

City of Madison Meeting Minutes - Final HOUSING COMMITTEE

City of Madison Madison, WI 53703 www.cityofmadison.com

Wednesday, October 4, 2006

5:00 PM

215 Martin Luther King, Jr. Blvd. Room LL-110 (Madison Municipal Building)

1. CALL TO ORDER

The meeting was called to order at 5:10 p.m. by Chair Hirsch.

2. ROLL CALL

Present: Florence Zmudzinski, Philip P. Ejercito, Thomas E. Hirsch, John L. Merrill,

Victor E. Villacrez, Curtis V. Brink, Rose M. LeTourneau, Detria D. Hassel,

David R. Sparer and Austin W. King

Absent: Michael E. Verveer, Howard Mandeville and Judith M. Wilcox

Excused: Richard B. Arnesen, Jr. and Julia S. Kerr

3. APPROVAL OF MINUTES

Merrill moved to approve the minutes, second by King. Villacrez noted he made a point at the last meeting that was not captured in the minutes. This language is as such: "A tenant hires a contractor and the landlord has had some type of legal or bad business relationship with that contractor, does the landlord have the right to review the contractors that the tenants hire?" The minutes will be amended to reflect Villacrez's question. The minutes were unanimously approved with the amendment. Hirsch did not vote.

4. PUBLIC COMMENT

No appearances.

5. COMMON COUNCIL ACTION - Verveer/King

King stated the Common Council reviewed the check-in/check-out form again. This ordinance only received 8 votes so he doesn't know if this will be coming back.

King noted that Ald. Konkel has some "technical" ordinance amendments that will be coming forward.

6. NEW BUSINESS ITEMS

<u>03857</u>

THIRD SUBSTITUTE - Creating Section 32.17 of the Madison General Ordinances to establish regulations for self-help repairs of leased premises by tenants in addition to rent abatement, and amending Section 32.04(2) of the Madison General Ordinances to establish a procedure for notice of eligibility to seek self-help repairs.

King moved approval with one amendment which is on page 3, (5) the fifth line should read "from all contractors or suppliers". Ejercito seconded the motion. He noted the effective date has changed to 120 days so there will be ample time to develop the

pamphlet that will be given to tenants. LeTourneau asked as this is in addition to the rent abatement procedure, would a tenant go through the rent abatement hearing and then make a choice whether they want to abate or self-help, or do they do either a hearing or self-help? Sparer noted when the tenant gets their notice of eligibility for abatement, they can follow either or both paths simultaneously. King stated rent abatement serves two purposes (1) economic leverage to get the landlord to make repairs and (2) to make the tenant whole because the contract signed for the apartment has not been lived up to on the other end. There is the financial compensation issue. They are on parallel facts and they do similar things but in a complimentary way. LeTourneau stated with a hearing, if the tenant did the damage they are not eligible for rent abatement. With this ordinance, the tenant could get it fixed and deduct it from their rent. There should be a step here so this doesn't happen. Hank noted the Inspection Unit doesn't make that determination but only finds out if there is a violation. The Hearing Examiner takes testimony and makes a recommendation if the damages were the result of the tenant. Brink noted there isn't a procedure here where going through rent abatement there is. It could end up that the contractor is not paid and the rent is also not paid. Sparer stated it won't happen that the tenant doesn't pay the rent and not pay the contractor if they follow the procedure. If there is a hearing on rent abatement and the Hearing Examiner finds that the tenant is entitled to money off their rent because the landlord never did the repair, this is an entirely separate issue.

Discussion was held on having substandard work done, hired by both tenant or landlord. Sparer noted he has heard all these concerns and there are two ways to approach this. (1) Adopt as we have it and watch it closely to see how often or if these problems arise and come back and amend or change the ordinance. (2) Try to find some way to amend the proposal to address these concerns now. He sees two ways to do that by having City staff in Building Inspection meet with the tenant and go over everything they are planning to do to make sure they are doing it in an organized, proper fashion. The other way would be to have the actual Rent Abatement Hearing Examiner meet with the landlord and tenant, and the tenant would have to show that they have bids and other various paperwork in order before they were allowed to proceed. This would create a fiscal note as the Rent Abatement Hearing Examiner is paid per hearing. He would urge adoption and then watch it closely and see about making changes if problems arise.

Present: Michael E. Verveer, Florence Zmudzinski, Philip P. Ejercito, Thomas E. Hirsch, John L. Merrill, Victor E. Villacrez, Curtis V. Brink, Rose M. LeTourneau, Detria D. Hassel, David R. Sparer and Austin W. King

Absent: Howard Mandeville and Judith M. Wilcox

Excused: Richard B. Arnesen, Jr. and Julia S. Kerr

Villacrez noted that some of these circumstances talked about are going to happen just because of the nature of the business and the contracting. LeTourneau asked that if this went to rent abatement and a hearing, how much more work would this be? This should be well thought out completely.

Rosemary Lee appeared. She feels that all these doubts could be solved if the ordinance were written as if the tenant gets estimates for self repair over a certain dollar limit, then it must go to a hearing.

Merrill noted he was thinking of a list of things the tenant could do. Cash limits on how much the tenant could do might resolve a lot of issues. Brink stated this would be a fair compromise, agreed by LeTourneau. He suggested a \$1,000 limit. Sparer asked in relative to a hearing, what is the hearing examiner going to look at? Are they going to evaluate the contractor and have a hearing on whether they are competent to do the job, and on what basis are they going to make that decision? If a landlord doesn't show up at the meeting, does the tenant still have a burden of proof they have to meet? In what

way is the hearing examiner going to be qualified to determine the competence of an electrical contractor or a carpenter to repair a door? Merrill suggested the tenant could do self-help repairs for items that cost \$1,000 or less and above that they would have to rely on rent abatement. Ejercito noted that in any of these instances that we are bringing up, we are missing the point that once this process begins the landlord is still given the ultimate responsibility to do the repairs and the landlord is given another 10 days to make sure that these things happen the way they want it to happen. With setting a dollar limit, he finds it counter intuitive to the purpose of this ordinance. Code violations that carry a higher dollar amount are the ones the tenant would especially like corrected and not just abated. Hank asked who would make the determination if the work was not completed by the due date? Sparer noted it would be Building Inspection but Hank doesn't read that in the ordinance. Brist noted it was changed to be 10 days before the original due date provided in the original order of the Building Inspection Unit. This was changed in the second draft so currently there isn't necessarily the confirmation from the building inspector at that point. Hank stated this would be an incentive to the tenant to help get the Inspection Unit in. He gave an example of a plugged sewer and giving a 24-hour notice from Building Inspection. He wouldn't like to see the tenant wait 10 days before he could hire a roto-rooter to unplug his sewer. There should be a mechanism that would allow the tenant to deal with a certain class of violations without having to wait the 10 days. No heat in the winter, no hot water would be violations that would have an exception to the 10 days. Brist noted that any items where Building Inspection has ordered that the work be done in 72 hours or less, the tenant would not have to wait 10 days after the expiration of 72 hours. Brist will put an exception in (3) Commencement of Work that would say in the event that there is a health and safety issue that Building Inspection has ordered to be corrected within 72 hours or less, that the tenant must give notice that they will correct the violation themselves.

Present: Michael E. Verveer, Florence Zmudzinski, Philip P. Ejercito, Thomas E. Hirsch, Victor E. Villacrez, Rose M. LeTourneau, Detria D. Hassel, David R. Sparer and Austin W. King

Absent: Howard Mandeville, John L. Merrill, Judith M. Wilcox and Curtis V. Brink

Excused: Richard B. Arnesen, Jr. and Julia S. Kerr

Sparer proposed an amendment to deal with George Hank's concern that Building Inspection should have certified it as eligible for rent abatement first. In the first paragraph under eligibility, "... or extended due date, and after the issuance of the letter of eligibility for rent abatement from the Building Inspection Unit, unless such . . .". Brist will draft language regarding commencement of work to be consistent. Second by King, passed on 8-0 (Hirsch did not vote).

In cases of health and safety, if Building Inspection has given a notice of 10 days or less, then the tenant can give notice of less than 10 days that they intend to do the work themselves. Verveer motioned approval, second by King with a vote on 8-0 (Hirsch did not vote).

The lien waivers will be changed to all contractors or suppliers.

Ordinances to establish regulations for self-help repairs of leased premises by

tenants in addition to rent abatement, and amending Section 32.04(2) of the Madison General Ordinances to establish a procedure for notice of eligibility to seek self-help repairs.

A motion was made by Verveer, seconded by King, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by the following vote:

Absent: Mandeville, Merrill, Wilcox and Brink

Excused: Arnesen, Jr. and Kerr

Aye: Verveer, Zmudzinski, Ejercito, Hassel, Sparer and King

No: Villacrez and LeTourneau

Non Voting: Hirsch

Present: Michael E. Verveer, Florence Zmudzinski, Philip P. Ejercito, Thomas E. Hirsch,

Victor E. Villacrez, Rose M. LeTourneau, Detria D. Hassel and David R. Sparer

Absent: Howard Mandeville, John L. Merrill, Judith M. Wilcox, Curtis V. Brink and Austin

W. King

Excused: Richard B. Arnesen, Jr. and Julia S. Kerr

7. OLD BUSINESS

Hirsch gave a brief summary of the Allied Drive charrette. There would be a traffic calming scheme that would narrow the roadway to allow future parking if the City of Madison were to allow parking without disturbing street trees but enhancing the pedestrian amenity, widening them, but keeping the right-of-way in its current 60 foot alignment. Two of the plans have internal streets on the Hauk property plus two buildings on Jenewein Drive. There was another scheme with no internal streets but looked at Lovell Lane as the main access from the Verona Road right-of-way. The pedestrian paths and bike paths would be connected into Fitchburg on the north but all street traffic would be diverted around in order to preserve a very pedestrian friendly environment through the site.

IZ Court Case Information - A memo from Kitty Noonan of the City Attorney's Office was included in the packet with the IZ court case information.

8. REPORT OF SUBCOMMITTEES

Landlord & Tenant Issues Subcommittee - Ejercito noted there wasn't a quorum last month.

Affordable Housing Subcommittee - Hirsch noted there wasn't a quorum last month.

9. DISCUSSION OF FUTURE AGENDA ITEMS - SCHEDULE NEXT MEETING

10. ADJOURNMENT

The meeting adjourned at 6:10 p.m. upon motion by Verveer, second by Merrill with unanimous approval.