

**NEIGHBORHOOD AND COMMUNITY DEVELOPMENT
STANDING COMMITTEE MINUTES
Monday, July 11, 2016**

The meeting of the Neighborhood and Community Development Standing Committee was held on Monday, July 11, 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: Ken Moore, Chief Legal Counsel; Patrick Waters, Senior Attorney; Ryan Haga, Attorney; Melissa Mundt, Joe Connor and Gordon Criswell, Assistant County Administrators; Chris Slaughter, Land Bank Manager; Greg Talkin, Neighborhood Resource Center Director; and Officer Chris Blake, Sergeant-At-Arms.

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

Approval of standing committee minutes from May 2, 2016. **On motion of Commissioner McKiernan, seconded by Commissioner Walters, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

Item No. 1 – 16679....ORDINANCE: AMENDMENTS TO VARIOUS CONSTRUCTION CODE SECTIONS

Synopsis: Proposed updates and amendments to the Unified Government’s Electrical Code, Building Code, Fire Code, Plumbing Code, Property Maintenance Code, Mechanical Code, and Residential Code for One- and Two-Family Dwellings, submitted by Ryan Haga, Attorney.

Greg Talkin, Neighborhood Resource Center Director, said we are here this evening to, I’ve got some staff in support but I think I’ll get through this on my own, but I may have to call them up if there’s any specific questions.

Pursuing Adoption of New Codes and Standards

JULY 11, 2016

We are pursuing the adoption of new codes and standards. We do that approximately every six years. This year's just a little bit different.

Recommendations

2012 Series Codes + 2011 NEC

- International Building Code
- International Fire Code
- International Residential Code
- International Mechanical Code
- Uniform Plumbing Code
- International Property Maintenance Code

- 2011 National Electric Code (NEC)-published by NFPA

Note: Staying with 2009 Energy Code provisions


We're pursuing the adoption of the 2012 Standards, which would include 2012 International Building Code, International Fire Code, International Residential Code, Mechanical Code. We always go with the Uniform Plumbing Code because our partners in the community, the plumbers and everything, they prefer that Code. They're pretty much equal. It's got to do more with a union issue.

July 11, 2016

Then, the International Property Maintenance Code, we're also pursuing the adoption of the 2011 National Electric Code. Due to some things going on in the industry, we're staying with the 2009 Energy Code.

Purpose for Adoption of New Codes

- Preserve Flood Insurance Discount for Community-ISO
- In line with most other Metro Jurisdictions
- Updated Standards
 - Developers/Architects generally prefer updated Standards and Codes
 - Image/Perception
 - Support and Reference Materials



The purpose for adopting new standards, our main purpose for bringing them forward at this time is we're currently getting ready to go through the flood insurance program reevaluation. Two key points in that program, we have to stay within six years of current code. What that program does is it gives insurance breaks to those that need flood insurance. That's a program that's run through the Planning & Zoning office, but that's a contributing factor out of our office that assists us in getting them a bigger reduction.

Also, we're trying to be more in line with the other metro cities and, of course, updating standards. Most developers and architects generally prefer updated standards. Older standards are hard to find reference material. They start designing under the new standards and the old standards kind of go by the wayside and they design to those anyway. Also, it helps our image and perception in the development community.

Processes Prior to Commissions Exposure

Public and Professional Input

- Request for Participation and Input Mailed out –Building /Residential Codes
- Committees Formed
- Verifying Direction of other Jurisdictions
- Solicitation at Liveable Neighborhoods meeting on IPMC

Our process for doing this, we requested participation and input. We mailed that out to several of our community partners. There were committees formed. We also talked to other jurisdictions to find out where they're out, especially those in the metro area. We also solicited input from Liveable Neighborhoods on the Property Maintenance Code, which is the items that Code Enforcement enforces.

Committees Formations

Three Separate Committees

- Building/Fire Committee
 - Building, Fire, Plumbing, Electrical, Mechanical Codes.
 - Committee made up largely of staff, licensed trades people, architects, engineers, builders and developers.
- Residential Committee
 - Residential Code
 - Committee made up largely of Staff and Residential Contractors
- Property Maintenance Committee
 - Property Maintenance Code
 - Committee made up largely of Staff, Property Owners, Landlords and Neighborhood Leaders.

There were three committees that were formed. We had a Buildings and Fire Codes Committee. That involved Building, Fire, Plumbing, Electrical and Mechanical Codes. That committee was made up largely of our staff, UG staff including the Fire Department, licensed trade people, architects, engineers, builders, and developers.

July 11, 2016

We developed a Residential Committee. Those are our residential builders that were involved in that process. We had a Property Maintenance Committee, which involved some property owners, landlords, neighborhood leaders and staff.

I have to back up when I say a lot. We actually had very minimal participation this year because we were adopting a standard that was well known already to the industry. Nobody really proposed a lot of changes to amendments to the standards and they felt fairly comfortable with everything we were adopting.

Metro/Kansas Codes Adoption Comparison

Source: Kansas Codes Collaborative-Kansas Corporation Commission

General Comments:

- State of Kansas-for those communities who have adopted Building Codes
 - Only one city has adopted the 2015 codes
 - All other Kansas communities have adopted the 2012 or older codes
- Metro Area
 - Kansas City, MO has adopted 2012 Codes-Not pursuing 2015
 - Johnson County has Adopted 2015 Codes-Not pursuing 2015
 - Most cities in JOCO have adopted the 2012 Codes or older-None pursuing the 2015

In looking across the state and the metro area, we're adopting the 2012 Standard which there is a 2015 out. The reason why we're staying back one cycle, first of all the comfort level with the community and the partners. Second of all, nobody's adopting the 2015 for various reasons. We're trying to stay kind of similar to all the metro areas so our codes are similar in nature so it's easier for those builders and developers to know what we're under.

Kansas City, Missouri's under the 2012. They're not pursuing the 2015. Johnson County, I'm sorry that is incorrect. They have not adopted the 2015. They are not pursuing the 2015 either. They're under the 2012. Most Johnson County cities are under the 2012 or older versions. Nobody's adopted the 2015.

There is only one city that I'm aware of that's adopted the 2015 Standard and that's actually in Wyandotte County. It's Bonner Springs because they got out of the chute earlier than

everybody and didn't realize that they were not going to adopt, most weren't going to adopt the 2015. We're trying to stay similar, once again, with what the metro area has adopted.

One more comment. We did receive, I mean we invited more than 70 people to the table on the Buildings Code Committee, which we split up into two separate committees after they got together to form the Residential and the Buildings Code Committee. Those that were interested in Residential went one way. Those that were interested in the Commercial went the other way.

Out of those 70, we've only had 20 participants. Largely, the feedback was we don't have any comment of change in those standards. We're used to them.

The only one change that we did amendment to the standard itself, the primary amendment in the Building Code, was we did increase an exit distance travel issue that NorthPoint brought to our attention. It was a travel distance issue that was in the 2006 Code and it's in the 2015. For some reason in the 2012, they reduced it with no other change in the provision. So, we increased it to the distance travel back to what the 2015 required. It helped them on their development of the Amazon announcement as well as another project they have coming forward in the very near future.



Adoption of New Codes Initiative

New Codes – New Progress

JULY 11, 2016

That's all I have.

Commissioner McKiernan asked in terms of permitting and inspection standards, as we compare ourselves to surrounding communities, we're on a par with them. We don't have any

July 11, 2016

extra permitting or inspecting requirements compared? As I'm thinking about contractors and developers who want to come into our area, they wouldn't encounter extra hurdles in Wyandotte County, then, right. **Mr. Talkin** said the only exception I'm going to say, Commissioner, is some of the very small communities may not have the same requirements. In comparison, I think we're kind of similar to Olathe and all the cities in the metro area. We have no extra requirements than them. We have a lot less requirements than Kansas City, Missouri.

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

Item No. 2 – 16683....ORDINANCE: EXPANDING UG'S ABILITY TO PLACE A LIEN FOR DAMAGE TO A STRUCTURE

Synopsis: Proposed amendments to expand the ability of the UG to place a lien on the proceeds of any covered claims for damage to a structure in excess of 75% of the face value of the insurance policy, submitted by Ryan Haga, Attorney.

Ryan Haga, Attorney, said it's in response to the Kansas Legislature amending K.S.A. 40-3901 which previously we were only allowed to assert liens on properties that were storm damaged or wind damaged or fire damaged. Basically, the Kansas statute that the ordinance is based on took away those qualifiers. Now it's applicable to the damage to any structure or structure damage caused by any form of damage.

Commissioner Townsend said you answered one of the questions that I have. It looks like our ordinance is taking out specific hazards that were named. Is that what also happened at the state level? **Mr. Haga** said that's correct.

Commissioner Townsend said the other thing that confused me was the definition of what they're calling a covered claim and when this applies. Is it essentially only applicable to people who may have insurance or what happens if they don't have insurance? At what amount is there a lien assessed? Those are the questions I had as I read this.

Mr. Haga said this only applies to those individuals that have covered claims. They have insurance in place. There is, of course, certain limitations to that. The claim, I think, has to be 75% of the policy value before it really kicks in, and the mortgage companies have first rights to the dollars that are there in the insurance. If there's insurance and the other thresholds are met, I can't remember, I believe we get 10% or 15%. It's changed over the years a couple of times. We get 15% to hold.

That is sent to the Treasurer's Office. They communicate with the NRC. We, through the Code Enforcement Office and Demolition, we use that as bargaining to get either the house repaired or demolished. Once the owner takes care of the problem, we will return those funds to the policyholder. If they do not take care of the problem over time, we can utilize those funds to both take care of the issues as well as pay any back taxes that are due.

Commissioner Townsend said let's say on my residence I have property. There's a fire, wind, whatever, flood. I put in for a claim to help take care of the damage. Will the UG get a certain percentage of that claimed amount upfront to hold as a lien in case I don't get my property taken care of or repaired? **Mr. Haga** said provided the criteria net is met, the 75% threshold and the fact that there's a mortgage company, yes. They send 15% of the proceeds for the amount they determine to be the damage then we hold that. The Treasurer's Office holds those dollars until we are provided proof that they've taken care of and repaired the property or demolished it.

Commissioner Townsend said here's what I'm missing. If some of the money is to be given to the UG, will that not impair the homeowner's ability to take care of whatever the damage is though? **Mr. Haga** said it very well could. We have worked with a number of individuals that have had problems in that area where as long as they're showing due diligence, and they should have 85% of the proceeds and we're only holding 15. If they make progress with that 85%, we have released portions of that funding to help them finish the project. Just trying to make sure that they're going to complete it.

Commissioner Townsend said let's say the project is satisfactorily completed, what happens to the 15% that we have held? **Mr. Haga** said all of it's returned, as well as interest, to the policyholder.

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

Item No. 3 – 16682....COMMUNICATION: LAND BANK TRANSFERS

Synopsis: Request review by the Neighborhood & Community Development Committee of the proposed packets and forward them to the Land Bank Board of Trustees for final consideration, submitted by Chris Slaughter, Land Bank Manager.

Side-lots

36 S. Hallock St. - Distant Vista Properties, LLC

38 S. Hallock St. - Distant Vista Properties, LLC

(Applicant will be extending his property and cleaning/maintaining property(s). Parking is an option for the future to service other property(s) owned in the area.)

3014 N. 17th St. - Maria Fernandez

1716 N. 25th St. - Claude Johnson

Rehab

3023 S. 23rd Cir. - Residential Revival, LLC

(Applicant will be rehabbing the single-family home.)

Transfers from Land Bank

2921 S. 53rd St. - Argentine Betterment Corporation (ABC)

4714 Vista Dr. - Argentine Betterment Corporation (ABC)

(ABC will be building a single-family home using CDBG funds on these properties.)



July 11, 2016

Chris Slaughter, Land Bank Manager, said we have five applications tonight. Four of them are basically yard extensions, so we'll go through this quickly.

Yard Extension Applications

- Distant Vista Properties, LLC 36 S Hallock St
- Distant Vista Properties, LLC 38 S Hallock St
- Maria Fernandez 3014 N 17th St
- Claude Johnson 1716 N 25th St

We have two with Distant Vista Properties for 36 and 38 S. Hallock Street. Maria Fernandez is requesting 3014 N. 17th Street and Mr. Johnson, 1716 N. 25th Street.



This is an aerial for 36 and 38 S. Hallock. It's the shaded ones here. These are highlighted properties of the applicant.

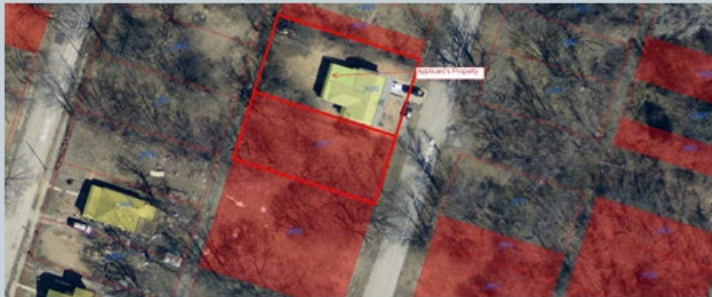
July 11, 2016

**Yard Extension – Distant Vista Properties, LLC
36 & 38 S Hallock St**

- Applicant owns property at **549 Lowell Ave & 41 S 6th St**
- Applicant is current on property taxes & has no open Code cases
- Appraised Value of **36 S Hallock St: \$630.00**
- Appraised Value of **38 S Hallock St: \$670.00**
- Potential Taxes: **\$25.00** (*approximate/combined*)

Those property addresses are 549 Lowell, 41 S. 6th Street. The applicant is current on taxes. There are no code cases. The appraised value of the two properties is roughly about \$1,300 and the potential for new taxes would be \$25 per year, those are combined.

Yard Extension – Maria Fernandez 3014 N 17th St



The next applicant there is for 3014 N. 17th Street. The Land Bank property is this one. This is the applicant's property.

Yard Extension – Maria Fernandez 3014 N 17th St

- Applicant owns property at **3020 N 17th St**
- Applicant is current on property taxes & has no open Code cases
- Appraised Value of **3014 N 17th St: \$770.00**
- Potential Taxes: **\$15.00** (*approximate*)

Kind of the same spiel here. 3020 is owned by the applicant, no codes, current on taxes. The appraised value of the Land Bank property is \$770 which should generate about approximately \$15 in new taxes.

Yard Extension – Claude Johnson 1716 N 25th St



Now we have Mr. Johnson, 1716 N. 25th. Again, the shaded area is the Land Bank property.

Yard Extension – Claude Johnson 1716 N 25th St

- Applicant owns property at **1718 N 25th St**
- Applicant is current on property taxes & has no open Code cases
- Appraised Value of **1716 N 25th St: \$340.00**
- Potential Taxes: **<\$5.00 (approximate)**

He is the owner at 1718, current, no codes. \$340 is the Land Bank appraised value. It should generate greater than \$5 of approximate new taxes. That is a greater than sign. Those are, generally, the yard extensions we have.

Rehab Project – 3023 S 23rd Cir

RESIDENTIAL REVIVAL

**RESIDENTIAL
REVIVAL**

We also have a house rehab. I can go right into that. I didn't know if you wanted to separate these out. **Chairman Walker** said go on with it.

Rehab – Residential Revival, LLC 3023 S 23rd Cir



3023 S. 23rd, this is a rehab project. Our applicant is Residential Revival. They are in attendance in case there are any questions.

This is an overview of the South 23rd neighborhood. Some of the highlights: you've got I-35, BNSF Railroad, Merriam Lane up here to the north and this is South 23rd Circle.

Rehab – Residential Revival, LLC 3023 S 23rd Cir



There's just a close up of the property. A pretty good sized lot.

July 11, 2016



Just a reminder of the current conditions of the house: there is some mold damage, it has been abandoned, no current utilities going to the property.

Rehab – Residential Revival, LLC 3023 S 23rd Cir

History

- Donated to Land Bank on December 18, 2015 from U.S. Bank through the Wells Fargo Donation Program
- Board approved transfer to KCKCC Tech Center in January 2016 – KCKCC later passed on opportunity
- Approached by Residential Revival, LLC

Just a quick history of it. It was donated to us back in December of last year from Wells Fargo. This was the one you guys approved to be sent to the Tech Center at KCK. They later came back and said that they would have to pass on the opportunity.

Out of the blue we were approached by Residential Revival, hey this is what we do. Do you got any properties? Hey, why don't you go look at this one. They went and looked at.

July 11, 2016

Rehab – Residential Revival, LLC 3023 S 23rd Cir

- Residential Revival, LLC
 - Mission – revitalize homes that have been neglected.
 - Existing experience in rehabbing homes
 - × 4008 Holly Street KCMO
 - × 4505 NE Carolane Street KCMO



Their mission is to revitalize homes that have been neglected. Here are two examples of properties that they've already taken care of.

4008 Holly Street



4008 Holly Street is one that me and Mr. Brockman went and visited. Here are some pictures of that property. Very impressed with what they've done. As you can see, pretty new upscaled amenities. Very open floor plan which is pretty neat and would probably work out well with the South 23rd property.

July 11, 2016



This is the other property on Carolane Street.

Rehab – Residential Revival, LLC 3023 S 23rd Cir

- Property – **3023 S 23rd St**
- Appraised Building Value - **\$56,390.00** (\$71,240.00)
- Inspected Repair Value - **\$28,195.00** (50% damage)
- Agreed Selling Price - **\$15,000.00**
- Rehab Timeframe – **3+ months**

• *Property at 3031 S 23rd St was recently rehabbed and sold for \$103,000.00*

Now a little bit about the property again. The building is appraised at \$56,390. The total is \$71,000 plus. Through our initial evaluation and inspection, we've come up that there's about 50% damage to the property. That gave us roughly the value down to \$28,000 plus.

After some negotiations, we've agreed on a \$15,000 selling price to the applicant. They are proposing about a little over a three-month timeframe to get this rehab done. One thing we wanted to point out, the property right next door, 3031, was recently rehabbed and sold for \$103,000. Not by them, but it is capable of being done in that neighborhood. I know one of the

July 11, 2016

things that the Community College had issues with was the ability to get a property back to that position.

That's all we have for the application part of the presentation.

Commissioner Murguia said I just want to know who Residential Revival is. That's my district. I just want to know who it is. **Mr. Slaughter** said they are available. **Commissioner Murguia** said that's alright. I don't have any questions for you. I'm Commissioner Murguia and hopefully you'll call me because I'd like to talk to you about housing. That's my district, so I appreciate what you're doing.

Commissioner Townsend said I'd also like to know is your rehab, are you looking at all districts of the city for rehab opportunities or only certain districts. **Andrew McClain, Residential Revival**, said we're looking at all districts. We were, Adam and I were both raised in KCK so that's where we're kind of focusing on first. We've done properties in Kansas City, Missouri, Northland, but we're open to any opportunity. **Commissioner Townsend** said I'm Commissioner Townsend and after you're through with Commissioner Murguia, I would love to speak with you both.

Mr. Slaughter said I'll just add that our housing stock is very limited right now so that's kind of why this fell into this position. As we obtain more properties, yes, we hope to obtain more qualified applicants like that.

Commissioner Townsend said you said that the junior college had some concerns about getting the rehab up to the dollar value of some of the other properties. **Mr. Slaughter** said I think completing the project, they had some issues with being that close to the train. I think there was some other liability issues that their board just wasn't comfortable with. We told them that we will always be here in case there are other properties. Hopefully, something eventually can work out with them, but this just didn't work out.

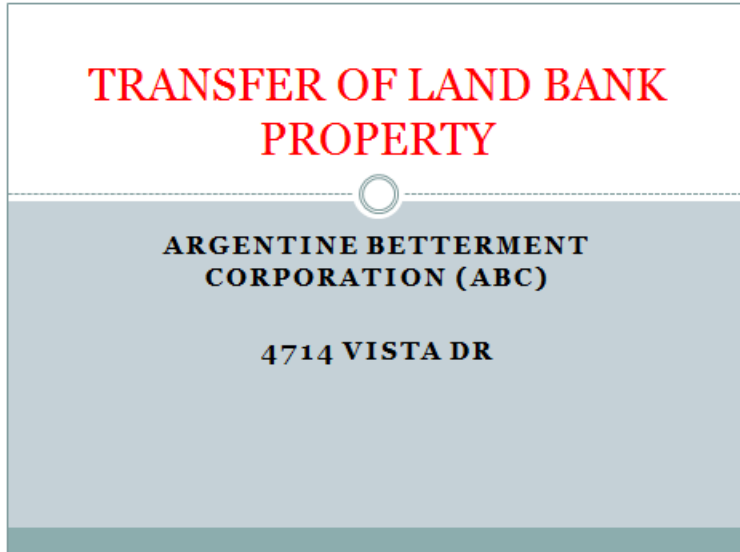
Commissioner Murguia asked are you fair market or non-profit? **Mr. McClain** said fair market.

Chairman Walker said why don't you approach the podium and state your name and business address for the record so everyone in the public will know who you are in case they have a piece of property they want to contact you about. **Mr. McClain** said we'll leave cards. Andrew McClain, my business partner is Adam Golubski. Our business address is currently his home address, 4609 North Main Street, Kansas City, Missouri. We can leave our contact information and any details anyone wants. **Chairman Walker** said I think you should. There's certainly opportunities the commissioners know of in their districts that may or may not intrigue you. **Mr. McClain** said I'm a KCK alumni so I'll make right for what they walked away from. We'll fix it up.

Commissioner Murguia said the real question is, where are you from in KCK. **Mr. McClain** said Indian Woods, 86th Street. That's where we both lived until we left for college. **Chairman Walker** said we're glad you're taking on this kind of project. We wish there were a dozen of you working simultaneously to do the same thing. **Mr. McClain** said we'd like to multiply ourselves to act like a dozen if we can get enough properties. **Chairman Walker** said if you'd make sure the Commission gets your contact information. **Mr. Slaughter** said I'll make sure to pass that on to everybody.

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

Mr. Slaughter said the last thing we have, your packet had two properties to be considered for transfers to ABC, Argentine Betterment Corp. The first one, 2921 S. 53rd, we are pulling that. That will not be under consideration for tonight.



Really, we have 4714 Vista Drive for consideration to be transferred to them.



Here's an aerial. I will point out that this house is no longer standing. In fact, the funds we received with the donation of the S. 23rd Street went to strategically demo that property.

July 11, 2016

**Transfer of property to
Argentine Betterment Corporation (ABC)**

- Donated to Land Bank on September 15, 2015 from U.S. Bank through the Wells Fargo Donation Program, via Board approval
- ABC was to rehab property, however, extensive structural damage was discovered
- Land Bank paid for a Strategic Demolition of property
- ABC plans to build new house on property

Some good has come from the Wells Fargo program obviously. Right now, it is completely demoed. The plan, eventually, will be a new house to be constructed there. We're just wanting to get your guys' approval out of the way so when the transfer actually does take place, we can just bang, bang, get it done instead of waiting to the next calendar to get it on the agenda.

Action: Commissioner McKiernan made a motion, seconded by Commissioner Townsend, to approve as submitted.

Commissioner Murguia said I have just have a comment for clarity for people. This is being run by the Argentine Betterment Corporation. Just for the record, I have nothing to do with that organization. I'm not the executive director of that nor do I serve on the board or any sort of paid advisor for them. Just for the record, that's not my district. That's Turner. ABC is doing that, some courtesy work in assisting the local commissioner, Commissioner Markley, in renovating the Highland Crest area. Just saying that for the record.

Chris, you did a great job on that. I'm aware of it because I also provide assistance to Commissioner Markley on housing redevelopment.

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.

mls