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Comment:

While managing over 1500 rental units in the City of Detroit during the pandemic, I saw firsthand how government's efforts to assist resulted in unintended consequences.

1-The inability of landlords to evict problem tenants destroyed the quality of life for other residents and neighbors. Problem tenants resulted in full buildings becoming infested with both bedbugs and roaches because they would not allow access to their units for treatment. Landlords' inability to put them out ensured that the problems got worse and unmanageable with time. Another extreme case involved a homicide when a necessary eviction was delayed by the courts and a neighboring child died by gunshot. The quality of life at our communities deteriorated grossly because a small minority of tenants who should have been removed were allowed to stay months and years longer than they should have. It is unfair to the other residents (oftentimes the elderly and disabled) that landlords, because of the courts tying their hands, cannot provide services.

2- The protracted eviction process of those "gaming" the system allowed time for malicious destruction of property, often interrupting whole building and life safety systems (again impacting fellow community members).

3- Landlords should use their resources to maintain and improve their assets, however, the huge loss of revenue, the increased legal fees and the cost to rehab units which have been maliciously destroyed make that all but impossible. Again, those that suffer in the long run will be the other residents who have become innocent victims to government intervention.

4- The CERA and other funds earmarked to help tenants pay their rent were completely mishandled.

A-The agencies tasked with their distribution are overwhelmed and mismanaged.

B-Files are regularly misplaced and lost, and case workers leave without assigning them to new workers or advising the landlord.

C-Legal Aid will only talk to overworked and underinformed attorneys and not to landlords, causing untold delays and mistakes.

D-The courts continue to adjourn cases over and over in the hopes of assistance kicking in resulting in huge losses for the landlord when after 12-18 months of non-payment, applications are denied, and tenants just move out.

E-The application process requires input from both the landlord and the tenant and assumes that the tenant is actually interested in getting the landlord paid. A noncooperative tenant can run out the clock with endless adjournments while not participating in the process at all.

Anecdotally, from both our experience and from what we have learned from other landlords, less than 5% of those tenants who applied and received rental assistance started paying on their own once that assistance has been received. Additionally, most of the cases that continue dragging through the courts are tenants who did not need the assistance in the first place. I am aware of several small landlords who have liquidated their holdings, another large landlord is negotiating with its bank to turn back their properties, because they cannot collect rent.

Making it more difficult than it already is to collect rents will disincentivize landlords and will result in catastrophic effects on our most vulnerable communities.

The consideration to extend and implement the acts introduced during the pandemic, presumes that there were problems beforehand and that their extension will fix a broken system. In fact, the pre-pandemic process ran smoothly and produced results. Enacting the safeties put in place during the pandemic will disrupt and destroy the housing market.

In 36th District court, judges are making their own law by adjourning cases over and over, forcing landlords to convert cases from "demand for possession" to "non-payment", removing defendants' names from final judgments, and increasing the amount of time tenants have to move out by months at a time, all in the spirit of protecting the unfortunate. It is all on the backs of landlords and allowing and promoting this will further disincentivize development and drive the very people who helped Detroit make a comeback right back out of the City.