



TESTIMONY IN OPPOSITION TO HB 2665 – An act concerning city and county inspections of rental properties; limitations

To: Honorable Chairman, Rep. Mark Hutton
House Committee on Commerce, Labor & Economic Development

From: Mike Nolan
Assistant to the City Administrator

Date: March 3, 2016

Chairman Hutton and members of the committee, thank you for your time and the opportunity to submit testimony opposing HB 2665.

Lenexa is a city of over 50,000 residents with 38% of its population living in rental housing. The City administers a rental licensing and inspection program with the intent of preserving aging housing stock, keeping neighborhoods safe and attractive, and ensuring property values are protected. The City's rental licensing and inspection program encompasses 6,850 multifamily units in 31 apartment communities and 1,000 single-family properties.

In 2008, the City Council enacted the rental licensing and inspection program to address concerns with the upkeep of rental properties, the crime unkempt properties attract, and the desire to preserve property values. These concerns were voiced by tenants and neighboring property owners.

The program is administered by the Community Standards Division in collaboration with the Police Department's Crime Resistant Community Partnership (CRCP) and has three major elements. One requirement is a mandatory rental license for each property occupied by someone other than the owner. A second requirement is a biennial exterior inspection of the property using a checklist provided to the landlord at the time of registration. Finally, the program contains a provision for tenants to request an interior inspection for life and health safety concerns if a satisfactory resolution cannot be reached with the landlord or the landlord is unresponsive.

Through the years, the City has found that absentee landlords are particularly troublesome. They can be unresponsive to tenants and often are unable or unwilling to maintain properties to City Code. This results unkempt property, lower property values, and increased crime. The rental licensing and registration program is vital to providing safe, crime-free, and attractive places to live, and ensures property values remain stable.



HB 2665 would severely limit the ability of the City to address the concerns of tenants, adjoining property owners, and the community at large. The City's specific concerns with the bill include:

Section 1(a) would require the City to first obtain a search warrant prior to conducting any inspections on a rental property. This would be very challenging, if not impossible, for the City to achieve through the District Court. Gathering enough evidence to issue a search warrant cannot be achieved through inspection of a property because the proposed bill would prohibit such inspections – according to the broad language in the proposed bill, even exterior, plain view inspections seem to be outlawed. The current ability to conduct exterior inspections as needed, and interior inspections as requested, allows the City to prevent more substantial violations in the future and impedes the ability to better maintain safe and attractive neighborhoods with stable property values.

Section 1(b) would require the City to first obtain the property owner's permission prior to conducting an inspection. The City's current Code requires tenants to contact their landlord prior to contacting the City. However, in the case of unresponsive landlords this could pose a serious delay, especially when there are life and health safety concerns on the interior of a rental property. Typically, tenants will request assistance from the City when they have been unsuccessful in contacting their landlord after several attempts or if the landlord fails to properly correct a concern. Renters have contacted the City about the fact they do not have running water due to an interior plumbing issue that the landlord has failed to correct. The City has conducted inspections and taken action, as necessary. If the City were unable to conduct that inspection, that tenant may have had to continue to reside in the unit without running water.

Section 1(c) would render the City unable to inspect a property at a tenant's request for aforementioned life and health safety concerns until the property owner is notified. Also, it would require that the City verify a tenant is not subject to eviction proceedings. This places a significant burden on the City to investigate such legal proceedings. If the City were required to verify that no eviction proceedings were on file prior to conducting an inspection, it would then become necessary for the City to involve additional staff every time a request is received. This is an ineffective use of resources and inhibits the program's mission of protecting property values by ensuring safe and attractive neighborhoods for citizens. Furthermore, an eviction may be in process, but every tenant should still have the right occupy a safe and healthy rental property until a decision has been determined during the course of the legal proceeding.



The City of Lenexa has administered an effective rental licensing and inspection program for eight years. In fact, between 2012 and 2013, the rate of rental properties with Code violations dropped from 22% to 7%. This commitment to maintaining strong property values is comforting to surrounding property owners who want their own values protected.

The program gives some protection for tenants who may not be well-versed on their legal rights as renters and provides substantial assistance to the Police Department when attempting to contact the owner of a property where illegal activity is taking place. It is the City's experience that some property owners are completely unaware criminal activity takes place in their rental units until the Police Department contacts them. This program not only helps ensure properties are kept in good repair, but it also helps prevent crime by partnering with landlords to ensure neighborhoods are safe.

Since the rental licensing and inspection program began in 2008, the City has had few complaints from landlords about this program. Property owners have generally supported it and understand and appreciate the benefits. HB 2665 significantly inhibits the City's ability to address citizens' concerns with neglected rental properties, crime in these areas, and the value of surrounding properties. The City opposes this bill and urges the committee members to oppose it as well.

Sincerely,

A handwritten signature in blue ink that reads "Mike Nolan". The signature is fluid and cursive, with the first name "Mike" and last name "Nolan" clearly distinguishable.

Mike Nolan