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To: House Local Government

From: Amanda L. Stanley, City Attorney

Chief Randy Phillips,

Date: Wednesday February 1, 2023

Re: Testimony in Opposition to HB 2083

Thank you, Chairman Bergquist, for allowing the City of Topeka to speak in opposition to HB 2083.

Neglected and chronically vacant buildings are a major cause and source of blight in both residential and non-residential neighborhoods, especially when the owner of the building fails to actively maintain and manage the building to ensure that it does not become a liability to the neighborhood. Vacant neglected buildings and/or substandard or unkempt buildings discourage economic development and adversely affect property values. It is the responsibility of property owners to prevent buildings from becoming a burden to the neighborhood and community and a threat to the public health, safety, and welfare. A vacant or neglected building that is not well maintained and managed can be the core and source of spreading blight in a neighborhood. These properties cost the community more in the provision of public services such as police and fire service, code enforcement and animal control, just to name a few. In the last 20 years, Topeka has had 949 fires in vacant buildings resulting in approximately \$12.3 million in property loss. 58 firefighters were injured in these fires. In the past 18 months there have been 97 fires in vacant buildings resulting in one civilian death. Almost all of which were unsecured buildings. This is a true public safety crisis in our community and the City needs every tool available to combat it. Not less. The City's Fire Chief is here with me today because of the seriousness of this problem. He is happy to answer any questions about how vacant houses increase the difficulty of the job.

Communities across the country are adopting registration programs in an effort to combat blight in their neighborhoods. These programs offer increased scrutiny, increased and up-to-date contact information for communities and a financial incentive for properties to be moved from vacant, distressed and deteriorating to productive use in the community and a contributing property to the overall value of the community and are supported by studies showing that vacant property registration ordinances lowered both foreclosures and the negative spillover effects of vacancy on the surrounding neighborhood.<sup>1</sup>

The City of Topeka first began investigating the possibility of a foreclosed property registration in May of 2018. Staff investigated many of these types of programs across the country and spent most of 2018 talking to the community regarding a neglected property registration program. Many groups were engaged in this effort, including but not limited to various neighborhood improvement associations, the Citizen's Advisory

<sup>&</sup>lt;sup>1</sup> Arnab Biswas, Chris Cunningham, Kristopher Gerardi, and Daniel Sexton, Federal Reserve Bank of Atlanta Working Paper. Foreclosure Externalities and Vacant Property Registration Ordinances (November 2019); Fitzpatrick, Thomas J., Lisa Nelson, Francisca G.-C. Richter, and Stephan Whitaker. "Can Local Ordinances Prevent Neighborhood Destabilization?" Housing Policy Debate 26, no. 3 (2016): 517–35.

Council, the Shawnee County Landlord's Association, and attendees of the City's first Landlord Expo which was held at the end of October 2018. Additionally, an anonymous survey was offered to the community and 443 community members provided feedback on the proposed neglected property registration. Of the 443 respondents, 86% indicated they thought a neglected property registration would be a good idea in Topeka. Sixty two and a half percent of the respondents indicated they have a neglected building near their home or work. Approximately 82% of respondents indicated they thought a neglected property registration would help to combat blight in Topeka. Staff from the Topeka Fire Department and the Topeka Police Department also reached out in support of this proposal because knowledge regarding the status of ownership and basic conditions of the vacant properties would contribute to their safety when responding to vacant structures. Additionally, under the ordinance, the City can include measures such as required exterior lighting, working fire alarm & suppression systems in vacant commercial and industrial settings as supported by building and fire codes, as well as requiring ownership contact information be posted on the exterior of vacant properties for both City staff and the publics' information.

The proposed ordinance went before our governing body three separate times in late 2019 allowing ample times for citizen comments and amendments regarding the length of time before a property is considered vacant, the amount of fees to be charged, etc. to create the correct balance for our community.

There are key protections built into our ordinance. Our governing body wanted to ensure this registry was made up of only the truly vacant properties and not ones being renovated, owned by snowbirds, currently actively attempting to be sold, etc. A property is not required to register until it has been vacant for more than 6 months and is only considered vacant when certain conditions are met such as disconnected utilities or past due utilities, a buildup of trash and debris, unsanitary, stagnant swimming pools. A property is not considered vacant if an owner is performing renovation activities.

Ultimately the ordinance was passed on November 19, 2019 establishing the legal framework for the Vacant and Foreclosed Property Registration programs. The actual program was launched in March 2021. The program is being operated internally by City Staff who are working with care to ensure only actual vacant properties are being cited. Once fully implemented the benefits will be significant.

We have continued to have conversations with key stakeholders and are working at the local level to resolve concerns as they arise. Ordinances, much like statutes, are constantly a work in progress as we see what works and what needs modified in response to our local citizens, banks, and other key stakeholders.

Our program is in the beginning stages but we have already seen benefits to the community and our City. We are aware of vacant structures being brought back to compliance and rented, properties sold and properties getting worked on to avoid or get off the rental registration. We have gained elusive owner contacts and began dialogue with other owners. Once Property Maintenance can get this program fully implemented, these benefits will be significant. That will never be allowed to occur if HB 2083 becomes law.

We urge you to leave decisions regarding our vacant property registry to the elected officials best in touch with their community. Each city has a unique set of circumstances and our local elected officials are in the best position to evaluate competing needs in Topeka.