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March 4, 2013

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Mayor
City of Lawrence - City Hall
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Re: Proposed Ordinance No. 8840

Dear City Administrator and Commissioners:

I am writing on behalf of my client, Lawrence Apartments Association, Inc. ("LAA"), to express LAA's opposition to proposed Ordinance No. 8840. As you are likely aware LAA members are heavily invested in our community. In fact, there likely is no other industry in Lawrence that is as heavily invested (or pays more in property taxes) than the Apartment industry. LAA members are proud of the housing stock they provide to their neighbors and fellow citizens.

Proposed Ordinance No. 8840 is a misguided attempt to solve a variety of issues that have very little to do with Apartment housing stock in our community. This is a far-reaching potential governmental bureaucracy which is not properly focused on the issues the Commission has recently said it would like to address. As should properly be considered, the cost/benefit ratio resulting from the proposed Ordinance is significantly out of balance.

In 2012, the city's Code Enforcement records indicate there were a total of only 8 violations in apartment properties. This is not just staff-initiated complaints. This total includes all complaints and violations regardless of source. In other words, there were only 8 violations in apartment properties including complaints from community citizens, the tenants themselves, or city officials. For this small amount of violations, Ordinance No. 8840 will create a huge and incredibly burdensome bureaucracy.

The costs associated with the proposed ordinance go beyond just the registration fees and inspection fees (which are significant in their own right). Apartments will have to provide staff to be available for inspections which will result in additional expenses. Moreover, some complexes will require dedicated city rental inspectors for weeks at a time simply to complete the initial inspections. For instance, there will be several complexes which the proposed ordinance will require more than 200 units to be inspected. If the inspections required by the proposed ordinance could be completed in 2 hours (which would be a very efficient inspection) and 200 units were to be inspected, just that complex would require a dedicated inspector for 2 ½ weeks. That means that an apartment complex would have a staff person with the inspector for that same period of time.

You will recall that the overwhelming majority of incidents discussed at previous City Commission meetings involved issues regarding single-family homes in older neighborhoods which had been converted into rental units. Obviously, these types of rental properties are significantly different from apartment properties. Apartment properties are typically newer, built to applicable codes, regularly inspected for property insurance purposes, and maintained by professional staff. Proposed Ordinance No. 8840 simply carries too much associated cost given the benefit to be obtained.

Apartment properties provide a significant portion of Lawrence's housing stock. The proposed expansion will likely force apartment owners to pass along the additional costs to tenants. While it may seem a small price, any increase will further impact housing affordability for the large percentage of Lawrence residents residing in apartments. These are the homes for many of our community neighbors. Burdensome taxes such as the ones in the proposed ordinance are heavily regressive and come at a very inopportune time given our community's somewhat stagnant economy and job growth. Furthermore, while cost estimates show a fee supported inspection program, the possibility remains that costs of the program may exceed the fee estimates. If the program's design requires cost be passed through via registration fees and the program's costs rise, Lawrence apartment residents will bear the rising bureaucratic cost of the program. If, however, the City were to subsidize the program rather than rely solely on registration fees, can the City afford to do so in light of other fiscal priorities?

In addition to the significant financial burden, expanding the Rental Registration Program raises serious civil liberty and other law enforcement issues. The question must be asked: why single-out this type of residence for inspection when numerous examples of owner-occupied residences fail to meet appropriate standards? How will residents' civil liberties be guarded?

What can or should be done as an alternative to Ordinance No. 8840?

1. The LAA supports best practices of its members and encourages the City to vigorously enforce its existing codes against any violator. Enforcement of current city housing codes will adequately address the issues (which, again, typically referenced a

converted single-family residence) most often cited at previous City Commission meetings by proponents for expansion of the Rental Registration Program. Unfortunately, the proposed ordinance is unduly burdensome, unnecessary, makes our community's business climate appear unfriendly, and will have serious unintended results to the large Lawrence population which resides in apartments. Government action should be narrowly tailored to solve specific issues which need to be addressed. The LAA urges the City Commission to not approve proposed Ordinance No. 8840 and, instead, focus on vigorous enforcement of the existing city housing codes to punish the offending parties.

2. The Lawrence-Douglas County Housing Authority already has a property inspection and certification program in place. Why should our city government duplicate services rather than looking at what is already in place to see how an existing program could be utilized? Given that the LDCHA has experienced inspection staff in place and understands the process of inspecting properties and certifying the same, the city could look to the LDCHA as the inspection provider city-wide with the possibility of "certifying" properties.

3. Has the City Commission considered requiring all rental agreements in Lawrence to include notice to tenant of the contact information for code enforcement? Would the City Commission consider requiring all landlords to post on the interior side of entrance doors a placard (similar to what is required with hotels) notifying the tenants of the city's code enforcement offices and a phone number to contact with complaints? Again, vigorous enforcement of existing city housing codes with significant penalties for violators seems like a very good mechanism to address the issues previously presented to the City Commission and obtain the desired results.

Please consider reasonable, narrowly focused governmental action to address the concerns with which you have been presented. Creating a large and expensive bureaucracy will only increase the cost of housing in Lawrence and will disproportionately burden citizens who live on lower incomes. Proposed Ordinance No. 8840 is similar to using a sledgehammer to drive in a nail. While the nail may be driven, the sledgehammer is overly aggressive, not the right tool, and will be certain to cause undesired collateral damage.

Very truly yours,
STEVENS & BRAND, L.L.P.



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Old West Lawrence Association
Kirk McClure, President
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March 4, 2013

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Re: **Rental Registration**

Mayor and Commissioners,

The City Commission is considering whether it should expand the requirements of the rental registration process. The Old West Lawrence Association supports this expansion.

Lawrence is a college town. As a college town, about one-half of its housing stock is in rental tenure, which is much higher than the one-third found in the nation as a whole. Rental housing is a normal part of the housing stock, but without proper protections, rental housing can have a destabilizing influence upon a neighborhood. Lawrence has witnessed this impact far too often. These damaging effects from rental housing caused the City to adopt limitations upon the number of unrelated individuals who could occupy rental housing in single-family zoned neighborhoods. There is nothing about these damaging effects that is limited to just single-family neighborhoods or to rental units in buildings of a specific number of units.

The Old West Lawrence Association calls for the City of Lawrence to expand its rental registration requirements. The City should not delay further. Rental registration should apply to all districts of the City and to rental units in structures of any size. Please do not wait for the problems to become any worse. Delay will only further the destabilizing effects of poorly maintained and poorly managed rental housing.

Yours truly,

Kirk McClure, President
Old West Lawrence Association

Date: February 8, 2013

To: Mayor Robert Schumm, City of Lawrence

Cc: City Commissioners Dever, Cromwell, Amyx, and Carter; City Manager David Corliss

From: Laura Routh, Chair, Lawrence Association of Neighborhoods (LAN)

RE: LAN Support for expanded rental registration and inspection

LAN believes that it is municipal government's primary obligation to protect public health and safety. Thus, LAN supports the City's proposed expansion of rental registration and inspection for all Lawrence residential rental properties. We believe that this expansion is necessary to adequately enforce the City's building, zoning, fire, and health codes.

LAN is aware of ongoing problems with rental housing throughout Lawrence; we routinely hear reports of violations of zoning, building and safety codes, which can go largely unaddressed due to resource limitations within the Code Enforcement department. We believe an expanded rental registration and inspection program will give the City the data and resources necessary to operate a workable, cost-neutral program. It may also give City officials better ability to enforce code and zoning rules already on the books.

As proposed, an expanded program offers a number of additional benefits to tenants, landlords, and the community at large:

- An expanded program will level the playing field for all rental owners and operators, and thus will give the City the ability to reward good landlords.
- An expanded program will protect the health and safety of tenants and neighborhoods, and reduce the risk of apartment house fires, injury and death¹.
- An expanded program can offer City officials stronger tools to combat blight and address rentals with significant problems. Expansion of the program to all areas of the City will help prevent demolition by neglect, thus preserving historic residential properties and improving neighborhoods.
- An expanded program can offer residents and rental owners alike new resources and information that will improve overall quality of life in Lawrence.
- An expanded program will improve tenant safety, property standards and help resolve chronic negative conditions that exist in some Lawrence neighborhoods, particularly in campus areas.
- By requiring full disclosure of rental registration, consumers in the rental marketplace will be able to make fully informed decisions and City officials will be able to locate and communicate with rental owners.

We ask the City Commission to move forward, now, with this important initiative. It is necessary to safeguard tenants, neighborhoods, and the general welfare of our community.

We appreciate the Commission's consideration of our comments, and respectfully request that this memo be made part of the public record regarding this issue. Thank you.

¹ Some municipalities, after undertaking similar efforts, have seen fewer building fires: <http://www.rcnky.com/articles/2012/10/25/rental-inspection-program-gets-mixed-reaction>