

# Meeting Minutes - Draft LANDLORD AND TENANT ISSUES SUBCOMMITTEE

Thursday, November 10, 2011	4:30 PM	215 Martin Luther King, Jr. Blvd.
		Room LL-130 (Madison Municipal Building)

CALL TO ORDER / ROLL CALL

The meeting was called to order at 4:34 PM by Chair Ejercito.

Staff Present: Meg Zopelis and Adriana Peguero.

Present: 3 -

Bridget R. Maniaci; Philip P. Ejercito and Michael A. Stluka

Excused: 1 -

Curtis V. Brink

### APPROVAL OF MINUTES

A motion was made by Maniaci, seconded by Stluka, to Approve the Minutes of August 18, 2011. The motion passed by voice vote/other.

#### **PUBLIC COMMENT**

None.

## DISCLOSURES AND RECUSALS

None.

#### **NEW BUSINESS**

3. 24415 Discussion on Guest Policy James Stopple, from Madison Property Management will be present to speak on this item.

> <u>Attachments:</u> <u>MGO 32.05(1)(g).pdf</u> <u>SampleLease.pdf</u> <u>LeaseAdd.pdf</u> <u>NSRP.pdf</u> LT Reg - Item 3 11-10-11.pdf

A motion was made by Maniaci, seconded by Stluka, to take items 3 and 4 out of order due to the number of registrants. The motion passed by voice vote/other. James Stopple, Madison Property Management, present for discussion.

Brenda Konkel & Rachel Govin registered to speak.

Ejercito had questions about policies and practices relating to Guest Policy, and what is in the City Ordinances. Ejercito's questions were specifically relating to Halloween weekend, wristbands given to tenants and how tenants received that information.

Stopple said their lease addresses guests, and there is information in the Non-Standard Rental Provision. Stopple then referenced the House Rules -Addendum to Lease Agreement. This is the first year they distributed wristbands. He referenced Page 2 of the Addendum, Item #33 Security. They have a responsibility as a company that unauthorized people not get into the building. On a high volume night, such as Halloween, the door is constantly open. This year was the first year they provided wristbands as a way to provide security for their tenants. There were postings on tenants' doors, tenants were emailed, and there were postings on front doors of each building, two to three weeks prior to Halloween. He did not have a copy of the notice with him. Stopple was not sure if any other buildings did this same thing, but thinks there was something in the newspaper about it. There was no negative feedback for Halloween and Stopple considered the wristbands successful. They did this at 3 buildings: Equinox, 420 West, and Grand Central. Stopple said staff did not enter any apartments. Police did not go into any units either. Stopple encouraged the Landlord & Tenant Issues Subcommittee to come up with something else that meets the Police Department's requirements for safety and health, if they do not like Madison Property Management's methods. Safety is a priority for them.

Ejercito's concern was that Madison Property Management implemented a policy that was not in the lease at the time it was signed. Madison Property Management would consider putting this information in future leases. Maniaci asked if the attached documents were the lease documents Madison Property Management used. Stopple indicated that these were pulled for the City website and that they have a more specific high rise document but it is very similar. Zopelis indicated these leases were pulled directly from Madison Property Management's webpage.

Brenda Konkel said the City of Madison has a law that says the landlord can regulate guests, but it may not prohibit a tenant from having all guests. Guest regulations, if any, shall be included in the rental agreement. Madison Property Management is doing something that is not on the books and not legal. Landlords are doing whatever they want right now because of SB107 and tenants are not getting the education they need. Non-Standard Rental Provisions are not being used correctly.

According to Madison Property Management, Notice was given that if there was a life and safety issue that staff would be there and would enter. However, no staff or police entered any units. Police has asked Madison Property Management to have carte blanche access to their properties. However, Madison Property Management respectfully requested that they not do that for the benefit of their residents. If there is a cause/reason, then of course the Police have access.

Ejercito is questioning the propriety of adding something unilaterally to a lease, in the middle of the lease. Adriana Peguero said Madison Property Management's argument was weak in using Item #33 Security as its rationale for instituting this policy. Peguero agreed with Konkel in that there was a violation of an Ordinance and an issue of changing what is in a contract, after a contract is signed.

Rachel Govin said that on the lease it reads, "Both parties shall obey all governmental orders, rules, and regulations related to the premises, including local housing code." The wristband policy/rule was enacted as a security measure to make sure the place was safe.

Ejercito asked Peguero if this language had been in the lease, would it have been in accordance with the Ordinances. If the information had been in the lease, it would be acceptable. Tenants have the right to know that when signing a lease. Maniaci said the Ordinance is fine and should not be changed. This was a discussion item.

1. <u>23272</u> Discussion on 2011 Senate Bill 107

<u>Attachments:</u> <u>SB107.pdf</u> LT Reg - Item 1 11-10-11.pdf

Brenda Konkel and Rachel Govin registered to speak.

Konkel indicated SB107 passed, but has not been signed. It will probably be signed in mid December. There is a lot of misinformation about SB107 and what it does. There are many recent complaints about what is being required by landlords.

Rachel Govin asked that the subcommittee consider repealing the Ordinance that requires the distribution of the Landlord/Tenant Rights pamphlet because once SB107 does pass, there are going to be inaccurate statements of law in there. Konkel said the pamphlet can just be updated and distributed. There is no need to repeal the law.

Maniaci asked that George Hank have the pamphlet updated and brought back to the subcommittee at the next meeting. Maniaci also asked Peguero to check with Lana Mades regarding action steps for SB107. Maniaci requested a document regarding "What does SB107 mean to you?" be put on the City website. This task should be coordinated between Building Inspection and IT. Maniaci also referenced the possibility of a mailing directing people to the website. Ejercito agreed that this information should be officially posted by the City. Maniaci wants something information that says, "Here's what it was, here's what it is now," so people really understand. She recommended Katie Crawley of the Mayor's Office be included as the Mayor's media outlet. Ejercito was not sure that it needed to get to that level. Maniaci asked Peguero to send information to the Alders, which they could in turn send out to their constituents. For the next meeting, invite people on the advocacy side to get the word out. ASM (Associated Students of Madison) was recommended. Maniaci wants to know what they are doing to educate people. Contact Hannah Somers, Chair of Legislative Affairs.

2. <u>23596</u> Discussion on Rental Screening Criteria ("B Criteria")

<u>Attachments:</u> Reg Statements Item #5 8-18-11.pdf LT Reg - Item 2 11-10-11.pdf

A motion was made by Maniaci, seconded by Stluka, to Refer this item to the next meeting of the LANDLORD AND TENANT ISSUES SUBCOMMITTEE. The motion passed by voice vote/other.

4. 24416 Discussion on Liquidated Damages James Stopple, from Madison Property Management, will be present to speak on this item.

> <u>Attachments:</u> SampleLease.pdf LeaseAdd.pdf <u>NSRP.pdf</u> Liquidated Damages.pdf LT Reg - Item 4 11-10-11.pdf

Brenda Konkel and Rachel Govin registered to speak.

Maniaci asked for a definition of liquidated damages. Govin said liquidated damages are damages that are determinable. You know what the damage is going to be and you can reasonably estimate the cost.

Ejercito asked about a keg party cost, which is \$500. Why is the cost enumerated up front instead of charging after the fact? The other example is \$200 for moving out late fine. Stopple said a keg party usually involves a sale of beer by the cup, which is illegal. These types of large parties cause a lot of damage to the carpets and hallways. There are also costs associated with follow-up investigation. There are issues with students not moving out timely and then the management company incurs the cost of putting someone up at a hotel.

Konkel said that all the items indicated by Stopple are things that you can charge the tenant for when you find out what the actual damages are. Items should not be fined for things when there are no actual damages. There was a past issue in the 1990's when landlords starting making these charges and very quickly the City Attorney's Office said that could not be done.

Maniaci asked Peguero to ask Mades to dig through the archives to get this information. Konkel doubts it was in writing. Peguero was asked to determine if an opinion was written.

A motion was made by Maniaci, seconded by Stluka, to Refer this item to the next meeting of the LANDLORD AND TENANT ISSUES SUBCOMMITTEE. The motion passed by voice vote/other.

# ADJOURNMENT

A motion was made by Maniaci, seconded by Stluka, to Adjourn at 6:00 PM. The motion passed by voice vote/other.