

CITY OF TOPEKA

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TESTIMONY

HB 2314 - An Act concerning cities; relating to the rehabilitation of abandoned property

House Commerce, Labor and Economic Development Committee February 22, 2019

> Doug Gerber Deputy City Manager, City of Topeka

PROPONENT

Chairman Tarwater and Members of the Committee:

The City of Topeka has been supportive of statutory enactments to enhance neighborhoods, improve public safety and preserve abandoned structures for several years. A similar bill to the one before you was passed by the 2016 Legislature in the Senate by a vote of 32-8 and the House on a vote of 79-44. Governor Brownback vetoed the bill and thus SB 338 did not make it into the statute book. A similar bill was passed by the House in 2018 on a vote of 90-32. The bill was not advanced in the Senate. We believe there remains a need to address abandoned housing issues by the Kansas Legislature now just as there has been in years' past. Similar bills have been debated in the Legislature since at least 2014 and the subject remains of great importance to cities in Kansas.

I have worked for the City of Topeka for about 4 years and have worked internally on the many versions of this bill for each of those 4 years. It bears repeating that you have heard this testimony before. I think it is worth repeating to show both the importance of the bill, as well as the good faith efforts that have been made by Topeka and other cities to make refinements to the bill. We truly want a bill that allows the City of Topeka to continue to address the blight issues in our community, but that also protects the fundamental right to private property. This bill accomplishes those goals and gives Topeka, and other cities, another tool to deal with a very real issue in our community.

As noted, this bill has been through numerous iterations over the last few years. We would not continue to bring the bill back if the current situation was acceptable, but it is untenable for many reasons. Abandoned properties present a safety risk for our public safety personnel and have a detrimental impact on surrounding properties. Neighborhoods do not deserve to have their property values hijacked by unresponsive and irresponsible owners. Owners, who by the way, are not even paying property taxes on their abandoned properties.

In Early 2016, the City of Topeka asked the Hugo Wall (HWS) of Public Affairs' Public Policy and Management Center (PPMC) at Wichita State University (WSU) to research the occurrence of public safety responses (police, fire and code) in city blocks with the existence of abandoned housing in comparison to similar city blocks with no abandoned housing present, and potential effect of abandoned housing on property values of properties adjacent and within the same city block as abandoned housing. The results were staggering.

The data indicates that there is a relationship between the existence of abandoned housing in city blocks and the frequency of public safety response; this relationship is most prominent in code violations and the need for code enforcement, but also exists in fire and emergency medical response, and police response, particularly in prevalence of person crimes. The need for increased public safety response necessitates increased demand on public resources; a time/resource comparative analysis of code enforcement personnel time and resource allocation found that approximately \$31,100 in additional personnel resources were needed to complete code violation cases in city blocks with abandoned housing present rather than those without.

The point in time analysis determined that in 2015, houses on city blocks without abandoned housing present were valuated seven (7) percent higher than houses on city blocks with abandoned housing present. Similarly, historical analysis of the same city blocks demonstrates that the entry of abandoned housing in a neighborhood has a halting effect on property tax growth of adjacent properties (4 percent growth in the 5 years after becoming abandoned, compared to 14 percent growth in the 5 years prior to becoming abandoned).

Data showed that police responses occur more often in city blocks with abandoned housing present than those without; 38% more frequently in Topeka. As an example, police response to aggravated battery is experienced 500% more frequently in city blocks with abandoned housing present than those without. Fire department response to fires in Topeka is 11% more frequent on city blocks with abandoned housing present rather than on those without.

Again, we would not keep bringing this legislation if current law could work. But we would much rather save a property, rather than spend city tax dollars to demolish a property. These demolitions come at a cost of \$8,000 to \$15,000 per house, not to mention (perpetual) care and maintenance of the vacant lot when the house is demolished. The City of Topeka has demolished 66 houses over the last 2 years and spent \$400,000 per year doing demolitions. This amounts to almost a half of a mil of property tax. This bill would allow a more realistic and sustainable solution to abandoned housing to take place.

I have worked in city government for 21 years. During my tenure I have worked in numerous communities across our great state. I have served communities, large and small, in all areas of our state; north-central Kansas, in the mountain time zone of northwest Kansas, and northeast Kansas. These cities have all had one issue in common; abandoned and blighted housing. In fact, a survey by the League of Kansas Municipalities showed that 89% of Kansas cities believe abandoned/blighted housing is a concern for their community. This is a real problem and we need the assistance of the State of Kansas to give us additional tools to address the problem.

On behalf of the City of Topeka, we respectfully ask for your favorable support of HB 2314 to fill in the gap between code violations and dangerous properties by giving cities the ability to work in between with a nonprofit to address abandoned properties.

Thank you.