



ILA Legislative Report

For a while, prospects looked good. It was the first time that a legislative proposal would change the classification of apartments from commercial to residential. The change in classification is important because residential property enjoys a 50% rollback of taxes. However, before the House of Representatives could vote on HF 692, the Ways and Means Committee passed an amendment striking our language from the bill. The reason our language would exit the bill is that changing our classification would cause too great a shift in property taxes. Unless local governments cut their spending, the money saved on our proposal would probably go to other commercial taxpayers, who would like some relief themselves. In any event, it's the most discussion on property taxes held by the legislature in almost thirty years. HF 692 passed the House with only 18 voting against the bill. HF 692 was floor managed by Rep. Danny Carroll, a Republican from Grinnell, who is Speaker Pro Tem of the House, and a landlord himself. The Senate did not take up HF 692 during the regular session. It seems likely that HF 692 will come up during the special session on May 29th. If HF 692 gets passed, the bill will create an implementation committee that will study many aspects of property taxes in Iowa. Our friends in the legislature are promising that the implementation committee will take up the issue of how apartments are taxed in Iowa. This study requirement will be part of the language adopted during the special session. Other changes include the fact that the implementation committee will be co chaired by a state Representative and a state Senator. The bill will also carry a sunset date of December 31, 2006, meaning that another legislature will have to vote to continue the new property tax system, which will be tested in three counties on a trial basis. Therefore, even though we didn't prevail in the early rounds of this battle, there are still battles to be fought. We have to keep this topic alive with legislators.



Joe Kelly
ILA Lobbyist

Continued on Page 2 ...

We at ILA hope you had a good Memorial Day Weekend.

DIALOGUE WITH DIRECTORS



With the start of Summer, we will all be busier. For us, our activities began with the Spring Seminar. We would like to thank everyone who attended, presented or displayed. THANK YOU!

The Spring Seminar had so much information; we chose to cover it in the next NewsBrief. Our presenters gave us a lot to think about. We had a range of interesting topics, with professional perspectives. Be sure to peruse our next edition for details.

In this NewsBrief, Joe Kelley takes an in-depth look at legislative issues that impact us. We are sure you will find his insights beneficial. Also in this issue, we announce our new marketing and signage program for Vacancy4Rent.com. We have been working on this program for months with our Webmasters. It was presented at the Spring Seminar, and in this newsletter, we publish the details of the program for those not in attendance.

Continuing with our busy Summer theme, we are looking forward to seeing some of you at the Iowa Cubs baseball game on June 5th. We are planning on having a good time. Speaking of the Cubs, we will also be starting our Summer Morning Breakfast Club at the Cubs Club in June as well. Our first speaker will be Attorney Mark Hanson, speaking on a timely topic that affects landlords. This one is one you will not want to miss.

And with the warmer winds of summer, there is a breeze of political campaigning for Mayoral and Council Seats in key locations. Already your ILA PAC has started it's work to help the best candidates who can serve the needs of the rental industry. If you have not contributed to the ILA PAC, or have questions, please give Dave or Dennis a call to see what the PAC is doing.

This Month's June 2003 NewsBrief

- Dialogue With Directors
- ILA Legislative Report
- The Welcome Mat
- Breakfast Meetings
- Sign of the times
- ILA PAC Report
- e-Mail Updates
- Advertise with ILA

Directors: • Dennis McDonald • Dave Sollenbarger

• WebSite: www.iowalandlord.org

• Email: ilaservices@iowalandlord.org

Legislative Report... – Continued from Page 1 ...

There were a couple of bills passed during the session which dealt with bad checks. The first, SF 376, which become effective on July 1, changes the amount that can be charged for a bad check. The existing law allows for a \$20 maximum surcharge on the first issuance of a bad check. Subsequent denials of the check could lead to a \$50 surcharge. Current law allowed that the surcharge was 5% of the check subject to the maximums. All that will be changed. The procedure will be much simpler. The new maximum will be a flat \$30 for a bad check.

The other bad check bill is HF 319. This bill will assist those who care to file civil charges against the writers of bad checks. HF 319 will allow the plaintiff to give notice of the lawsuit by using regular mail so long as an affidavit is used. The other means of service for bad checks are personal service and restricted certified mail.

The legislature also passed a law granting more protection for members of the armed services in Iowa. The legislation is pretty much the same as federal law on the same topic. The language was added as an amendment to SF 359, a bill which primarily dealt with forcible entry and detainer actions under chapter 562B, the manufactured housing landlord tenant law. Service members will be able to break leases which they have signed if they are called to active duty and the amount of damages landlords can collect are limited. The new law will not affect those who offer month to month leases because current law allows a resident to give a 30 days' notice to break a lease. For those with longer term leases, the resident must pay rent for the month during which the notice was given and for the following month. Current law requires landlords to mitigate damages when a resident breaks a lease early. Therefore, the fiscal impact on landlords is difficult to determine. What is known is that in a time of war it is difficult to resist such legislation.

SF 359 also contained HF 556 as an amendment. HF 556 passed the House 96-0. It allows providers of transitional housing to forego the use of eviction procedures. Transitional housing providers are the landlords of last resort to people who have substance abuse and other problems. No leases are signed and the people usually stay for brief periods of time. These providers want to be able to call law enforcement to evict residents. They will now have that legal right. A couple of Senators objected to this language and offered an amendment to delete the language from SF 359. The amendment was defeated, and the Senators who offered the amendment voted for the bill, which passed unanimously.

Finally, SF 359 contained an amendment which will be beneficial to municipal housing providers. The language states that if a resident becomes ineligible to remain in municipal housing by virtue of no longer meeting the requirements for residency, then the municipal housing provider can give the resident a 30 days' notice to leave. The municipal housing provider does not have to give the resident any notice of remedy when the notice contains a citation of federal violations.

A legislative program requires some defense. HF 266 would have required every child in Iowa to be tested for lead poisoning before the child reached the age of 6. HF 266 would have provided that the state of Iowa would not have to pay local governments for conducting these tests. HF 266 would have required much more testing than is necessary.

HF 174 would have required rental housing to meet certain energy standards to be imposed by the state building code commissioner. Local building codes could be used if they were as stringent as or more so than the state standards. The bill also provided for the licensing of inspectors and the imposition of civil fines not to exceed \$500.

HF 407 would have required the raising of punitive damages when a landlord held a tenant's security deposit in bad faith. Current law allows for up to \$200 in punitive damages in addition to actual damages. HF 407 would have raised this limit to \$500.

HF 266, HF 174, and HF 407 did not emerge from their subcommittees this session. However, these bills will again be eligible for consideration in the 2004 session.

The Welcome Mat

The Iowa Landlord Association is pleased to announce the latest members to join ILA.

Members:

Don & Judy Hunt of Des Moines

Barbara Goggin Warner, Urbanale, IA

Associate Members:

American Property Enterprises of Des Moines

Jetz Service Co. of Kansas City, Missouri

We encourage our members to use the knowledge and expertise of our Associate Members to help solve landlording issues and problems.

ILA PAC Report

In December of 2002, the Iowa Landlord Association started a political action committee call the IOWA LANDLORD PAC. This PAC was formed because landlords in Iowa and particularly Polk County and Des Moines were getting pummeled with increased fees and property taxes. We saw inspection fees increase over 200% in Des Moines and property taxes in Polk County go up 25 to 40%. Talk after talk with Des Moines city officials was useless. With all this frustration the IOWA LANDLORD PAC was created.

A PAC committee was formed consisting of: Lisa Spoon, Mike Anderson, Craig Ellingson, Pat Knueven, Joe Kelly, our ILA lobbyist and your directors, David Sollenbarger and Dennis McDonald.

Below are a list of current contributors to the IOWA LANDLORD PAC:

Michael Anderson	Joe Kelly
James Anderson	Margaret Knapp
Roger & Karen Bak	Pat Knueven
Jack Bacot	Bruce Lefkow
Dave Barzen	Dennis Loghry
Michael & Evie Barnes	Darwin Lynner
Janice Beal	Paul Mangan
Brian Belcher	Shawn McAninch
Anne Bickell	Dennis McDonald
Orville & Nancy Bunker	Julian & Deborah Nixon
John & Jody Clark	A. J. Palmgren
Tom Compiano	Richard Raabe
Keith Denner	Mark Reilly
William DuVall	William Schwartz
Dorothy Dykstra	David Sollenbarger
Brian Ellingson	Frank & Marilyn Steinbach
Don & Shirley Ellingson	Mary Stuart
Audrene Hansen	Jim Theisen
Eugene Hiskey	Jay Wheeler
Leonard Hudson	Carl Wiederaenders
Mark Johnson	Steve Williams

As you can see this list is quite long. If your name is NOT on this list, please consider contributing to the IOWA LANDLORD PAC. Our goal is to raise \$10,000. We are not there yet. All the money raised will go to supporting candidates in the Des Moines city council and mayoral races who are sympathetic to landlords. Only those that are viable candidates will receive that support.

Contributions to PAC's, by law can accept money from individuals and partnerships, but not from corporations, insurance companies, banks, credit unions or S & Ls. PACs may receive money from corporations ONLY to defray the administrative cost of running the PAC. If you choose to make a contribution to defray the cost of running the PAC, please signify so on your check by indicating it in the memo section.

Apartments OK For Property Values

Apartments pose no threat to the value of houses nearby, according to new research by the Harvard University Joint Center for Housing Studies.

Using U.S. Census data from 1970, 1990 and 2000, the researchers found that contrary to the perception that apartments lower property values, the average value of owner-occupied houses was highest in working communities with the most apartments. The study, which focused on the importance of working communities reports that more than half the U.S. population lives in such neighborhoods.

Among the reports other key findings:

Working communities with apartments comprising more than 30 percent of their housing units have sustained a 30 year increase in home values in each of the largest 42 metropolitan areas.

Working communities with apartment houses are stable places where poverty rates have barely changed in the past 30 years.

The Harvard Study is one of several recently to refute the claim that apartments lower property values.

An executive summary of the Harvard study is available from the Neighborhood Reinvestment Corporation, which commissioned the report at: www.nw.org/network/newsRoom/pressReleases/pdf/executiveSummary.pdf.

E-mail Updates

Our lobbyist, Joe Kelly, periodically sends out e-mail consisting of updates of action taken by the Iowa State Legislature.

Many of you already receive this service. We would like to include you in this service, provided that you WANT it.

Since the ILA periodically sends out E-BULLETINS, we have accumulated a list of members with current e-mail addresses.

If you DO NOT want to have your e-mail address added to the Legislative

Updates, send (e-mail) us your e-mail address and a request NOT to be included on this list.

Send it to: ilaservices@iowalandlord.org

Apartment Mailbox Standards

The United States Postal Service wants to increase the minimum size for all apartment mailboxes, including those already in service by about 25%. They say larger boxes are needed to accommodate growing mail volume to tenants. They want boxes to be at least 3 inches high by 12 inches wide by 15 inches deep. The USPS wants to require apartment complexes to retro-fix their mailboxes instead of phasing these requirements in over a period of time.

Should You Rent It Furnished?

There is extra money to be made in renting furnished dwellings, no doubt about it, but it requires extra effort and investment, and sometimes it brings extra grief. Actually it adds yet another "business," furniture rental, to the one you're already in, so it should be thought of as a sideline which has certain advantages and disadvantages all its own.

Consider the advantages and disadvantages:

Advantages

- More Income
- Lower vacancy factor
- Increased depreciation available for tax purposes
- Less redecoration required when people move
- Less wear and tear on property caused by tenants' careless moving of their own heavy furniture and appliances

Disadvantages

- Greater investment required
 - More tenant turnover
 - Muscles needed for moving furniture about
 - More repairs
 - More Maintenance (excluding redecorating)
 - Increased risk of damage
 - Greater theft potential
 - Storage area required for surplus furniture
 - Added recordkeeping and bookkeeping
 - Purchasing time needed
 - Obsolescence (furniture goes out of style)
- (excerpt from *LANDLORDING*, by Leigh Robinson)

Need to Rent ???
advertise your rental at:
www.vacancy4rent.com

Sign Of The Times

After months of development, ILA along with its web-site hosting company, TheIowa.Net, unveiled our marketing and signage program for Vacant Rentals at the Spring Seminar on May 22.

We are very excited about the universal signage program. It offers landlords a clear and easily recognizable message to the public that you have

vacancies. It allows both small and large rental complexes a greater market presence. The sign also permits the tenant to contact the landlord directly with questions or to set up appointments. The large sign (48" by 18") also drives potential tenants to the website where they can view ads about your vacancies and get complete descriptions about them.

ILA has offered on its web-site the ability for landlords to advertise properties for rent. Originally, the ad placement and tenant search engine was on the **IowaLandlord.Org** web site. Although you can still access it there, the general public will be directed to the **Vacancy4Rent.Com** by the new signage program.

During the Spring Seminar presentation, Larry Tovrea talked about the advantages of advertising on



Vacancy4Rent.Com web-site. Besides the benefit of advertising in a media that is available 24 hours a day, the web-site has provisions built-in to display a photo of your rental, and a logo (or a map) along with the details of your rental unit and complex. The site is searchable by location

(City or Zip Code), Type of Housing, Number of Bedrooms, with minimum and maximum price points.

Spring Seminar attendees are encouraged to turn in the VIP form distributed at the seminar to insure you qualify and obtain the items promised for that program. You only have until June 30th to qualify. Even if you don't have a current vacancy – your VIP registration will validate you through the end of the calendar year for the program.

For those who could not attend the Seminar, we have a special offer that should interest you. Through June and July, when you advertise on Vacancy4Rent.Com for one month, you get a second month FREE. The

Breakfast Meetings !

Due to demand, ILA will begin our Monthly Summer Breakfast Club Meetings again for 2003. The first Breakfast Club Meeting will be Tuesday, June 17th. Attorney, Mark Hanson is scheduled to speak about "Converting to Condos" at this meeting. July's meeting will be on the 15th, and then we will meet on August 19th. We finish off our meetings on September 16th. As a reminder, **all** of the meetings are on the third Tuesday of the Month. Breakfasts begin at 7:30 am at the Sec Taylor Sky Box, and the cost is \$10.00 per person (limit 25). We are sure you will enjoy our breakfast speakers, their topics, and information you will leave with.



Call Connie at 515-255-0675 to reserve your space or e-mail us at ilaservices@iowalandlord.org. We look forward to seeing you at our next activity!

second month free coupon can be used for the original listing, or a second listing any time till the end of the year. Additionally, the fees have been waved for image placement for your vacancy with this offer. Furthermore, we will include for FREE a **Vacancy4Rent.Com** yard sign personalized with your telephone number so your potential tenants can contact you directly. Simply fill out the form on the back of this newsletter, and write across the top, "SIGN SPECIAL", and send with your \$50.00 ad fee for each ad you want to place. You only have until June 30th to qualify. Even if you don't have a current vacancy – your SIGN SPECIAL registration will validate you through the end of the calendar year for the program.

Under the VIP and SIGN SPECIAL offers, for every original Ad placement you make, you will receive a **Vacancy4Rent.Com** sign for your property. This is a great bargain for the landlords who have multiple locations or who have different management offices who need a different telephone number on the sign.

Our goal is to have 250 or more signs in place on properties by the end of Summer. We are eager to get this program established, and by the enthusiastic response shown at the Spring Seminar, we know this will be a universal success for our landlords.

Need to Rent ???
advertise your rental at:
www.vacancy4rent.com

Would you like to list your property on the Iowa Landlord Association Apartment Rental Search but you're not on the Internet?



**Iowa Landlord Association
Apartment Search Service
Listing Form**

Make copies of this form, fill out the form and FAX to: 515-255-0675

You can mail or fax in your listing directly to our office if this would be easier for you.

To list your property, please fill out this form and send a picture of your property to our office.

Have you a rental property you wish to sell? Advertise it on the web site! Call us for details.

Interested in banner ads on our website?

ILA Rental Property Search Listing Rates

- Listing Prices = Members - \$50/mo., Non-Members - \$100/mo.
- Pictures/Logo inclusion = \$10/submission
- Picture/Logo image preparation (if needed) = \$35/hr.
- Photography Services = \$50 trip fee; \$35/hr after 1 hour; Materials at cost; Service available in the Des Moines metro and Polk County surrounding areas; Services are on a scheduled basis; Contact information@iowalandlord.org for arrangements.

Your Company: _____
 Your Name: _____
 Your Company Address _____
 Your Phone number for contact _____
 Property Address: _____
 Property City, Zip: _____

Monthly Rent Price: \$ _____ / Month
Number of Bedrooms: Studio/Efficiency 1 2 3 4+

Type of Housing: Condos, Townhomes, or Duplexes
 Unfurnished Apartments Furnished Apartments
 Single Family Dwelling Short Term Rentals Senior Community

Utility Arrangements: None Supplied Some Paid All Paid

Accommodations and General Amenities – Please check the items associated with this property:

Air Conditioning:	<input type="checkbox"/>	Dishwasher:	<input type="checkbox"/>	Wheelchair Accessible: ..	<input type="checkbox"/>
Microwave:	<input type="checkbox"/>	Stove:	<input type="checkbox"/>	Trash Compactor:	<input type="checkbox"/>
Balcony / Patio:	<input type="checkbox"/>	Refrigerator:	<input type="checkbox"/>	Garbage Disposal:	<input type="checkbox"/>
Dining Room:	<input type="checkbox"/>	Fireplace:	<input type="checkbox"/>	Pet Friendly:	<input type="checkbox"/>
Computer High				Laundry Type:	
Speed Broadband				<input type="checkbox"/> Washer / Dryer	
Internet Accessibility: ..	<input type="checkbox"/>	Cable Ready: ...	<input type="checkbox"/>	<input type="checkbox"/> Washer / Dryer Connections	
		Garage:	<input type="checkbox"/>	<input type="checkbox"/> Laundry Facility	

Community Accommodations and Amenities

Club House:	<input type="checkbox"/>	Storage Facilities:	<input type="checkbox"/>	Gated Access:	<input type="checkbox"/>
Public Transportation: ..	<input type="checkbox"/>	Tennis Courts:	<input type="checkbox"/>	Playground:	<input type="checkbox"/>
Fitness Center:	<input type="checkbox"/>	Swimming Pool:	<input type="checkbox"/>	Whirlpool / Spa:	<input type="checkbox"/>

Run Dates of Your Listing

Date Begin: _____ Date End: _____

Your Email Address: _____

Additional Information About This Rental:

**** Don't Have A F.A.X. - - Just copy and mail your form to us. ****



(HINT! For the cost of an ILA membership - Non-members can purchase their membership, save money and experience ALL the benefits of ILA membership!)

Need to Rent ???
 advertise your rental at:
www.vacancy4rent.com