

Date: March 23, 2017

To: House Local Government Committee

From: Larry R. Baer, General Counsel
League of Kansas Municipalities

Re: House Bill 2404
Testimony in Support - Oral

Thank you for allowing me to appear before you today and present testimony in support of House Bill 2404 regarding abandoned and blighted housing in Kansas cities on behalf of the League of Kansas Municipalities and its member cities.

The League has long supported legislation that would streamline and expedite the process for local governments, neighborhood organizations and private businesses to deal with the blight of abandoned, nuisance and foreclosed housing. HB 2404 does this.

Abandoned property is not a new issue for cities. However, the Great Recession of the 2000s did exacerbate the problems in some communities with cities seeing more properties standing vacant. Too often, this leads to the structures falling into disrepair, becoming a fire hazard, becoming a source of criminal activity or becoming sanctuaries for vagrants or the homeless. This leads to a disproportional increase in police and fire calls to these properties. Failure to pay property taxes is also a result. As these properties fall further into disrepair, they have a blighting effect and resulting loss of property value of surrounding properties and the potential to become dangerous structures as they continue to deteriorate.

Other conferees have or will talk to you more about the changes in the law and the safe guards built into the law to protect the landowner and the neighbors. I want to visit with you about conditions that exist Kansas cities that make HB 2404 necessary.

The League surveyed its members to gather information regarding abandoned and vacant properties. A total of 48 cities responded, ranging in size from 139 to 185,000. Several questions were asked about the property, including the number of properties, length of time most have been abandoned and action that cities have taken to abate the problem properties. Other questions were asked about statutory barriers to addressing the problem properties, what issues they create for law enforcement or other public safety agencies. Answers to all of these questions were quite varied.

The median size of responding cities was 2,500, providing some useful data regarding smaller communities in Kansas. For cities that responded, here are some of the key findings:

Number of abandoned properties: For cities with fewer than 5,000 residents, most cities cited 30 or fewer properties as abandoned. This may seem like small numbers, but it is a particularly magnified issue in

- Potwin (pop. 181, 29 properties),
- Florence (pop. 471, 30 properties, and
- Attica (pop. 640, 30 properties).

Other cities that described significant abandoned housing issues included

- Fredonia (pop. 2,482, est. 15% of properties abandoned),
- Parsons (pop. 10,500, 150-200 properties),
- Junction City (pop. 25,817, 900 – 1,100 properties, and
- Topeka (pop. 127,473, 400 properties).

How long have they been abandoned? The median length of time a property was abandoned was reported to be four years. But, thirteen of the 48 cities responding – almost a third – said some of their abandoned properties had been that way for 10 or more years.

Who owns the properties? The abandoned houses they deal with generally are owned by individuals who have moved away. Those owned by landlords or a bank made up a much smaller percentage of the properties in question.

What is the impact of the abandoned properties? The presence of the abandoned buildings effects the health, safety and welfare of taxpayers and property owners, as well. Problems cited by the responding cities included:

- Increased police calls for thefts, prowlers, drug trafficking and squatting;
- Increased fire calls responding to accidental fires and arson, as well as bio-hazard dangers from drug production;
- Property maintenance issues, including over grown vegetation, dilapidated structures, wildlife and other animals, illegal dumping and sanitation problems;
- Creation of an “attractive”, yet dangerous, nuisance for children in a neighborhood.

Committee members may wonder why some communities have abandoned properties that have been that way for 10 or more years. From our survey, the frank answer is that it is an expensive proposition for taxpayers to have abandoned properties addressed in their communities. Costs may be in the thousands of dollars to demolish a structure when it reaches the “dangerous structure stage”. Without HB 3404 or legislation similar to it, cities have no ability to remediate property other than citing the owner. When the owner is unknown or the city is unable to get service on the owner, this is not an option.

Cities have long had tools available to them to address issues when a dangerous structure is involved, but they have had limited resources to deal with abandoned property. HB 2404

would give cities the same ability to deal with abandoned and blighted real estate as they now have when dealing with dangerous structures. HB 2404 would allow rehabilitation action to be taken before the property became a “dangerous structure”.

Abandoned and blighted property is not just a big city issue. It is a state wide issue. It impacts public safety officers, health safety and welfare of the taxpayers and community, the values of adjoining properties, and discourage improvements of adjoining property.

For these reasons we ask for your support of HB 2404 and that you pass it out favorably.