



2017 Landlord Symposium Discussion Summary

City staff/representatives in attendance: Mayor Lewis, April Kroner (Planning and Development Director), Megan McBride (Assistant Planner), Bob Miller (Building Inspector/Property Maintenance), Mary Garness (City Administrator)

Topics of Discussion

- 1) Rental Registration Update and Discussion

- 2) Property Maintenance Update and Discussion

- 3) Voluntary Rental Inspection Program Discussion

- 4) How Can City Assist Landlords?

- 5) Future Landlord Meetings and Agenda Items

Rental Registration

Overview by City Staff:

Number of units registered to date: 1,092

Number of unregistered properties: 41 (35 landlords)

The city has been following up to make all contact with these remaining unregistered landlords through mailings, certified mail, and attempting to contact via phone when possible. Out of fairness to the majority of landlords who did register, the city will be issuing citations for any unregistered rental properties and enforce that a unit cannot be rented unless it is registered.

Input and Discussion:

- It was suggested that the city include the rental registration form to unregistered landlords with their property taxes.
- It was suggested that the city look into the possibility of billing unregistered landlords for costs that have incurred in attempts to bring them into compliance (cost of certified letters, local Police time in serving letters, etc.).

Staff Responses and Follow-up to Occur:

- City staff will continue to work to bring the remaining unregistered landlords into compliance, and look into implementing the suggestions provided in this discussion.

Property Maintenance

Overview by City Staff (Full handout at the end of this document)

- The property maintenance ordinance is enforced equally for all property owners, including both rentals and owner-occupied homes. The city takes a systematic approach in identifying property maintenance violations, as the ordinance is not complaint-driven.
- The process specified in our property maintenance ordinance requires that a letter with photos documenting the violation be sent to the tenant, property owner, and locally designated property manager (if applicable).
- City staff is very willing to work with the tenant and/or property owner to get violations corrected and will give extension on time, as long as someone reaches out to the City to discuss how/when the violation can be corrected if unable to do so by the date identified.



- City staff will be enforcing the structural portions of the property maintenance ordinance for all properties. Given the number of properties currently not in compliance, all properties cannot be addressed at once. Staff is working with the Housing Committee to identify the strategy that will be taken.
- The minimum project cost requiring a building permit is \$5,000. Therefore, property owners can do up to \$5,000 worth of repairs each year without needing to obtain a building permit.

Input and Discussion:

- How can tenants be held accountable for property maintenance violations they incur instead of the landlords?
- It was suggested that an interactive map would be helpful for people to identify violations they see in their neighborhood as they arise.
- It was suggested that the city require a local contact person for all rentals.

Staff Responses and Follow-up to Occur:

- If language is included in the lease agreement giving tenants full access to the premises, the tenant may be able to be held accountable for property maintenance violations they incur. Staff will work with the City Attorney to clarify the process/ability to hold tenant accountable.
- The City is not legally allowed to require that out of town landlords have a local contact person other than themselves, but it is encouraged and can be provided on their rental registration form.
- Copies of a brochure that explains some of the most common property maintenance issues are available on the city website for landlords to distribute to tenants as they move in. Educating tenants on property maintenance requirements and encouraging them to work directly with the city on violations can help expedite or prevent the need for the enforcement process.
- It is against the law in the state of Wisconsin to have a tenant registration program, but staff will look into methods other communities use to promote property maintenance compliance and enforcement with tenants.
- City staff will look into additional funding sources to assist landlords in financing repairs. Possible options include expanding the city's CDBG loan to landlords or working with local banks to establish low-interest loan opportunities.
- Staff will look into methods that other communities use to incentivize repairs to rental properties, such as not increasing property assessments for a period of years (some incentives cannot be offered in Wisconsin).

Subtopic: City Water Disconnection Policy and Procedures

Copies of the City's water disconnection policy can be found on the City's website on the *Landlord and Tenant Resources* page.

Overview by City Staff:

- Water disconnection is often a costly procedure compared to other means of collecting for outstanding water utility bills for both property owners and the city.
- The process required by the city prior to disconnection of residential water is explained in the policy.
- Options to help reduce delinquent water charges for landlords are:
 - o Make a monthly call to City Hall to ensure that the water bill is being paid by the tenant, or
 - o Include water in tenant's rent, and then make payments on your own.

Input and Discussion:

- Concerns were expressed about the lengthy disconnection process involved when tenants don't pay their water bills, which ultimately the landlord ends up paying.
- Concern was expressed about the policy of attaching delinquent water bills to the property tax bill.
- The option of including utilities in rent can help with delinquent water charges, but also can result in tenants using more water or electricity than they otherwise would which is also costly for the landlord.

Staff Responses and Follow-up to Occur:

- It is required by state law that delinquent water bills be added to the property tax bill.
- City staff will put together a fact sheet about the water disconnection policy, as well as tips for landlords to protect themselves from accumulating delinquent charges when tenants don't pay.

Voluntary Rental Inspection Program

Overview by City:

- The idea of exploring a voluntary inspection program has come up in discussions about housing, so staff looked into existing programs in the state of Wisconsin. Common elements include:



- Landlords volunteer to have their properties inspected, and pay a fee to cover compensation of the inspector.
 - The primary benefit of this type of program for landlords is marketing assistance, both in their personal marketing efforts and by posting a list of certified properties on the city website.
- The state of Wisconsin prohibits mandatory rental inspection programs. A program would be strictly voluntary.

Input and Discussion:

- Landlords expressed interest only if there would be clear benefits to the landlord, such as reduction in insurance rates.
- The major benefit of this type of program would be for local employers and other entities attempting to recruit new people to the area by providing evidence that quality housing exists in the community.
- Landlords stated that they often have no vacancies and actually have waiting lists, so the marketing assistance aspect was not very appealing.

Staff Responses and Follow-up to Occur:

- The city will not pursue establishing a voluntary inspection program at this time.

How City Can Assist Landlords

Input and Discussion:

- It was suggested that an additional landlord representative be added to the City's Housing Committee.
- The City and landlords should work to educate tenants on their responsibilities related to property maintenance, and to encourage tenants to work directly with the city to correct violations when appropriate.
- One way for landlords to ensure that their property is clean and maintained by the tenant is by including regularly scheduled housekeeping checks in the lease agreement. Landlords can obtain checklists from the housing authority for these types of inspections if desired.

Staff Responses and Follow-up to Occur:

- Staff will put together a list of items that are legally required to be included in leases, as well as best practices that can help landlords better protect their properties.

Future Landlord Meetings

Suggested Future Structure:

- Landlord meetings should be held more frequently than once per year. There was discussion of if the meetings should be held twice per year or quarterly. It was decided that we would start with twice per year, holding the next meeting sometime in June. At that meeting there can be further discussion of holding quarterly meetings.
- The landlord representative(s) on the Housing Committee should be in attendance at future landlord meetings.
- It was agreed that the next meeting would occur in the evening to allow landlords who work during the day to attend as well.

Suggested Future Agenda Items:

- Discuss potential options for establishing a specific go-to person to assist and advocate for landlords.
- Discuss creating a centralized webpage that landlords can use to advertise as units become available,
- Discuss setting up efficient ways for the City/Chamber to let landlords know if employers are looking for housing for employees.
- Discuss benefits and process of establishing an Ashland chapter of the Wisconsin Apartment Association.



Property Maintenance Enforcement Process & Expectations

Property Maintenance Enforcement Process (grass, junk/debris, garbage, vehicle issues, etc)

- ✚ **City is interested in compliance, not issuance of citations.**
- ✚ City staff will send a letter to the tenant at the property, the property owner, and the property owner's local agent if one is identified per the rental registration.
 - It is important that the landlord and/or landlord's property manager work with the City to ensure that the violation is corrected promptly by the tenants.
 - *City staff is very willing to work with the tenant and/or property owner to get violations corrected and will give extension on time, as long as someone reaches out to the City to discuss how/when the violation can be corrected if unable to do by the date identified.*
- ✚ If violation is not corrected by the date identified, a second letter will be sent along with a citation. This will be issued to the property owner via certified mail or hand delivered by the police department, with copies being provided to the tenant and property manager.
 - Allows time to correct violation. Pay \$60 fine and correct violation by date identified and the violation will be dismissed. Typically, the court date will be set 6 - 8 weeks out.
 - If not corrected and fine not paid, the item will proceed to court, and then property owner will be liable for related court costs as well (in 2017, total was \$213.10).
- ✚ City reserves the right to correct the violation if necessary, the cost of which will be placed as a lien on the property and added as a special assessment on the property.
- ✚ Staff does not rely on phone calls to property owners or verbal arrangements in lieu of a letter. It is required by ordinance that notice be provided in writing, including photos documenting the violation. We can contact the property owner in addition to sending the letter to alert them more expediently, if a phone number was provided with the rental registration.

Property Maintenance – Structural Issues

- ✚ City staff will be enforcing the structural portions of the property maintenance ordinance for all properties. This pertains to principal structures and accessory buildings.
- ✚ Given number of properties in the City that are not in compliance, all will not be addressed at once. Staff will work with the Housing Committee to identify approach (i.e., start with properties most significantly degraded as identified by comprehensive plan, begin with accessory structures, begin on one side of City and work way across over time, start with priority 'areas').
- ✚ Applies to single-family properties and rental properties (as well as commercial/industrial properties).
- ✚ Expectation: it is understood that some structural items will take a bit of time to correct, and we want to work with owners to address in a reasonable time period.
 - Letter will be issued to document the non-compliance, and will give 2-4 weeks for property owner to contact City to establish timeframe to correct violation. Please make the contact and work with staff to develop an approach to correct and timeframe.
 - While we want to work with people and understand corrections may take some time, depending on severity, the corrections should be made within 12 months. We will not allow arrangements for properties to be fixed more than one year out.