

Thank you for allowing me to address the committee again.

When I was here last on June 26, it was to comment on the effectiveness of the Nuisance Property ordinance relative to two specific properties near my home, 314 and 413 Tenth Street. I am happy to report that with the combined efforts of the Racine Police Department, Building Inspection, Health Department, and my neighbors, we have seen some improvement. Ultimately, I think much of the success is due to the physical presence of the landlords, who are now spending time on site making necessary repairs to the properties. It should be noted, however, that both have missed the deadlines set forth by the building inspector and the repairs are not nearly finished, and the owner of 314 is still more than \$62,000 in arrears in property taxes.

I must add I feel the amount of effort required by us as neighbors has been excessive. We are entitled to the peaceful enjoyment of our homes, so monitoring a nuisance property interferes with that goal. This begs the question: is there a better solution?

The day after that meeting, June 27, I emailed Alderpersons Weidner and Coe with a suggestion to require licensing of landlords who want to conduct business in the city of Racine. Alderperson Weidner had a positive reaction and copied City Attorneys Letteney and Arn asking them to advise on any state statutes that would allow licensing of residential rental properties. I decided to look for the information myself.

I have conducted what I consider to me a meaningful amount of research on the subject and I believe introducing such a requirement would solve not just the nuisance property issue but a myriad of problems that exist.

To begin, Wisconsin State Statute 66.0104 (2)(g) allows for such an ordinance to be enacted providing the ordinance applies uniformly to all residential rental property owners, including owner occupied properties. The ordinance is moot on fees, so it would seem possible to allow for tiered license fees, or a "pay by unit" model to not put undue strain on the small-time landlord.

Once I learned it was allowable to require licensing, I set out to find other municipalities with this requirement. A cursory search showed both LaCrosse and Wausau within the state require

registration of rental properties. I wanted to find larger municipalities who may share some of the struggles Racine is experiencing so I expanded my search outside the state and found many, many municipalities have this requirement. They include:

Philadelphia, PA

Minneapolis, MN

Seattle, WA

Dubuque, IA

Wilmington, DE

Trenton, NJ

New Haven, CT

Tacoma, WA

Overland Park, KS

Independence, MO

This sampling proved this is not an issue limited by geographic area. I reached out to employees in each of these cities to gain information. I was sure to represent myself as a private citizen only, with no affiliation to the Racine government. I didn't want to mislead them into thinking they were consulting in an official capacity.

I found the people who responded to be extremely generous with their time and transparent with their information. Unfortunately, no one with whom I communicated was in their position when the requirement was introduced, so they could not speak to an effective implementation plan, but they were able to show positive results as compared to similar municipalities without this requirement.

We cannot overstate the importance the Foxconn investment in the Racine area will have for all of us. It will bring many well-paying jobs and therefore many well-paid residents to the area. If we don't have good quality, affordably priced rental properties available for these residents, they will find it in our elsewhere, such as Pleasant Prairie and Oak Creek. And that means they are doing their grocery shopping, their dry cleaning, their movie going, all in Pleasant Prairie and Oak Creek. And that's lost revenue to Racine businesses. We cannot allow that to happen.

Some of the benefits I predict by enacting a licensing requirement include:

Reduction in police response. By having complete information on landlords, including immediate contact information, and having the potential to not renew a license, landlords will be more involved and accountable for the behaviors of their tenants. Whether they are more thorough in their screening or quicker to address nuisance behaviors, holding landlords

accountable and having the authority to not renew a business license is an effective motivator. Less police response for quality of life issues means happier residents, a less taxed police force, and an overall more attractive city in which to live.

Better quality of rental units. When tenants know the properties in which they live will be inspected on a regular basis, they are inclined to take better care of the property, which not only reduces repair costs for landlords, but may result in better behavior, disinclination to allow criminal activity on site, etc. Additionally, we could reduce the number of properties falling apart, creating fire hazards (which can spread to neighboring properties), and even reduce the number of rabid and distemper animals who frequently live under neglected properties.

Reduction in evictions. Recently Racine has reported a surge in evictions which causes a multitude of issues. If licensing includes the opportunity for inspection of properties, we could reduce the number of tenants who claim to withhold rent for repairs and reduce the number of landlords not responsibly making those repairs, which would reduce the number of eviction filings for those reasons.

Increase in city revenue. Licensing fees can offset the cost of any additional manpower required to meet the increased demand for field and administrative workers. Property taxes and ordinance-based fines would be paid timely if the alternative is losing the ability to collect rent from the property.

Increased sense of community. It cannot be overstated the importance for all neighbors to work together. In my own neighborhood, the tension between homeowners and home renters is profound. Recently, the owner of a rental property moved in and now that he is a familiar face within the community, he is renting to tenants who are more engaged with the community, who want to participate in our neighborhood, rather than be a stain on it. I believe if landlords are required to “face the audience” on a regular basis, they will be more accountable to those people and their personal investment in the area increases.

These are just a few of the benefits I predict if you take control of the landlord situation. They conduct business in the City, just like every other business. Other businesses are required to meet standards, be licensed, have those licenses considered for renewal, and lose those licenses when they fail to comply. Why are we letting landlords, who make arguably the highest revenue dollars of any business operator in the city, be exempt from this oversight?