

## **TESTIMONY IN SUPPORT OF HOUSE BILL 2646**

To: Senate Committee on Local Government

From: Leslee Fonseca, Assistant to the City Administrator

Date: March 9 2012

Thank you for the opportunity to testify in support of House Bill 2646 regarding abandoned commercial real property. The City of Lenexa believes this legislation is an important tool for addressing certain abandoned commercial properties, which negatively impact surrounding properties.

HB 2646 amends the Unsafe or Dangerous Structures and Abandoned Property Act by expanding the definition of abandoned structures to include commercial real estate, in addition to residential property which is already included in the Act. By expanding the definition to include commercial real estate it provides municipalities the authority to rehabilitate and assess the costs of such rehabilitation to the property owner if it meets the proposed statutory definition of commercial abandoned property. The definition of commercial real estate mirrors the definition found in KSA 58-3077. However, to qualify as abandoned property under the proposed legislation, a commercial structure must have delinquent taxes for the preceding two years and must create a blighting influence on surrounding properties. These requirements are more stringent than that which is required for a determination that a residential property is abandoned. The definition of blighting influence is similar to that found in KSA 17-4759, the Urban Renewal Act. The City of Lenexa is sensitive to the individual rights of private property owners, but we believe that the proposed legislation affords private property owners ample opportunity to bring their properties into compliance with city ordinances and to pay any delinquent taxes.

This legislation provides a method for municipalities to address properties which have detrimental impacts on our community, when all other options for doing so have been exhausted. Typically, in these extreme cases, the City will have already exhausted all of its options for addressing the blighted property at the local level, including appearance in Municipal Court. As you can imagine when a property is abandoned and the taxes are delinquent, it is difficult to make contact

with the property owners and these owners are not always responsive to appear in Municipal Court. If the owners are not local or if they do not appear in Municipal Court, the City is without options for addressing the condition of the property and it remains in a condition of blight for an indefinite period of time.

Residents and business owners become frustrated by the City's inability to ensure that their neighboring properties are maintained at minimum ordinance requirements. In these extreme examples, the City of Lenexa would be able to utilize the provisions of HB2646 to remediate the blighting conditions. These properties are not contributing to the tax base and the condition of the property drives down values of surrounding properties.

House Bill 2646 provides municipalities the authority to declare the commercial real estate abandoned, and order the property to be rehabilitated remediating any blighting influence. Municipalities bill the property owner for the work performed, and if the charges go unpaid the municipality can assess a lien on the property. The municipality would recuperate it's costs when the property is sold to a third party at tax foreclosure.

We greatly appreciate your favorable consideration of HB2646. Please feel free to contact me if you have any questions or if I can provide additional information.

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