encouraging lenders to make mortgage loans or the City to more rapidly deal with boarded up buildings. Neither of those strategies can possibly deal with the problems of slum creation. I doubt that many of the "dirty dozen" of slum lords own more than a hundred buildings each, a relatively small number of inner city deteriorated properties. **NEITHER**

legal responsibility to take care of the property they occupy. Property owners don't sneak in and drop off rats and roaches, don't throw garbage around, don't plug up sinks and toilets, and don't break windows or knock holes in walls. Yet, when this happens, the owner gets a letter demanding that he make repairs.

I have seen homes where pages of repair orders were compiled with and three months later, I issued most of the same orders again. I have seen newly renovated properties with missing light fixtures, doors, windows and damaged walls in the same time. I remember two cases where homes had to be torn down because of tenant damage less than a year after they moved in. Tenants have no enforceable responsibility to take care of the properties they occupy.

If we were to sample 1,000 tenants in our inner city near north side, I suspect that not more than 75-100 would be potential home buyers for either reasons of finance, credit or disposition. Yet, all efforts focus upon that few rather than the other 900+. No one appears to have the interest or responsibility for trying to deal with the vastly larger group.

I would submit that an organization like MICAII which has done good things as it relates to promoting home ownership and dealing with board-ups is probably the organization best suited to promoting tenant responsibility.

Continued on page 5

they nor other owners should be let off the hook, but neither should the tenants who create the damage.

Somehow, we must broaden our focus of efforts to combat slums to embrace a larger number of targets. Presently, our targets are largely the most visible and the ones with the (theoretically) "deeper pockets." But unless we also focus on the more invisible targets of people who destroy property, we are fighting a losing battle.

Bob Young, Production Assistant
Harry Robinson, Director of Advertising

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STATE SENATOR

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March 24, 1995

Orville Seymer
3020 W. Aere Ave.
Franklin, WI 53132

Dear Mr. Seymer,

I am writing to respond personally to the Milwaukee Apartment Association agenda you discussed with a member of my staff recently. I have had a chance to look the agenda over myself, and my sense is that the changes you are proposing are common sense proposals with benefits for both landlords and tenants alike, as well as communities throughout Wisconsin.

Using electronic transfer technologies to deposit rent vouchers with landlords rather than giving the money directly to AFDC recipients would be an excellent way to guarantee that landlords get paid while cutting down on abuse of the welfare system.

I was also impressed by your proposals on rebuttable presumption and parental responsibility. These changes would not only help landlords, they could even prevent the deterioration of many pieces of property and whole neighborhoods. I am also supportive of creating alternatives within the state's existing eviction procedure to provide flexibility in a rigid and inefficient system.

Thank you for taking the time to stop by my office, I am sorry that I was unavailable to meet with you personally. Your agenda looks like a good one, and I will try to be supportive in any way I can.

Sincerely,

A handwritten signature in black ink, appearing to read 'Lynn Adelman', written over a horizontal line.

Lynn Adelman
State Senator
28th Senate District

Battle over \$535 security de

By John Schroeder
Freeman Staff

WAUKESHA — An incident that could have been solved for \$535 four years ago ended in court recently at a cost of \$12,677.25.

In 1984, Dr. John F. Johanson and his wife, Beth, leased a home in Wauwatosa from Arnold L. Leas of Brookfield. When the Johansons bought a house, they left the rental home and asked for their security deposit of \$535,

plus \$101.88 for unused heating oil in the home's tank.

The law says that security deposits must be returned within 21 days, unless a reason for withholding the deposit is given. None was.

The law also provides for double damages if the deposit is not returned. When the Johansons informed Leas of that, the deposit was returned, but after the 21-day deadline. Although the Johansons had the check, they sued for double damages.

The first case went to Judge

Clair H. Voss who ruled that money the Johansons had received from Leas was sufficient. The Johansons appealed and the case came back to circuit court for an order awarding them double damages and attorney fees.

Judge Willis J. Zick got the case and ordered the double damages but refused to rule on the attorney fees. The case then went to Judge Patrick L. Snyder.

Snyder eventually ruled that the Johansons were entitled to \$11,504.37. But in his decisio

Waukesha County Freeman — Tuesday, October 15, 1991 — Page 7-A

osit ends in \$12,000 award

Snyder went further and chastised those involved for carrying on the litigation until the attorney fees went up so high.

"This is an unfortunate case," Snyder wrote. "It does not exhibit anyone's best image. Adversary positions have been strenuously pursued. Throughout this litigation, Leas has accused Johanson of being unreasonable, unwilling to compromise and interested only in seeking higher and additional fees."

"A review of the record, how-

ever, reflects that it was Leas who pursued litigation to the maximum. It was Leas who would not accept that Johanson was and is entitled to be compensated for double the security deposit; Leas who demanded depositions and written interrogatories on every issue and who resisted Johanson's offers and attempts at settlement. It was Leas who was always a day late and a dollar short."

Snyder wrote that, except for being somewhat limited to awarding attorney fees, he

"would strongly consider an award of attorney fees to Johanson on a finding of 'overtrial' in that the manner in which the case was handled by the defense created extremely high costs which under the circumstances were unwarranted."

Snyder also chided Johanson's attorney for unnecessarily responding to briefs from Leas' attorney on issues other than attorney fees, in spite of being admonished by the court to address other issues.

1 AN ACT to create 704.07 (3m) of the statutes, relating to a rebuttable
2 presumption about damage to leased property.

Analysis by the Legislative Reference Bureau

Under current law, a landlord is required to repair leased premises unless the repair is made necessary because of the tenant's negligence or improper use of the premises, in which case the tenant is responsible for the repair. These rules apply to all residential tenancies, and they apply to all nonresidential tenancies unless the landlord and tenant agree in writing to other rules.

This bill specifies that damage that occurs during a tenancy is rebuttably presumed to have been caused by the tenant's action or negligent failure to protect the premises.

The people of the state of Wisconsin, represented in senate and assembly,
do enact as follows:

3 SECTION 1. 704.07 (3m) of the statutes is created to read:

4 704.07 (3m) REBUTTABLE PRESUMPTION. Damage to a premises that occurs
5 during a tenancy is rebuttably presumed to have been caused by the
6 tenant's action or by the tenant's negligent failure to protect the
7 premises.

8 SECTION 2. INITIAL APPLICABILITY. This act first applies to ten-
9 ancies that begin on the effective date of this SECTION.

10 (End)

Wednesday, March 17, 1993

Tenant damage legislation backed

By TOM DAYKIN
Sentinel staff writer

Tenants who deliberately trash their landlord's property would be easier to prosecute under state legislation supported by city officials, Ald. Paul A. Henningsen said Tuesday.

The proposed legislation would require a tenant whose apartment is maliciously damaged to prove he didn't trash the place, Henningsen said.

"Right now, the district attorney won't prosecute (for criminal damage) unless there are eyewitnesses," said Henningsen, chairman of the city Building Inspection Policy Task Force. "Typically, there are none.

"Under this, if there was damage, you'd presume the tenants

did it unless that's contradicted with witnesses."

Henningsen hopes prosecutions for criminal damage would deter people from tearing up apartments. Some landlords say drug dealers do it in retaliation for eviction proceedings being started.

Such intentional damage hurts Milwaukee's housing stock, Henningsen said.

The legislation could apply just to Milwaukee, he said.

Community Advocates, a nonprofit group that helps Milwaukee tenants, has some concerns about the legislation, said group spokesman Eric Jernberg.

Jernberg said other people could vandalize an apartment after the tenant has left, leaving the renter to take the blame. He said

people often enter a vacant apartment as soon as the tenant leaves and use it for house parties.

The law would put too great of a burden on the tenant, said Louis J. Mestre, an attorney with Legal Action of Wisconsin Inc. who often represents renters.

The proposal is similar to one recommended by the Common Council five years ago, Henningsen said. It then died in the State Legislature.

This time, he said, the legislation has more support.

The council's Judiciary and Legislation Committee has given preliminary approval to the measure, and will vote on final approval Monday. If the full council follows the committee's recommendation, the proposed law will be recommended to the Legislature.

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Department of
Building Inspection
November 11, 1991

Lee C. Jensen
Commissioner
Martin G. Collins
Deputy Commissioner

Alderman Paul Henningsen, Chairman
Building Inspection Task Force Committee
Office of the City Clerk
Room 205 - City Hall

Re: Destructive/Dysfunctional Tenants

Dear Alderman Henningsen:

To date the Building Inspection Task Force II has concentrated the bulk of its time and effort on the issue of licensing or registering owners of rental property. This focuses on that part of the housing problem which is caused by owners who seek to avoid or to delay complying with the building maintenance code.

Our original agenda included many items. The one which I feel would be appropriate to address next is that part of the building maintenance problem which addresses destructive or dysfunctional tenants. We have heard much testimony to the effect that we should not just be picking on the landlords. The problem is real and needs to be addressed.

Dysfunctional tenants are those whose behaviors and lifestyles are so disruptive to a neighborhood that "good" tenants and homeowners are driven away. During the C.H.A.S. hearings we heard from community groups who acknowledged the need for better tools to cope with the problem. Non-profit housing providers have now had a firsthand taste of the difficulties of coping with destructive and dysfunctional tenants and should be invited along with tenants representatives and building owners groups to participate in discussing and formulating these tools.

While I have no silver bullet to offer, I do have ideas to discuss as approaches to solutions and have taken the step of asking LRB to query other city governments for ideas on these problems.

The deterioration of our housing stock is caused by many factors. To date our focus in the task force has been on landlord-related problems. I believe that we need to address the other side of that equation. Perhaps we will be unable to fashion the tools that are needed, but it's time that all sides sat down and tried.

I request that you schedule the subject to be discussed at our upcoming Building Inspection Task Force II meeting.

Sincerely,

Martin G. Collins
Deputy Commissioner

er

c Lee C. Jensen
Community Advocates
Apartment Association of Milwaukee
Building Owners and Managers Assn.
Milwaukee Board of Realtors



Department of
Building Inspection

Lee C. Jensen
Commissioner
Martin G. Collins
Deputy Commissioner

March 9, 1992

Alderman Paul Henningsen
4th Aldermanic District
Office of the City Clerk
Room 205 - City Hall

Re: Destructive Tenants

Dear Alderman Henningsen:

Attached is a copy of a letter that I solicited from the Apartment Association on the subject of destructive tenants. While I'm sure that there will not be universal agreement on all of Mr. Ballering's points, I believe that they serve as a starting point to open discussion on this subject.

The Department of Building Inspection has already adopted an internal policy designed to remove incentives for tenants to damage property. Our advisory notice procedure on nonhazardous complaints takes away the immediate threat that a tenant reacting to an eviction notice might try to wield.

I believe that the best approach to the problem is to improve owners' ability to screen out destructive tenants and to make it easier for them to be evicted once their destructiveness has been shown. Such an approach may require legislative action and potential funding. I request that the subject of destructive tenants be the primary focus of your next B.I. Task Force meeting.

Sincerely,

Martin G. Collins
Deputy Commissioner

cc

Attachment

cc Lee Jensen
Skip Seager
Phil Stollenwerk
Eric Jarnberg
Timothy A. Ballering

DOC: TENANTS2



March 3, 1992

Martin Collins, Deputy Commissioner
Department of Building Inspection
841 N Broadway
Milwaukee, WI 53202

RE: Pro-housing legislation

Dear Mr. Collins

This letter is in response to your call to Jim Dropp. We thank you for this opportunity to express our concerns regarding the responsibilities of the tenants. We had a brief legislative committee meeting at Jim's office to outline our basic thoughts. The legislative committee will have a full meeting on the subject of tenant responsibility on March 12th. Below are three proposals which we believe would be of benefit to the city, the neighborhoods and the owners. Also is a request that the Department actively enforce two existing codes.

- 1.) Easy access to criminal records and the ability to refuse to rent to tenants based on criminal records. It is in the best interest of the city, the neighborhood, and the owner to refuse to rent to convicted drug dealers. We need fast and inexpensive access to this information. The current method is so time consuming that it is not practical and is not used. We also need assurances that refusing to rent to people with prior convictions is not a violation of any fair housing law, state, federal or local.
- 2.) Ordinance which would make falsifying the information on a rental application a violation. No owner wants to rent to disruptive/destructive tenants. The following proposal should help the owner screen for tenants that are in his and the neighborhoods best interest. Proposed wording: Prior to obtaining a residential tenancy as defined in Wisconsin 704.01 (4) all prospective tenants are required to disclose all prior evictions, rent absconding and property damage caused by the tenant. All persons who fail to disclose the above or falsify an application, shall upon conviction be subject to a forfeiture not less than 25 nor more than 500 together with cost of prosecution.
- 3.) Ordinance prohibiting retaliatory complaints. It is a waste of the inspectors time and an aggravation to the owner when a tenant files a complaint only after the owner has initiated an eviction action due to lease violation or nonpayment. It is the industries practice to redo units prior to rental. Proposed wording: No orders shall be issued after the tenant has received a valid notice terminating tenancy. Nor shall orders shall be issued if the tenant is delinquent in rent payments totalling more than one months rent. Any request for inspection after the tenant has received a valid notice under 704 of the Wisconsin statutes shall be deemed retaliatory. Essential service orders exempt from this provision. Upon conviction for retaliation the tenant shall forfeit not less than 25 nor more than 500 together with cost of prosecution. This retaliating against the owner parallels the current ordinance which prohibits owners from retaliating against tenants that call building inspection.

Apartment Association of Milwaukee
1442 North Farwell, Suite 102 • Milwaukee, Wisconsin 53202 • 414-276-9637

Exclusively Representing the Interest of the Rental Housing Industry in the Greater Milwaukee Area

The two existing codes which we wish to see enforced are:

- 1.) Tenant tampering with smoke detectors Milwaukee 214-27-3 and 4. The removal of the smoke detector or battery, or the failure to test and notify places a large number of people, primarily children, at risk. People have to take responsibility for their own actions, tenants included
- 2.) Property damage under 275-81-12. The intentional vandalism of the housing stock must be stopped and those who are responsible must be held accountable for the damage. We are currently discussing a plan to offer a reward for the arrest and conviction of anyone who vandalizes or does graffiti on a property. Your thoughts on this subject would be most welcome.

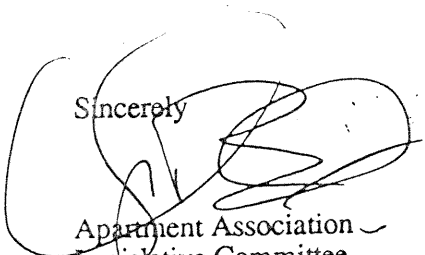
We would also like the city's support in our efforts to place tenants with a history of evictions, nonpayment of utilities, or child neglect on an involuntary voucher payment plan. The constant moving to avoid utility shut offs and evictions are destroying the stability of the neighborhoods and causing greatly increased wear on the housing stock.

If any of the above proposals would require change in state statute, we would be willing to lobby for this. We have been quite successful in recent years at the state level, our most recent victory being the new rent absconding law.

Another project which we are working on is the assembly of a reference book for Milwaukee rental property owners. One of the chapters will be on building inspection. It will contain a copy of chapter 200, 214, 217 and chapter 275 of the Milwaukee code along with other information such as copies of your security ordinance flyer, the smoke detector brochure, appeal forms and other relevant information. Other topics which we plan to include are lead paint, tax assessments, aldermanic maps, and a telephone directory.

It is to our mutual benefit to have all owners understand the rules. If there are other items which you feel should be included, let us know. If there are certain items which you feel that owners should pay more attention to we will make note of that as well. If you wish to review a final draft let us know that also.

Sincerely



Apartment Association
Legislative Committee
Timothy A Ballering, Cochairman

Overview of proposed ideas

Security Ordinance. I believe that we have deadbolt locks on all of our units. The objection to the security ordinance is the potential for unlimited liability if an owner missed one door lock or one window pin and a tragedy were to occur. Below is sample wording that would address the liability concerns of the owners and would resolve the owner occupant issue that stalled the prior attempt at passing this ordinance.

" 275-XX a. The owner shall be required to install the security devices in sub. b within 15 days of receipt of a certified letter from the occupant requesting these measures.

b. Approved security devices

b-1. Deadbolts on all unit entrance doors with a minimum throw of 1/2 inch

b-2. Removable window pins on first floor windows. Pins shall prevent window from being raised more than 5". 3d nail shall be an approved pin.

c. If a previously installed deadbolt or window pin becomes defective, the owner shall, upon receipt of a certified letter from the occupant repair or replace the defective device within 5 days"

The is only to illustrate my point, I will leave writing laws to the professionals.

Police record availability. In my opinion the single largest problem in Milwaukee is drugs and the destruction that drugs bring to a neighborhood. The city wants the owners to remove the drug dealers from the neighborhoods. The owners do not want drug dealers as tenants or in the neighborhoods where we own our properties. The problem is that it is very difficult and time consuming currently to obtain the criminal records of prospective tenants. The police chief is advocating eliminating all access to this information. If the owners were provided with a quick, over the telephone, method of accessing this information most owners would screen for arrest records.

Rental applications. It should be a code violation to falsify a rental application. Application questions regarding prior convictions for distribution of drugs should be expressly permitted. Sample wording:

" Prior to obtaining a residential tenancy as defined in Wisconsin 704.01 (4) all prospective tenants are required to disclose all prior evictions, rent absconding, and drug offence convictions. All persons who fail to disclose the above or falsify an application, shall upon conviction be subject to a forfeiture not less than 25 nor more than 500 together with cost of prosecution."

Notification of repairs needed. The tenant should be required to contact the owner first regarding all repairs that are necessary. If the owner fails to make repairs within a reasonable period of time, then the department should inspect the premises and issue orders when warranted. It is a waste of city resources to make

an inspection when the tenant has failed to notify the owner first. Most owners do respond to tenants request for service.

No orders issued after the issuance of a valid notice terminating tenancy. Any request for inspection after the tenant has received a valid notice under 704 of the Wisconsin statutes should be deemed retaliatory. Essential service orders would be exempt from this provision. This type of inspection uses the department of building inspection resources solely to retaliate against an owner who is removing a tenant for a rental agreement violation. Under current code, owners are not permitted to retaliate against tenants the reverse should also be true.

Criminal property damage. I was very encouraged to here your proposal to send a resolution to the state regarding strengthening the state property damage law. The department of building inspection should enforce all violations of Milwaukee 275-81-12, which should also be strengthened.



Department of
Building Inspection

Lee C. Jensen
Commissioner

Martin G. Collins
Deputy Commissioner

November 18, 1992

Apartment Association of Milwaukee
1442 North Farwell Avenue
Milwaukee, Wisconsin 53202

Gentlemen:

During the first Building Inspection Task Force, which met during 1985 and 1986, there were discussions about strengthening the State laws relating to tenant damage, failure to pay rent, and several other landlord/tenant issues. No specific legislation ever resulted from these discussions. Recently, there have been several public comments regarding the landlord/tenant problems which property owners face and which may impact on the owner's ability to properly maintain their properties. If your organization is interested in drafting new State legislation relating to these problems, we would be willing to work on it with you to find common ground and to present the proposal to the current Building Inspection Task Force. If you wish to pursue this further, please call me at 278-2542.

Sincerely,



Lee C. Jensen
Commissioner

er

DOC:LNDLRD2



OFFICE OF DISTRICT ATTORNEY

Milwaukee County

E. MICHAEL McCANN • District Attorney

February 1, 1996

Mr. Orv Seymer
Legislative Chairman
The Apartment Association of
Southeastern Wisconsin, Inc.
1442 North Farwell, Suite 102
Milwaukee, Wisconsin 53202

Dear Mr. Seymer:

Your letter dated January 9, 1996, to District Attorney E. Michael McCann was forwarded to me for review and response.

Your letter and the attached article showed concern for the increasing amount of damage of residential property by tenants who have no incentive to maintain these properties. You asked for District Attorney McCann's help in reversing this very serious problem. You asked what we need to prosecute destructive tenants for criminal damage to property.

Criminal Damage to Property is defined by Wisconsin Statutes, section 943.01, which states, "Whoever intentionally causes damage to any physical property of another without the person's consent is guilty of a Class A Misdemeanor." The statute goes on to state that, "...the penalty becomes a Class D Felony if the damage is in excess of \$1,000."

For the District Attorney's Office to charge a tenant with this criminal offense for damage to a landlord's property, the District Attorney will have to prove five separate elements, according to the Wisconsin Jury Instructions. Two of those elements may be difficult to prove in a situation involving a tenant.

Robert D. Donohoo
Jon N. Reddin
Carol Lynn White
James J. Martin

Richard P. Klinkowitz
Thomas A. Schulz
Alexander G. Skienarz
Fredric E. Matesic
Robert E. Kraemer
William J. Molitor
Gerald R. Falk
Patrick J. Kenney
Donald S. Jackson
Gale G. Shelton
Terry Magowan
Gary D. Mahkorn
David Robles
Deborah Daley
Fern S. Siegel
Peg Tarrant
Douglas J. Simpson
Carol L. Kraft
Cynthia G. Brown
Norman A. Gahn
Mario S. Spalatin
George N. Prietz, III
Alice E. Read
Stephanie Gineris Rothstein
Carol E. Stauder
Steven H. Glamm
Mary Anne Smith
Mark S. Williams
Linda Johnson
John M. Stoiber
Thomas L. Potter
David Feiss
Karen E. Christenson
Rayann Chandler Szychinski
Elisa Castellon
Carole Manchester
Kenneth R. Berg
Benbow P. Cheesman, Jr.
Lovell Johnson, Jr.
Warren D. Zier
Timothy J. Cotter
Carol Berry Crowley
Steven V. Licata
Brad Vorpahl
Jane Carroll
Thomas J. McAdams
Paul Tiffin
Susan Jean Sommer
Miriam S. Falk
Phyllis M. DeCarvalho
Dennis P. Murphy
Christopher Ford
Christine M. Abbott
Phillip A. Arieff
Bruce J. Landgraf
Mary K. McCann
Denis J. Stingl
Jorge A. Gomez
David M. Lerman
Janet C. Protasiewicz
DeAnn L. Heard
William E. Hanrahan
Debra M. Sciano, SSND
Patricia A. McGowan
Irene Parthum Gall
Karen A. Loebel
Nancy Eittenheim
Marcella DePeters
Ronald S. Dague
JoAnn M. Hornak
Jonathan D. Stick
Catherine A. Gaudreau
Laura G. Arbuckle
Lori S. Kornblum
Christopher A. Liegel
Karine O'Byrne
Maria Williams
Marshall B. Murray
James W. Frisch
Kurt B. Benkley
James C. Griffin
William P. Pipp
Audrey Skwierawski
Joanne L. Hardtke
Carl Jordan
John T. Chisholm
Megan P. Carmody
Laura A. Crivello
Brian R. Austin
La Chelle Olive
Derek C. Mosley
Shawn Pompe
Brian J. Rester

The first element that must be proven in a criminal damage to property charge is that the person charged with the crime actually caused the physical damage. In regard to a tenant situation, the fact that a tenant lives in a residence and is responsible for its upkeep does not necessarily mean that we can prove that the specific tenant caused the damage. This element distinguishes the difference between civil liability of a tenant and criminal conduct of a tenant. When a landlord finds damage in a vacated apartment, it is many times impossible to prove that the tenant was the person that caused the damage. It could have been caused by other parties living in the apartment with the tenant, visitors to the apartment, or strangers that entered the apartment after it was abandoned.

The second significant element that must be proven in the above criminal charge is that the person charged with the crime intended to cause the damage. This element of the criminal charge eliminates damage caused by negligence of the tenant. For example, if the tenant allows an uncontrolled wild party to be thrown in the apartment which results in damage to the apartment, the tenant would clearly be civilly liable for the damage to the apartment, but this would not satisfy the element of intentionally causing damage.

Because of the above limitations, it is very difficult to issue Criminal Damage to Property criminal complaints in regards to damage caused by former tenants. When you find that such damage occurred, I suggest that you immediately call the police so that they can investigate the matter. Secure the premises, take pictures of the damage, and check with tenants in the same building to see if they have information on how and when the damage was caused.

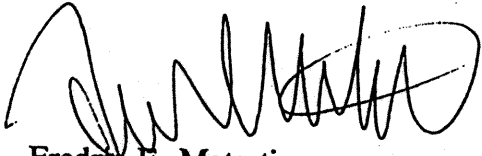
The best solution is preventative actions that will minimize the amount of damage. This would include such things as:

- 1) Screening tenants to make sure that they have respected the property of prior landlords;
- 2) Having strict rules on persons that can reside in the rental unit and strict rules as to the type of conduct that tenants are permitted to have in the rental premises;
- 3) Frequently inspect the apartment to make sure that it is in satisfactory condition;
- 4) Frequently communicate with the tenants so that they are aware that you are on top of all things that are occurring in your rental units.

January 29, 1996
Page 3

I hope the above information is of value to you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Fredric E. Matestic', written in a cursive style.

Fredric E. Matestic
Assistant District Attorney

FEM/kjv

cc: District Attorney E. Michael McCann

Oct 16, 1995

Apartment Association of South-Eastern Wisconsin

To discuss Landlord/Tenant Omnibus Bill:

Ag. rules..Tenant leaves...When it is surrendered.

Need to return security deposit within 21 days-

Self-help eviction

Pro remover \$300 to \$1000.

Even after legally evicted...Usually owe several months rent

Move goods (704.05 of the statutes) and charge storage fee -
rebuttal presumption - criminal penalty - responsible for property.

Housing vouchers...Must be two months behind before procedure can
be started.

Housing vouchers to AFDC recipients - two months of non-payment
required before landlord gets payment from AFDC, and it is not
retroactive...Therefore, if not pay the rent, typically evict
1000 evictions a month due to this inability - 85% to 90% are AFDC
recipients.

As a result of the frequent moves of their parents, children are
constantly moving schools. Families are uprooted. Kids often can't
remember where they live...Teachers/principals often have to drive
children around their neighborhoods asking "Is this your house?" or
"Does this house look familiar?" In response, SB 194 will create
direct payment to landlords with a few changes. Should yield fewer
moves.

Milwaukee County Sheriff's Dept. reports most moves are drug
related...so the money goes to the "druggies." We need to get that
money off the streets.

Mandatory to stay on a voucher for 24 months. Present law is a
voluntary voucher...can walk out.

John La Fave - AB 593 - Criminal Gang House - Drug laws, drug
policy...Some renters front for drug dealers + gangs...Will be
illegal to front for a drug dealer (Leon Young?)

Changes state statutes to enforce community service - dumb laws -
a judge can't sentence to perform community service..It is
voluntary! Ridiculous! (Change 800.095).

Lastly, they support the W-2 program!



AGENDA

1) Rebuttable Presumption--Any tenant, while in possession of a unit, would be presumed to have caused damages while they were known to have possession of the unit.

EX: People who break windows, put holes in the walls or in any other way cause major destruction to apartments. A lot of times, there are no witnesses other than "friends" and because of this, cases cannot be prosecuted under existing law.

2) Changes to the Eviction Procedure--to make it easier to evict non-paying, destructive and dysfunctional tenants.

No Explanation or Example Needed.

3) Vouchers and EBT's-(EBT's are Electronic Benefits Transfers)--We are asking that rent monies be deposited in landlord's bank accounts for rent before being sent to AFDC recipients.

4) Parental Responsibility--Holding parents responsible for damages their juvenile children do.

No Explanation or Example Needed.

5) Credit Checks--make it a law for tenants to pay a reasonable fee for credit checks.

6) Civil Court Filing Fee--Exempt eviction proceedings. Tommy Thompson is attempting to add another \$20.00 to an already expensive procedure.

7) Falsifying Rental Applications--Criminal penalties are a goal.

8) We would definitely like to see changes in the Ag Rules. "Ag Rules" is short for Agricultural Trade and Consumer Protection. Some of these rules are extremely obsolete, and haven't been updated for 15 years.

9) Support Residency Requirement--If people are going to be civil servants for a particular city, they should live within city limits.



March 3, 1995

State Assemblyman
Glenn Grothman
ATTN: Steve Kreiser 402-H
P.O. Box 8952
Madison, WI 53708-8952

Dear Assemblyman Grothman:

I would like to express my concerns about the proposed rule is 49.19(5)(c) covering 2-party rent payments for AFDC recipients. This bill is aimed specifically at those with a history of money mismanagement.

I am enclosing changes to the existing rule which we believe would have a more positive impact on the recipient, the owner and the community. The proposed rules as written are now unworkable. It is unfair to expect an owner to wait (4 to 5 months in some cases) for the bureaucracy and red tape to get something accomplished. The paperwork for their payments alone is proposing to take weeks. To put it another way, would you wait 4 to 5 months for your paycheck? Would your creditors understand?

It is a sad fact that funds allocated for inner city development, housing improvement and utility bills are being used for drugs and alcohol. But these problems exist and as landlords, we want to improve the living situations for our tenants. Yes, we'd like to turn a profit, but providing safe, affordable housing is our #1 concern.

I am enclosing a letter from Judge Lee Wells in which he states that approximately 85% of the eviction cases in Milwaukee County are AFDC recipients. Also enclosed is a Milwaukee Journal article in which the Sheriff who does the physical evictions in Milwaukee County states "Drugs will play a major role in 80% of the evictions we conduct this year."

This has become a very serious problem in Milwaukee County with evictions running at about 12,000 per year. The benefits of our proposed rule change are numerous. Investors would be encouraged to renovate property in high risk areas; tenants would have safe, quality housing; children would benefit by having stable home and school environments. The only losers of our proposed changes to Rule 49.19(5)(c) would be those who sell drugs and alcohol to the poor.

We ask that you support these changes and I look forward to any comments you may have concerning this letter.

Respectfully,

A handwritten signature in cursive script that reads "Orville Seymer". The signature is written in black ink and is positioned above the printed name and title.

Orville Seymer

Legislative Chairman

The Apartment Association of Southeastern Wisconsin, Inc.