VALLEY SELF STORAGE

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WRITTEN REMARKS

TO:

Chairman Sean Tarwater

And Members of the

House Commerce, Labor and Economic Development Committee

FROM:

John Valley

Valley Self Storage

RE:

HB 2454 - Self Storage Rental Units; Statutory Changes

DATE:

January 23, 2020

Chairman Tarwater and Members of the Committee:

I am John Valley, owner of Valley Self Storage, Inc. I have five locations in the Topeka area. The business was established in 1976 by my father and I have owned and operated Valley Self Storage since 2004.

I became aware of HB 2454 and would like to take the opportunity to submit these comments for your consideration in support of this legislation.

When someone comes to one of my facilities to rent a storage unit or otherwise rent storage space, we provide them with a written agreement that outlines their contractual rights and responsibilities and ours. We require a valid address, telephone number, e-mail address and driver's license if they have one and they are also required to have insurance on their contents, as our insurance does not cover their stored items.

We also limit the value of items stored in order to make security more manageable. While all self-storage facilities have security, including fencing, gates, locks and most often security cameras, we are not prepared to accept storage of high-value items, such as a vintage Ferrari, coin collection or gold bullion. We appreciate the section of HB 2454 that gives statutory protection to an operator who chooses to limit the value of stored items and requires the renter to give an accurate representation of the items they intend to store in one of our units.

When we contract with a new customer, we follow up after they have signed an agreement to confirm their contact information with a letter and a phone call. We want to insure we have a valid telephone number, address and e-mail for any variety of communication purposes (e.g., if we have an incident on our property such as a theft or vandalism, past due rent and unfortunately at times, to notify a renter of our intent to auction their stored items to satisfy past due charges). Procedures for any sale are spelled out in our written agreement and in statute.

For the Committee's information, here is the process we have developed and follow when we are placed in a position where we have to sell stored items to satisfy past due charges:

- Contact Tenant by phone if payment is not received by the 3rd of the month.
- Contact Tenant each week payment not received.
- 28 days after default date, send 1st Default Letter a courtesy letter.
- 14 days after the 1st Default Letter, send 2nd Default Letter with amount due, date to have paid before items are auctioned, where they can contact manager.
- 3-10 Days after 2nd Default Letter, manager secures the unit or units and does an inventory consisting of standing on the threshold and taking a picture(s) of interior. Manager adds a cut lock and inventory fee to Tenant's account.
- 7 or more days after 2nd Default Letter, ad is published in Topeka Capital-Journal as to time, date of auction and list of Tenants whose items will be auctioned. Vehicles will be advertised with year, make and VIN.
- 8 days or more after ad is published, Auction takes place.
- All statutory requirements are followed should a sale of items be required to satisfy outstanding charges.

All actions are conducted pursuant to our written agreement with the renter and state law.

As a business owner, my goal is to rent my storage units and keep them filled with satisfied customers. We routinely work with our customers in cases of financial hardship and I can also say through experience, the buyers at our auction typically set aside any personal items found in a storage unit (e.g., family photos, legal documents, etc.) and make them available to the renter for no charge.

State law outlines procedures for addressing instances of nonpayment. HB 2454 will update current law to allow for certain notices to be accomplished through reasonable, commercially viable means. Furthermore, the change in regard to the removal of abandoned vehicles are consistent with how abandoned vehicles left in the general public are handled today and will be helpful to self-storage operators to remove such vehicles which take up valuable space and can become an on-site challenge to maintain in a safe and secure manner.

Thank you for your consideration of my written opinion in support of HB 2454.

John Valley Valley Self Storage