

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF WISCONSIN
GREEN BAY DIVISION**

TL CONSTRUCTION MANAGEMENT
COMPANY, LLC,
2501 East Enterprise Avenue
Appleton, WI 54913,

Plaintiff,

v.

Civil Action No.: 1:19-cv-01077

CITY OF GREEN BAY,
100 North Jefferson Street
Green Bay, WI 54301,

Defendant.

COMPLAINT

The Plaintiff, TL Construction Management Company, LLC, by its attorney, T. Wickham Schmidt, Esq., A Professional Service Corporation, by T. Wickham Schmidt, as and for its Complaint against the above-named Defendant, City of Green Bay, states as follows:

1. Plaintiff TL Construction Management Company, LLC (“TL”), is a limited liability company organized under Wisconsin law whose principal address is 2501 East Enterprise Avenue, Appleton, WI 54913.
2. Defendant the City of Green Bay (the “City”) is a 2nd class city as defined in Chapter 62, Wis. Stats., with its offices at 100 North Jefferson Street, Green Bay, WI 54301.
3. The Court has jurisdiction over this matter because TL’s claims arise under federal law. 28 U.S.C. § 1331.
4. Since 2007, TL has been in the business of, among other things, acquiring and rehabilitating older homes and renting them to residential tenants.

5. The 2008-2010 recession led to an increase in the number of dilapidated older residential properties in the City.
6. During and following the recession, the City, under then-mayor Jim Schmitt (“Schmitt”), had a policy of encouraging persons such as TL to acquire and rehabilitate dilapidated older homes in the City. As an incentive to prospective rehabilitators, the City offered assurances that it would not enforce its housing code in a draconian and unreasonable manner against the properties they acquired, but would instead give the rehabilitators a reasonable opportunity to correct any ordinance violations on the properties.
7. Between 2008 and 2010, Schmitt and the City proactively solicited TL to acquire numerous older homes in the City (the “Properties”).
8. TL indicated a reluctance to acquire the Properties because the Properties were in poor condition and not compliant with City housing ordinances. TL further indicated to Schmitt and the City that rehabilitating the Properties would take significant time, and that TL was concerned about being punished for violating City housing ordinances during that time.
9. Schmitt and the City reassured TL that if TL acquired the Properties and commenced good-faith rehabilitation work, the City would give TL a reasonable opportunity to correct ordinance violations on the Properties.
10. In reliance upon the City’s assurances, TL acquired over two dozen Properties and began rehabilitating them. Rehabilitating the Properties entailed an investment of hundreds of thousands of dollars on TL’s part, and significantly improved the condition of the Properties.
11. True to its word, the City abstained from draconian and unforgiving enforcement of its housing ordinances against the Properties while TL undertook their rehabilitation.

12. All that changed in early 2015, when one of TL's two owners, Troy Lasecki ("Lasecki"), began publicly and prominently voicing his support for David VanderLeest ("VanderLeest"), who was challenging Schmitt in that year's mayoral election. Such support included, but was not limited to, placing "VanderLeest for Mayor" signs on the Properties owned by TL.
13. Immediately thereafter, and notwithstanding the assurances it gave to TL, the City abandoned its policy of working with TL, and immediately began a campaign of draconian and unreasonable enforcement of City housing ordinances against TL.
14. Upon information and belief, the City's change in policy occurred either at the behest of Schmitt, who had final decision policymaking authority, or at the behest of one or more other City officials with final decision policymaking authority who were politically allied to Schmitt.
15. The City's change in policy had no rational basis. Due to TL's significant investment in the Properties, not only did their condition pose no health, safety, or aesthetic concern, but it had significantly improved since TL acquired them. Tenants and neighbors of the Properties were not complaining to the City.
16. Upon information and belief, the City's change in policy toward TL contrasted sharply with its treatment of similarly-situated persons who did not back Schmitt's opponents in the mayoral election. The City continued to abstain from draconian enforcement of its housing code with respect to properties owned by those persons.
17. The City's change in policy, which was based upon TL's political speech rather than upon any rational basis, violated TL's rights under the First and Fourteenth Amendments.


18. TL has suffered significant damages due to the City's violation of its rights. Among other things, TL has incurred over \$50,000 in fines and interest, and now faces a sheriff's sale of two of the Properties.

WHEREFORE, TL prays for judgment in its favor as follows:

- A. For a declaration that the City has violated its rights under the First and Fourteenth Amendments;
- B. For compensatory damages for its monetary losses, including but not limited to losses resulting from the City's fines and threatened sheriff's sales;
- C. For an award of its costs and actual, reasonable attorney's fees;
- D. For prejudgment interest; and
- E. For all other relief that the Court determines to be just and appropriate.

Dated this 26th day of July, 2019

T. WICKHAM SCHMIDT, ESQ.
A PROFESSIONAL SERVICE CORP.

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