

Committee Chair: House Committee on Local Government Written Testimony in opposition to House Bill 2083

Thank you for this opportunity to provide comment on House Bill 2083, relating to prohibiting municipalities from imposing any fees or registration requirements on unoccupied residential or commercial property. My name is Greg Talkin, and I am providing this testimony on behalf of the Unified Government of Wyandotte County/Kansas City, KS.

The Unified Government currently has in place a Vacant Property Registration Ordinance(VPRO). Unoccupied buildings with the potential to deteriorate present local governments with high social and economic costs. Vacant Property Registration Ordinances (VPROs) seek to address the high rates of vacancy that have plagued many municipalities since the foreclosure crisis including Kansas, City, KS.

Vacant Property Registration Ordinances (VPROs) have three main objectives:

- Ensure that owners of vacant properties are known to the city and other interested parties can be reached if necessary.
- Ensure owners of vacant properties are aware of their obligations of ownership under relevant city codes and regulations.
- Ensure owners meet a minimum standard of maintenance of their properties.

Benefits of a VPRO

- Funds generated through the Registry help cover the costs of personnel needed to properly manage the Registry.
- First responders and emergency personnel can be kept safer when they know if a building is vacant and the condition of the building's roof and interior.
- Research by others has confirmed vacant homes, especially those that are left to deteriorate, greatly reduce the value of surrounding properties. VPROs are a proven strategy in reducing the number of vacant properties and encourage a healthier real estate market, which benefits everyone.

Some opponents of VPROs argue they raise the costs of property ownership as well as the costs of servicing delinquent loans and foreclosed properties. The truth is the costs imposed by a VPRO represent the true costs of owning and managing a vacant property. A VPRO shifts the costs of vacant properties away from neighborhoods and local governments and onto the appropriate private parties. By requiring the cost of a vacant property to be considered during underwriting decisions, a VPRO encourages responsible investment and lending while discouraging irresponsible investment and speculation.

If an owner of a vacant property finds \$200 too burdensome to pay, it's unlikely they will invest the \$30,000 required to redo their roof and mechanical systems. Meanwhile, as their vacant property deteriorates, the property values of neighboring properties will decline, and the neighborhood's real estate market suffers.

Additionally, if the property owner is making good faith efforts to bring properties into code and/or to be occupied we acknowledge those efforts and will work with the owner.

In closing, we would request House Bill 2083 not be supported. The fact is, many more owners' property rights are infringed upon by a blighted and deteriorating building, than the property rights of the single owner of the vacant property. This bill will continue to allow those who have vacant properties diminish a neighborhood and continue to have good law-abiding citizens must pay the price due to the effects on their own property posed by vacancy and neglect.

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