

**NEIGHBORHOOD AND COMMUNITY DEVELOPMENT
STANDING COMMITTEE MINUTES
Monday, June 6, 2016**

The meeting of the Neighborhood and Community Development Standing Committee was held on Monday, June 6, 2016, at 5:00 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Walker, Chairman; Commissioners McKiernan, Townsend, Murguia and Walters. The following officials were also in attendance: Gordon Criswell, Assistant County Administrator; Melissa Mundt, Assistant County Administrator; Misty Brown, Senior Attorney; Chris Slaughter, Land Bank Manager; and Kathleen VonAchen, Chief Financial Officer, Ryan Haga, Attorney; Greg Talkin, Director of NRC; Debby Graber, NRC/Rental Licensing, Wilba Miller, Director of Community Development; Charles Brockman, Economic Development and Melinda Saucedo, NRC/Rental Licensing.

Chairman Walker called the meeting to order. Roll call was taken and members were present as shown above.

Approval of standing committee minutes from April 4, 2016. **On motion of Commissioner McKiernan, seconded by Commissioner Walters, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

Item No. 1 – 16633...ORDINANCE: INSPECTION OF RESIDENTIAL RENTAL DWELLINGS

Synopsis: An ordinance amending the UG rental licensing ordinance to reflect new state statutory restrictions on the UG's ability to periodically inspect residential rental dwellings, submitted by Ryan Haga, Attorney.

Ryan Haga, Attorney, said just a few weeks ago the state passed a statute restricting city and counties or anybody that has rental licensing ordinance from making as a condition that periodic

inspection of the rental dwelling, which would basically limited our ability to make regular inspections as Rental Licensing does. Debby would have more experience with so what we did, is we changed it from regular rolling inspections or I should say interior inspections that are triggered by a specific event, in particular getting a rental license on the front end of it. It would also be triggered again whenever there would be a change of occupant in the residence. We believe that with the specific triggering events of interior inspections that would take it outside of what the legislature has deemed improper with the regular rolling interior inspections. Of course exterior inspections are not limited in any way so we continue to do those moving forward.

Chairman Walker said this is brought about because of a state statute that has been passed. **Debby Graber, NRC/Rental Licensing**, said there was a House Bill and it went through the House and through the Senate and was approved. There were a few modifications to it but for the most parts it was approved. **Chairman Walker** asked is it a bill that is effective immediately or is it July 1st. **Ms. Graber** said July 1st. **Chairman Walker** said so this means that—what if I’m a tenant and I think there are problems and I call you. Is that a triggering event? **Ms. Graber** said it is a triggering event. The ordinance we have in front of us allows for a tenant to call and complain. Any tenant can sign an authorization according to the House Bill now, so any occupant can allow an inspection. Prior to this we went to the owner of the property; they were the ones that were doing the repair so we thought that was the best course of action at the time and for 20 years it was. Now, because of this we have to go to the occupant or in the event that the property is vacant, then we would have to go back to the legal owner.

Commissioner McKiernan said historically over the last 20 years we’ve had a periodic reinspection schedule of every what three, four or five years somewhere in there that we would periodically contact the owner and then reinspect the property. A ballpark figure, do you have any estimate of how many times those reinspections would trigger request for repairs or would trigger action on the part of the owner? **Ms. Graber** said almost every time. **Commissioner McKiernan** said then the owner would have to address those violations or those shortcomings as a product of or as a requirement of renewing their rental license. **Ms. Graber** said correct. They could not be approved. **Commissioner McKiernan** said until they corrected those. Okay, and how many times over the past twenty years has the tenant initiated a request for inspection versus

just our routine schedule? Is it very often that a tenant does—**Ms. Graber** said we get those all the time. **Commissioner McKiernan** said you do get tenants—**Ms. Graber** said we get tenant complaints. They'll call in you know either because they don't like the living conditions that they currently have and in most cases it's because they're being evicted. **Commissioner McKiernan** said it's possible with inspection at the turnover, inspection at the beginning, inspection at turnover tenants and inspection based on tenant calls, it's possible that the department could still be doing a fair number of inspections. **Ms. Graber** said what we have worked out, again, this is in the ordinance but it's also procedure process that we're trying to work through. Obviously tenant complaints, if the tenant is complaining and they're willing to sign an authorization, we would be able to do an interior inspection. Any new rentals, they've never been a rental before and we're not talking about new construction, we're talking about new rentals, they've never been a rental before, they would be required to have an interior inspection simply because at that point we're assuming that they are vacant. Any change of tenancy when the property is vacant.

Exterior inspection is going to be done in a target area almost in a blitz capacity. At that time or even prior to that time letters can be sent to the tenants requesting them to sign authorizations for interior. If they refuse, we still can do an exterior inspection. We feel that the exterior inspection is going to go a long way to fight blight, at least visible blight. It isn't going to help with some of the internal things that are going to take place inside the property that we're not going to be able to see. With the data that is being compiled with from SOAR, we are looking at the possibility of other things triggering interior inspections. Maybe if we get three complaints on the property in a year, that would trigger an interior inspection.

Commissioner McKiernan said you heard the testimony that was given in Topeka or at least some of it I know. What was the rationale or the thought behind eliminating routine reinspections? **Ms. Graber** said the majority of it came from Johnson County. They were enacting a Rental Licensing Program similar to what we had had. The landlords over there objected and they objected strenuously and to be very honest with you, Commissioner, there were certain people that we know that stood up there and flat out lied. My inspectors were accused of going through refrigerators, of going through dresser drawers and that has never

happened. Again, I'm sorry I have no filter. **Commissioner McKiernan** said its okay. That's all I have.

Ms. Graber said this is going to be the best option that we have at this time. In doing this, there may be changes. There may be other times within the next few years where other people come before you with a change to an ordinance that they see that if they do it this way it's still within the confines of the law that we're being given, but it would be a better outcome for the inspection department. At this point, we're trying to make this work as best we can; still trying to make sure that our community is as blight free from rental properties on the exterior as possible and hopefully still guards the tenant's safety. **Commissioner McKiernan** said I appreciate the report, thank you.

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Walters, to approve the revised ordinance as submitted.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

Item No. 2 – 16631...COMMUNICATION: LAND BANK APPLICATIONS

Synopsis: Communication requesting consideration of the following Land Bank applications, submitted by Chris Slaughter, Land Bank Manager.

Applications

2756 N. 22nd St. - Bobby Ewing, yard extension

1218 Ann Ave. - Jessica Zieg, yard extension

1222 Ann Ave. - Jessica Zieg, property acquisition

(Working to put a community garden on these lots for the Nepali community that live in the Waterway neighborhood.)

Yard Extension Applications

- Bobby Ewing – 2756 N 22nd St
- Jessica Zieg – 1218 Ann Ave
- Jessica Zieg – 1222 Ann Ave

Chris Slaughter, Land Bank Manager, said we're going to start off with three yard extension applications. Those are 2756 N. 22nd, 1218 and 1222 Ann Ave. Part of the Ann Avenue's will be a community garden, but the property owner owns the property at 1214 so that's why they're just bunched together like that.

Yard Extension – Bobby Ewing 2756 N 22nd St



Mr. Ewing resides here.

Yard Extension – Bobby Ewing 2756 N 22nd St

- Applicant owns property at 2760 N 22nd St
- Applicant is current on property taxes & has no open Code cases
- Appraised Value of 2756 N 22nd St: **\$350.00**
- Potential Taxes: **\$10.00** (*approximate*)

2760, there's the Land Bank property in red and then for the other application. He's currently current, no code cases. The approximate appraised value of the Land Bank property is \$350 which should generate a potential tax of \$10 a year and that's approximate.

Yard Extension – Jessica Zieg 1218 & 1222 Ann Ave



Yard Extension – Jessica Zieg 1218 & 1222 Ann Ave

- Applicant owns property at 1214 Ann Ave
- Applicant is current on property taxes & has no open Code cases
- Appraised Value of 1218 Ann Ave: **\$930.00**
- Appraised Value of 1222 Ann Ave: **\$1,000.00**
- Potential Taxes: **\$40.00** (*approximate*)

Now, for the applications on Ann, you can see there's the applicant at 1214. This is the land in question. The applicant is current, no code cases. The appraised value of 1218 is \$930; 1222 is \$1000. Approximate combined the potential taxes are \$40.

LAND BANK ADVISORY BOARD RECOMMENDATION

**THE ADVISORY BOARD VOTED
TO FORWARD APPLICATION(S)
FOR FINAL APPROVAL**

The Land Bank Advisory Board did recommend to forward those for final approval.

Chairman Walker asked are there any questions. Anyone in the audience wish to address this.

There were none. Is there a motion?

Action: Commissioner McKiernan made a motion, seconded by Commissioner Murguia, to approve the applications as submitted. Roll call was taken and there were five “Ayes,” Walters, Murguia, Townsend, McKiernan, Walker.

Transfers from Land Bank

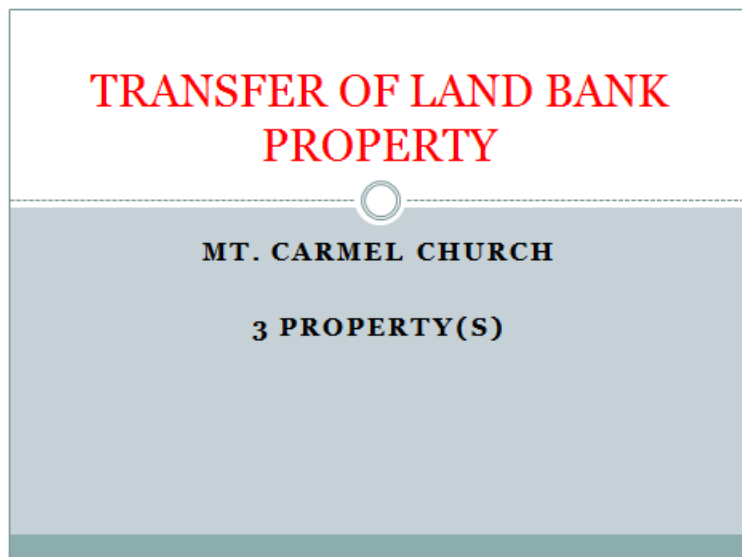
1955 N. 13th St. - Mt. Carmel Church of God in Christ

(Request to go back to the ownership of the church.)

1944 N. 11th St. - Mt. Carmel Redevelopment Corporation, Inc.

1948 N. 11th St. - Mt. Carmel Redevelopment Corporation, Inc.

(Building a single-family home on each lot with HOME funds in partnership with the Community Development Department.)



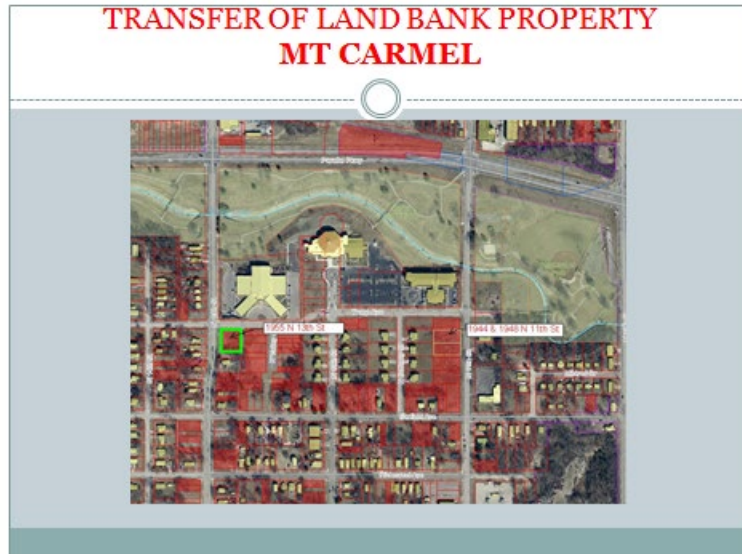
**Transfer of property back to
Mt Carmel Church of God in Christ**

- 1955 N 13th St
- Property was part of agreement with Land Bank dated July 3, 2013.
 - Agreement placed tax delinquent property into Land Bank
 - Land Bank abated taxes
 - Mt Carmel agreed to maintain property that went back to Land Bank
- Requests for property to go back to ownership of church

Chris Slaughter, Land Bank Manager, said last month we had to hold two transfers over for Mt. Carmel and there was also an omission on my behalf of this property here, 1955 N. 13th. It was part of the original agreement back in 2013. They are asking that it go back into Church of God in Christ name.

**Transfer of property back to
Mt Carmel Redevelopment Corporation**

- 1944 N 11th St
- 1948 N 11th St
- Building two (2) single family home(s) with HOME funds



We also, again, have the two properties that are being requested to have a home built on it through the HOME funds, 1944 N. 11th St. and 1948 N. 11th St.

Chairman Walker asked are there any questions. **Commissioner Murguia** said I think we asked or I know I asked last month for an explanation of how the HOME funds were determined to be distributed to Mount Carmel Redevelopment Corporation.

Wilba Miller, Director of Community Development, said as you know when we go through the budget process and we talk about the CDBG Budget and the HOME Budget, 15% of our HOME funds must be allocated, by law to CHDOs (Community Housing Development Organizations.) We currently only have two organizations, CHWC and Mt. Carmel. The HOME funds and the CHDOs are also when they get recertified annually, give us their boundaries, their project areas and where they're going to work for the year. The HOME funds are not used to acquire properties. They are only used to do rehab or new construction. **Commissioner Murguia** said why Mt. Carmel instead of CHWC? **Ms. Miller** said both agencies get an opportunity. They are required by HOME since 2012 to do market studies so they are not building on spec. Both agencies will probably submit addresses for this year, we just haven't received any from CHWC right now. I think that because of the change of leadership.

Commissioner McKiernan said this is a pool of money that they apply to sequentially with qualifying projects until the pool is—**Ms. Miller** said right, there's only enough money to give them both, maybe two a year. There's not very much money. The HOME funds have been cut so much over the last few years. A lot of it goes to our CHIP down payment assistance. We usually surpass our 15% requirement and go up to 30% in order to give them both those houses. Any proceeds from the sale of a home/house needs to be used before they get additional funds or along with the additional funds. **Commissioner McKiernan** said do I remember correctly that HOME funds are to promote home ownership, that the rehab of the new construction then is to result in ownership of that home and not rental of that home. **Ms. Miller** said they do have requirements though. However, if they don't sell the properties within a certain period of time, they have to revert to rental which causes them more hassle than they really want. They want to sell these houses. **Commissioner McKiernan** said okay.

Commissioner Murguia said how much money do we get annually in HOME funds right now, Wilba? **Ms. Miller** said about \$500 and some odd thousand dollars. **Commissioner Murguia** said it's a requirement of the federal government that this money be distributed to—**Ms. Miller** said at least 15% be distributed to CHDOs. **Commissioner Murguia** said one of the requirements of the federal government is that these get distributed to a CHDO and we only have two left in Wyandotte County, correct? **Ms. Miller** said yes. **Commissioner Murguia** said and one of those, CHWC has had some turnover lately in the executive director so I'm just curious about your professional opinions that some of this money requires that CHDO with that level of capacity to be able to spend these dollars. What's your—since this is what you manage for us, what's your professional opinion? How come we only have two CHDOs in all of Wyandotte County and we have so much urban development that needs to happen. **Ms. Miller** said I think for a couple of things, we used to have three. One did dissolve, but a lot of the non-profit housing agencies aren't interested. There's just not that much money. Depending on how much we set aside for the CHDOs, if we have \$500,000 and we've set-aside just 30% of those, now this year and if we don't—if we don't spend the money every year we have to allocate it the next year. We are required to commit the funds in two years and expend the funds in five years. A lot of agencies just aren't interested. We've had two agencies recently ask us about the

requirements and have given them information that they'll need to apply to be CHDOs. **Commissioner Murguia** asked is it a difficult process to become a CHDO? **Ms. Miller** said they have to change their board membership, there are requirements about capacities. They have to turn in resumes for all their staff people. I mean there are multiple requirements. They have to work in the area for a certain period of time. They have to have the capacity. **Commissioner Murguia** said would you say that it's difficult to find not-for-profits that are willing to jump through all the hoops that it takes to do the urban redevelopment that we need to do. **Ms. Miller** said I think there are non-profit agencies that are interested. I can't tell you why they are not knocking on the door other than the fact there is not very much money there. I mean if we got another agency who qualified, we would look at them just like we would look at the two that we have now. Like I said, we used to have three, but back then we received about a million dollars every year and now we're down to half of that. **Commissioner Murguia** said okay.

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Walters, to approve the proposals as submitted.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

Land Bank hold agreement with Mt. Carmel Redevelopment Corporation, Inc.



LAND BANK HOLD AGREEMENT – MT CARMEL



LAND BANK HOLD AGREEMENT – MT CARMEL

- New agreement with Land Bank.
 - 3 year term with two (2) one (1) year extensions (mutual agreement)
 - 45 properties that the Land Bank will hold in its inventory
 - Mt Carmel agreed to maintain property that the Land Bank is holding

Chris Slaughter, Land Bank Manager, said as we mentioned last month to transfer some of the property that was going back per the old agreement. Well, that expires on July 3rd of this year so we're bringing back a new agreement. I just thought I would give you again a reminder of the boundaries where the property will be. We're asking for a three-year agreement with two one-year extensions that are mutually agreed upon. There will be 45 properties that we will be holding and in exchange for that Mt. Carmel will agree to the maintenance of those properties. That was all I had. I forgot to add those properties as a slide but they are in your packet. I believe the list of the properties are there. It's a pretty straightforward agreement. We'll hold

them. If somebody inquiries about them, we do kind of the usual deal. We'll ask Mt. Carmel if there is still a need for them, maybe someone wants to expand their yard or maybe somebody else wants to build there, yet if they want us to hold on to them, we'll hold on to them and we'll tell the person this property is not available, maybe there are other properties. If they say yes, go ahead and do it, we'll come to you with the application in saying Mt. Carmel has agreed to release that one and then we'll seek approval on that. Also, Pam Smart of Mt. Carmel is here in case there are any questions you may have for her.

Action: Commissioner McKiernan made a motion, seconded by Commissioner Walters, to approve the agreement as submitted. Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, McKiernan, Walker.

Adjourn

Chairman Walker adjourned the meeting at 5:25 p.m.

tpl