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October 21, 2014

Ald. James Bohl, Chair
Zoning, Neighborhoods & Development Committee
City Hall
200 E. Wells St.
Milwaukee, WI 53202

Re: File No.140935 (Communication from DNS relating to Residential Rental Inspection Program)

File No. 140909 (Ordinance relating to the city's residential rental certificate program)

Dear Chairman Bohl:

I testified on behalf of the Apartment Association of Southeastern Wisconsin, Inc. (AASEW) at the ZND hearing on the above two files on October 7, 2014.

We must respond to the negative and erroneous comments made by Alderman Robert Bauman about the AASEW. He said that the AASEW “does way more damage than contribute to improved quality of life” and that “they are the principal problem on the near west side of Milwaukee.”

As Commissioner Art Dahlberg said, there are good landlords and there are bad landlords. The AASEW is not an apologist or mouthpiece for bad landlords. Investing in the central city is difficult and not everyone who tries succeeds. Our organization was created to support investors and to help them avoid the pitfalls that can ruin them and hurt the community. The President of our organization, Joe Dahl, recently won the Milwaukee Business Journal Central City Small Business of the Year award for his commitment, investment and success in Milwaukee's toughest communities.

Over 60 percent of all residential dwelling units in the City are non-owner-occupied. There is 6.25 billion dollars of residential rental housing in Milwaukee. Rental owners are one of the largest local economic influences, employing directly and indirectly thousands of city residents, with non-owner-occupied residential properties contributing over \$190 million per year in property taxes. Rental housing is an integral and necessary part of the fabric of an urban community.

Ald. Bauman referred to multiple firearms seized at an apartment building near his residence in the 4th district as an example of why the rental inspection ordinance should be expanded to the near west side. Surely the owner of that building did not furnish those weapons to his or her

tenants. How could a physical inspection of the building have prevented that situation?

Being a landlord is also occasionally dangerous business. Back in August a landlord was shot and killed on N. 15th street while working on his property because of a dispute with a tenant.

The ZND committee must also consider that continuation of the Residential Rental Inspection Program in the Lindsay Heights neighborhood and its expansion into the other low-income neighborhoods as proposed in the DNS report is going to impose the costs of the program on the racial minorities who are the vast majority of renter residents in these neighborhoods. The inspection fees must and will be recovered by landlords by increasing rents.

If any alderman wishes to provide us with the addresses of problem properties we are willing to attempt to sit down with those owners and see if together we can create a plan to overcome those problems. If we succeed the neighborhood will be better and the owners will make more money. If we fail, you and the City have not lost anything, but we always try hard not to fail.

Ald. Bauman said to Comm. Dahlberg, "You don't owe the AASEW anything." This is a most disappointing attitude for a public official to take. The AASEW has just recently committed to spending several thousand dollars to file an *amicus* brief with the Wisconsin Supreme Court to support the City of Milwaukee's appeal of the *Cobb* case, which concerns the right to promptly evict tenants who have committed a crime at a rental property.

Finally, I emphasize that our main objection to the Residential Rental Inspection Program is that the program targets only rental units and does nothing to compel owner-occupants to maintain their properties. This would be contrary to state law under newly enacted provisions of 2013 Wisconsin Act 76. Section 66.0104(2)(d)(2), Wis. Stats., states that a municipality may not enact an ordinance that requires a landlord to communicate information concerning a property (such as the number of tenants) unless "*the information is required of all residential real property owners.*" The current ordinance is already unenforceable, especially because it exempts 2-family rental buildings which are owner-occupied (sec. 200-53-2-e) from the program.

Very truly yours,

Heiner Giese

Lobbyist for the AASEW

cc: All aldermen (via email)

Comm. Art Dahlberg (via email)

Office of the Mayor (via email)