



# City of Lawrence

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## CITY COMMISSION

**MAYOR**  
MICHAEL DEVER

**COMMISSIONERS**  
MIKE AMYX  
JEREMY FARMER  
DR. TERRY RIORDAN  
ROBERT J. SCHUMM

March 25, 2014

The Board of Commissioners of the City of Lawrence met in regular session at 6:35 p.m., in the City Commission Chambers in City Hall with Mayor Dever presiding and members Amyx, Farmer, Riordan and Schumm present.

## **A. RECOGNITION/PROCLAMATION/PRESENTATION**

1. Recognition of the 2014 Kansas Youth of the Year.

## **B. CONSENT AGENDA**

**It was moved by Riordan, seconded by Schumm,** to approve the consent agenda as below, with the exception of consent agenda items No. 3, regarding claims, No. 4, regarding licenses, and No. 18, regarding the “rolling mural.” Motion carried unanimously.

1. Approved City Commission meeting minutes from 02/25/14.
2. Received minutes from various boards and commissions:

Aviation Advisory Board meeting of 01/23/14  
Homeless Issues Advisory Committee meeting of 12/10/13  
Lawrence Cultural Arts Commission meetings of 01/08/14 and 02/23/14  
Lawrence Douglas County Bicycle Advisory Committee meeting of 02/18/14  
Parks & Recreation Advisory Board meeting of 03/11/14  
Public Health Board meeting of 01/21/14  
Sustainability Advisory Board meeting of 02/12/14

3. **PULLED FROM THE CONSENT AGENDA FOR A SEPARATE VOTE.** Approved claims to 245 vendors in the amount of \$4,059,369.87, and payroll from March 9, 2014, to March 22, 2014, in the amount of \$ 1,965,238.53.
4. **PULLED FROM THE CONSENT AGENDA FOR SEPARATE VOTE.** Approved licenses as recommended by the City Clerk’s Office.

### **Drinking Establishment License**

### **Expiration Date**

Jazzhaus of Lawrence  
Richard McNeeley  
926 ½ Massachusetts

March 16, 2014



The Hawk  
Jayhawk Café Inc.  
1340 Ohio  
March 21, 2014

23<sup>rd</sup> Street Brewery  
23<sup>rd</sup> Street Brewery LLC  
3512 Clinton Pkwy  
April 7, 2014

Holiday Inn Lawrence  
Hulsing Hotels Kansas Inc.  
200 McDonald Drive  
March 20, 2014

### **Retail Liquor License**

Kansas Crown Discount Liquor  
Jennifer Ankenbauer  
1215 West 6<sup>th</sup>  
March 11, 2014

### **Sidewalk Dining License**

Merchants Pub & Plate  
Will & Pete's LLC  
746 Massachusetts  
New License

#### **5. Bid and purchase items:**

- a) Set a bid date of April 8, 2014 to purchase crack sealing materials and rental of crack sealing machine for Project Number PW1404, 2014 Crack Sealing Program.
- b) Set a bid date of April 22, 2014 for City Bid No. B1368, Project Number PW1343 – Community Health Facility Improvements.
- c) Set a bid date of April 29, 2014 for the KLINK project, 6<sup>th</sup> Street (U.S. 40 HWY) from K-10 to Folks Road and 23<sup>rd</sup> Street (K-10 HWY) from Iowa Street to Ousdahl Road, Project No. PW1401, Bid No. B1422.
- d) Approved the purchase of parts room equipment for the Public Works Department Central Maintenance Garage from Southwest Solutions Inc., under the NJPA contract in the amount of \$93,028.51.
- e) Approved the purchase of one (1) front load refuse truck and one (1) automatic side load refuse truck for the Public Works Solid Waste Division, from Elliott Equipment in the total amount of \$186,185 and Downing Sales in the total amount of \$188,641.
- f) Approved the purchase of one (1) grapple bulk truck for the Public Works Solid Waste Division from American Equipment in the amount of \$113,975.

- g) Approved the purchase of one (1) Tool Cat 5600 G-Series and accessories for the Public Works Department from K.C. Bobcat for the amount of \$61,757.17, utilizing the NJPA Contract #060311-CEC competitive bid contract.
  - h) Approved the sale of surplus equipment on GovDeals.
  - i) Authorized the City Manager to execute an Engineering Services Agreement, in the amount of \$179,595 with George Butler Associates, Inc., for Project UT1402 City of Lawrence Flow Monitoring Program.
  - j) Approved the purchase of specialty children's furniture for the Lawrence Public Library from Business Interiors by Staples in the amount of \$63,601, funded from the \$18 million library renovation debt issuance.
  - k) Approved the purchase of three (3) fixed-route transit vehicles from Kansas Truck Equipment Co., for \$68,086 each, or \$204,259 total, utilizing the Kansas Department of Transportation state bid vehicle contract.
  - l) Approved the purchase of six (6) paratransit vehicles (T-Lift) from Kansas Truck Equipment Co., for \$57,500 each, or \$345,000 total, utilizing the Kansas Department of Transportation state bid vehicle contract.
6. Adopted on second and final reading, the following ordinances:
- a) Ordinance No. 8968, authorizing the possession and consumption of alcoholic liquor on the 100 block of E. 8<sup>th</sup> Street and the intersection of 8<sup>th</sup> Street and New Hampshire Street from 4:00 p.m. – 10:00 p.m. on April 18, 2014 during the Kansas Relays.
  - b) Ordinance No. 8966, rezoning (Z-13-00516) approximately 2.391 acres from RM32 (Multi-Dwelling Residential) District to MU-PD (Mixed Use with PD Overlay) District, located at 1101 Indiana Street.
7. Initiated the de-annexation, A-14-00073, and vacation of plats for approximately 87 acres located at 2200 Noria Road and 4600 W. 23<sup>rd</sup> Street. Submitted by Barber Emerson, for Economic Development Corporation of Lawrence and Douglas County, property owner of record.
8. Initiated rezoning, Z-14-00056, approximately .126 acres located at 512 and 514 Locust Street from RSO (Single-Dwelling Residential-Office) District to CN1 (Inner Neighborhood Commercial) District. Submitted by Quentin Cole, property owner of record.
9. Approved the rezoning, Z-13-00519, approximately 3.35 acres from RM12 (Multi-Dwelling Residential) District to RM24 (Multi-Dwelling Residential) District, located at the NE corner of Bob Billings Parkway and K-10/SLT to be known as part of the Langston Commons Subdivision. Submitted by Tim Herndon on behalf of RSR Holdings LLC, property owner of record. Adopted on first reading, Ordinance No. 8969, rezoning (Z-13-00519) approximately 3.35 acres from RM12 (Multi-Dwelling Residential) District to

RM24 (Multi-Dwelling Residential) District, located at the NE corner of Bob Billings Parkway and K-10/SLT to be known as part of the Langston Commons Subdivision. (PC Item 6; Approved 10-0 on 2/26/14)

10. Approved the Special Event, SE-14-00071, for antique auto show parking May 2-4, 2014, to be located on the western portion of the Lawrence VenturePark property, adjacent to the Douglas County Fairgrounds. Submitted by James McKenzie, for the Antique Automobile Club of America.
11. Approved the Special Event, SE-14-00111, for Arnold's Greenhouse at the parking lot located at 2525 Iowa Street, from April 4-May 16, 2014. Submitted by Arnold's Greenhouse, Inc., with permission of WIN LLC, property owner of record.
12. Approved the Special Event, SE-14-00093, for a Country Produce tent sale at the parking lot located at 2525 Iowa Street, from May 23-August 14, 2014. Submitted by Julie Galemore, Country Produce, with permission of WIN LLC, property owner of record.
13. Authorized staff to proceed in negotiations with Airport Development Group to develop a project scope and costs for an environmental assessment study at the Lawrence Municipal Airport.
14. Authorized the Mayor to execute an agreement with the Kansas Department of Transportation for the 9<sup>th</sup> Street, Avalon Road to Arkansas Street, improvements, Project No. PW1302.
15. Authorized the Mayor to execute Supplemental No. 1 to the City State Agreement No. 12-12 with the Kansas Department of Transportation, for relocation of water and sewer mains and acquisition of property for the South Lawrence Trafficway and 31<sup>st</sup> Street projects.
16. Authorized staff to negotiate an Engineering Services Agreement with Black & Veatch for Preliminary Engineering Services for Project UT1403 Evaluation of Rehabilitation and Replacement Options for the Stratford Elevated Tank.
17. Authorized the City Manager to execute a License Agreement with Southern Star Central Gas Pipeline, Inc., allowing it to use the City Rights of Way at South Ousdahl Road and South Michigan Street in the vicinity of 33rd Street for the placement of its pipeline for the transmission of natural gas, all in accordance with the terms of that License Agreement.
18. PULLED FROM THE CONSENT AGENDA FOR SEPARATE DISCUSSION. Approved the partnership with Van Go for a "rolling mural" that will be applied to a 20 foot bus which operates on the NightLine and approve expenditures of \$3,975 in local transit funds.
19. Approved the recommended changes to applications for outside agency funding as part of the 2015 Budget process.
20. Authorized the Mayor to sign a Release of Mortgage for Elbert Sanders, 2002 W. 27<sup>th</sup> Street Terrace.

21. Authorized staff to set proposal due date for R1404 - UT1415 Emergency Sanitary Sewer Repair and to negotiate with selected project team.
22. Authorized the City Manager to send a letter to the Corps of Engineers supporting the request by the Kansas Water Office for deviation from the minimum release schedule at Clinton Lake.

Amyx pulled consent agenda item no. 3 regarding claims for a separate vote.

**Moved by Riordan, seconded by Schumm**, to approve non-Rock Chalk Park related claims to 242 vendors in the amount of \$2,909,108.10 and payroll from March 9, 2014 to March 22, 2014, in the amount of \$1,965,238.53. Motion carried unanimously.

**Moved by Schumm, seconded by Farmer**, to approve Rock Chalk Park related claims to 3 vendors in the amount of \$1,150,261.77. Aye: Dever, Farmer, Riordan, and Schumm. Nay: Amyx. Motion carried.

Schumm pulled from the consent agenda item no. 4, the approval of licenses as recommended by the City Clerk's Office, due to a conflict of interest.

**Moved by Amyx, seconded by Riordan**, to approve the license as recommended by the City Clerk's Office. Aye: Amyx, Dever, Farmer, and Riordan. Nay: None. Abstain: Schumm.

Schumm pulled from the consent agenda item no. 18, approving the partnership with Van Go for a "rolling mural" that will be applied to a 20 foot bus which operates on the NightLine and approve expenditures of \$3,975 in local transit funds for separate discussion.

Rick Wright, Art Instructor for VanGo Inc., said they were asking the City to pay for the application for a mural on a City Bus. It was a mural that their youth at VanGo were in the process of creating on canvass and hoped to have it digitized and applied to one of the 20 foot City buses. He said in discussions with Bob Nugent, Public Transit Administrator, they thought it was a worthy project and they looked forward to City support. He said the mural was based on the history of the Lawrence community and there were four concepts to the mural which were earth, wind, water, and fire, all related to Lawrence history. He said the mural

encompasses roughly 300 square feet and they were looking for City support to help it come to fruition so that it could be a rolling mural throughout the community that shared the vision of Lawrence's youth and celebrate the history and hopefully the future of Lawrence.

Schumm said he understood that the painting was taking place on canvass at this time.

Wright said correct.

Schumm asked if the mural would be preserved to be displayed in some public facility in Lawrence.

Wright said yes, they did have the hopes that the mural would find a permanent home. The canvass could be stretched and applied to frames. The mural would be digitized and wrapped on the bus, but they would have the actual artwork that could be displayed or purchased by a member of the community. He said there were several different locations that he thought would benefit from the mural.

Mayor Dever called for public comment.

K.T. Walsh said the mural was a beautiful complex design. VanGo was an awesome program and she hoped the City Commission supported this project. She said most importantly this was public art that would be available for everyone to see because people might be intimidated about going into a museum or an Art Gallery. She said she wanted the City Commission to open their minds to a transit art program which has been going on all around the world and in the United States. People display local poets inside their buses, historic research, play readings on buses and have musical performances. She said the transit system could be used as an art venue and it made for a very happy community.

Riordan said he hoped this mural would be placed on a bus that was new so that it lasted a long time.

Schumm the idea behind this would the bus would be in service for close to 3 years. At the end of the 3 years perhaps the bus could end up at VanGo or somewhere else in the

community for different events. He said hopefully they would see the bus mural around for a long time.

**Moved by Schumm, seconded by Riordan,** to approve the partnership with VanGo for a “rolling mural” that would be applied to a 20 foot bus which operated on the NightLine and approved expenditures of \$3,975 in local transit funds. Motion carried unanimously.

**C. CITY MANAGER’S REPORT:**

David Corliss, City Manager, presented the report.

Riordan said regarding the 2013 Annual Report for Public Safety Departments there was a very good video on the correct use of helmets. He said he saw a lot of children wearing their helmets up and in the wrong direction and although they looked good, the children were not very protected. He said he encouraged parents to look at the video because the proper use of a helmet could save lives.

**D. REGULAR AGENDA ITEMS:**

1. **Considered authorizing the City Manager to sign a letter of agreement with ETC Institute for services to complete a survey about Horizon 2020, the comprehensive plan, in conjunction with the Steering Committee’s work and the update process.**

Amy Miller, Assistant Planning director, presented the staff report.

Farmer asked why they chose 600 for sample size.

Miller said ETC had developed industry norms for what a sample size should be that would give a good level of confidence with the data when it returns. ETC stated that 800 should be roughly a good sample size for the City and County and staff had split the sample size proportionally based on the County’s and City’s population in relationship to that.

Dever said Miller mentioned that she worked with ETC to develop the questions and this was the second draft.

Miller said correct.

Dever said some of the questions seemed superfluous or really not related to the comprehensive plan like demographic information, ancestry, race, and income. He said

sometime he thought people were hesitant to fill those surveys out because of question like this. He said he hated to limit the quality of the survey results because they were asking questions. He asked if ETC indicated why those questions were important.

Miller said ETC could use that information to break down the data into further categories when they return the information to the City. She said that was the primary purpose, but keep in mind those survey results were anonymous and they structured that survey in such a manner. ETC followed a system where they mail the survey to the designated addresses and within two or three days, they give a follow-up phone call. At that time, the person could have the chance to ask questions and ETC could explain over the phone that the survey was anonymous. She said some of that would help during the process.

Dever asked about the means by which they would fill those surveys out.

Miller said there would be three different options. The initial means would be a mailed copy of the survey. That survey would have directions that they could call ETC and take a survey over the phone with a live person or go to ETC's website and take the survey in that fashion or they could fill the survey out and return the survey by mail.

Dever asked how they would key an address to a phone number.

Miller said ETC had ways of obtaining the data.

David Corliss, City Manager, said it would be more challenging. He said staff also planned on doing a fall City service survey which has been budgeted and its orientation was more toward service levels. He said no amount was budgeted for this in 2014. Horizon 2020 review process was started later after the City's budget process and they would spend down contingency in the general fund for that. He said the County Administrator indicated that the City and County were cooperating on the comprehensive plan re-write and the County Administrator would recommend paying one-half of the \$25,000.

Dever said the City was on the hook for \$12,500.



Corliss said correct. He said he would sign a contract for \$25,000, he and the County Administrator would reconcile.

Amyx said in looking at the committee that was appointed in which he was one of the appointed Chairmen to this committee was that they believed strongly in receiving public input on this process and making sure they didn't miss any information. He said in the past, with the studies that had been done regarding the City's surveys, the studies were pretty complete and gave the staff information that was used when looking at the budget process, not only this year, but future years. This investment with ETC was important in order to give the City Commission the opportunity for public input and prioritizing the information. He said he supported this survey.

Schumm asked if ETC would send out 800 surveys total or send out enough surveys until they received 800 back.

Miller said correct. They send enough to get 800 returned.

Mayor Dever called for public comment.

Laura Routh, speaking on behalf of the Lawrence Pedestrian Coalition, said she wanted to thank City staff and the survey group for their inclusions of questions regarding walkability and pedestrian safety as part of this survey which they supported. They wanted to ask the City and the citizens who were participating in the development of Horizon 2020's revisions, to please keep pedestrian access and safety as a core value.

Garrett Tufty said as a general sort of an idea to facilitate possible alterations and changes to the state of the City and where it was going to go, that it might be good to have a focus on primary economic development as opposed to auxiliary economic development. He said what he meant by auxiliary was that things like roads, utilities, and improvements to the state of the infrastructure of the City that assist the people living in Lawrence and going about this business, those being auxiliary, but the primary being assisting their business and might be a good idea to keep in mind.

Riordan said he took the survey and it took a while to do, but he thought the survey was quite good and was pleased with many of the questions about the livability aspects of the City and things that they might not have considered in the past. He said he thought they were on track to get some good information back from the citizens and encourage the citizens to get those surveys back to the City.

**Moved by Riordan, seconded by Amyx,** to authorize the City Manager to sign a letter of agreement with ETC Institute for services to complete a survey about Horizon 2020. Motion carried unanimously.

2. **Considered adopting on first reading, Ordinance No. 8840, expanding the rental licensing program to all rental units in the city with certain exceptions noted.**

Scott McCullough, Planning Director, presented the staff report.

Amyx said regarding rental units used for retirement homes which had no service and met the requirements, he asked if they could rent a unit and not need to go through the inspection process. He said such as Brandon Woods that had duplexes that folks could rent.

McCullough said he needed to note that question and get back to Amyx regarding that question.

Amyx said some of the other retirement living units had rental units that were available such as duplexes or townhomes.

McCullough presented a list of exemptions in Ordinance 8840. He said certain types of uses like group homes, adult care homes, and assisted living, more of institutional nature that would have almost a medical purpose such as extended care, dependent living, nursing care facilities all had definitions in the development code, would be exempted.

Amyx asked if independent living units were exempt from inspections.

McCullough said no.

Amyx asked if trailer homes that were rented had to go through the process.

McCullough said yes.

Dever said were the trailer homes and the independent living facilities included in staff's estimation on the number of units that would be required for inspection, for example a mobile home village could have 500 units.

McCullough said yes, staff used census data to calculate those along with a breakdown of zoning districts.

Dever asked if because they fell within that data, the numbers were good.

McCullough said yes because they fell within the census identified rental units.

Mayor Dever called for public comment.

Jo Barnes said she and her husband owned a couple of handfuls of rentals and were at the low end of the landlord list. She said they were really perturbed by the efforts of the City to control their means of livelihood, similar to many other people that were in their same position. She said they were self-employed, had to build their own retirement, pension, and were not collecting wages from anything, but their own sweat and were not collecting a profit from anything but their own investment. She said they would like to have the freedom to continue to do that and pursue this choice of livelihood. She said they had some single-family properties under the original code and had submitted to the City's inspections and had no problems. She said they weren't present to complain about that and guessed resent wasn't the right word, but it is typical of how they felt sometimes by government intrusion into their efforts to follow a life style they had chosen. This was a way to conduct a business that provided their livelihood and retirement in the future so they weren't a burden on the community or their families. She said with that in mind and knowing that she had troubled the City with many of those points over the last several weeks, she wanted to read a statement that she believed represented the feelings of other landlords in their own situation. She said they were not a member of a group or organized group to go to battle when issues arise that seemed to intrude upon their freedoms, but she was talking to many of the landlords across the community, hearing from those landlords as they had been discussing this issue for a year plus. She found that most landlords

were probably in agreement. Again, those were their opinions and did not represent any organized group nor pretend to express everyone else's opinions, but she believed there was great agreement across the community. She said they were responsible landlords and they were not opposing the rental licensing because they didn't care about tenants health and safety, because they did. She said they maintained their properties accordingly and invited the city to check their properties and see that they were trying to do their best to do what the City wanted to accomplish by this comprehensive, large expansion of the single-family program. Their tenants were safe and their properties were well maintained. She said they knew there were irresponsible landlords that created problems that make other landlords look bad, but those landlords like those problems solved. She said they thought there were means within the City's current authority to correct those problems. She said she understood it was not necessary for rentals to be licensed in order for the City to shut it down. The City did so back in 2012 to a small complex that had mushrooms growing out of the hall carpet. She said they felt like there were methods available now without adding those layers of government oversight and bureaucracy and they were opposed to the regulations that were on the table because they duplicated existing regulations within the City's Property Maintenance Code, Environmental Code, and the Kansas Landlord Tenant Act. She said they would like to just continue with those existing regulations, beef up the enforcement, observation, identification of the problems and get those solved for everyone.

Dever said the City Commission appreciated all of Barnes emails and those emails were not a burden.

Chris Erdley, Tower Properties, said they owned several multi-family apartment communities, approximately 460 units in Lawrence. He said he had spoken and written to most of the City Commission's several months ago during the course of deliberation on Ordinance No. 8840. As he stated in their previous conversations and correspondence, his primary and foremost concern was lack of enforcement that had occurred in the past. He said the City had

been aware of a location and unsafe and un-esthetically unsightly properties and could not enforce what was on the books to remedy the problem with the existing ordinances in place. He said everyone was aware where the problem properties were located and the types of properties that were chronic problems. He said before implementing a costly and time intensive inspection programs on all landlords, he believed there should be vigorous enforcement of existing codes to remedy the problems created by absentee landlords that own single-family rental properties that had become unsafe and unsightly. Prior to implementing a far reaching program and more bureaucracy of City government, he believed in exhausting all efforts in enforcement with what staff and ordinances, already in place. The fees or taxes, depending on what the City's definition of each term was, to fund Ordinance No. 8840 were not the only costs associated with the program. There were opportunity costs with conducting tours with the inspectors on their properties when their maintenance staff would be spending time and resources that they would otherwise be putting into maintaining and providing safety and a healthy living environment for their tenants. As an owner or market rate housing they were constantly competing with market rate apartment communities thereby making them accountable to safe and healthy living conditions in their apartment units. Otherwise, their occupancy drops and the value of their assets were diminished. He said while they were talking about valuation, the way that real estate was valued was through a capitalization standpoint. Capitalization rates were driven by market buyers of properties based on the income, less expenses and the net operating income of each property. If taking a 500 unit apartment complex, right now, the fees would be \$14 per unit, per year for a total amount of approximately \$8,000. A 6% capitalization rate would be a going market rate, right now, for real estate in the multi-family industry and would devalue the property of 500 units by \$133,000. It was not a matter of \$14 per unit, but real money in valuation.

Laura Routh said she was speaking to this issue as a citizen and homeowner in the City of Lawrence. She said she supported rental registration and encouraged the City Commission

to pass this ordinance because this was long overdue. As the City's own research showed, many of our peer communities have had effective programs for decades, we as a community had an obligation to ensure safe housing for our renters. She thanked the City Commission for their long work on this issue.

Joe Patterson said he had been in Lawrence since 1948. He had been a landlord in Lawrence for approximately 35 years and his properties were single-family homes. He said he kept hearing about this list of 27 items, but never had seen the 27 items listed anywhere, but he knew about one of those items because at the last inspection he was not available, but his wife was available. The inspector informed his wife that their flush mount door lock deadbolts had to be replaced with in-the-door deadbolts. He said this made absolutely no sense. He said throughout this City, the homes that were built in the 40's until the 60's, he guessed that 75% of those homes had surface mount deadbolts and a person could still go to a local hardware store and buy those mounts. He said why they needed to replace perfectly good working surface mounted deadbolts with new in-the-door deadbolts. He said he would guess that 85% to 90% of the landlords in this town were good landlords and those landlords were going to bear the brunt of the cost of this entire operation which would get completely out of control. He said anyone that rents an apartment or house in this town knew if there was a problem in that house safety wise, all they had to do was call the City and a code enforcement officer would come talk to you and it would be taken care of. He said they didn't need an inspector coming into his house and telling him that he had a drippy faucet or his battery was dead in his smoke detector. He noticed one thing on the list was a cracked foundation and he guessed if they went to some of the older parts of town probably 90% of those homes had a crack in their foundation. He asked if they were going to condemn those homes and what did that have to do with safety of a house. In most cases it won't affect the safety of the house, but maybe some leakage in the basement or crawl space. He said they were getting into a problem that would overwhelm City staff and cost the taxpayers as well the landlords, a lot of money before it was over. He said he

just didn't see the need for the expanded rental registration. He said the people that the City was going to have a problem with were not present. He said he talked to a landlord last week and tried to get the landlord to come to the meeting, but the landlord said why, the City wasn't. City wasn't going to listen because they already made up their mind. There is some truth in that. The general public is not listened to. There are too many private projects but the general public is not listened to.

Riordan asked if Patterson would feel any better if the regulation as it read stated that there were defects affecting their structural integrity and the safety of the building.

Patterson said that as a pretty broad statement.

Riordan said Patterson was talking about cracks in the foundation and the regulation talked about structural integrity and safety of the building.

Patterson said he would carry that one step forward. If you get in your car and spend a half a day driving around Lawrence, he guaranteed you would see a lot of structures that had safety factors, but they weren't rental units. He said he could have the only rental unit on the block and a half dozen of his neighbors could have major problems, but the City wasn't concerned with those neighbors because those weren't rental units.

Riordan asked if Patterson was saying that they shouldn't be concerned with rental units in their structural safety and the people that lived within those structures.

Patterson said they should be concerned with everybody. People that rented homes, if there was a problem, they know they could call the City. This is what needed to be stressed.

Riordan said City Commissioner's had concern with private homes, but they weren't dealing with those homes, but rental units.

Patterson said the problems were out there, but the City wasn't dealing with them.

Riordan asked if Patterson saw the difference between a crack and structural safety.

Patterson said yes.

Amy Baughman said she was a resident for 43 years and had been renting since she was 18 years old. She has had at least 7 different landlords and anytime she had an issue she told the landlord and they would take care of it. She thinks this went against their 4<sup>th</sup> Amendment rights. She said if a renter had a problem and the landlord didn't take care of it, then that renter should get in touch with the City. She said she didn't understand this ordinance.

Clark Lindstrom said he was a certified property manager with the National Association of Realtors' Institute of Real Estate Management and was also a regional property manager for the Peterson Companies, and had been in real estate investment management for over 38 years and been with the Peterson Companies 28 years. He said they owned and managed Park 25 Apartments in Lawrence and they were very proud of that. He said he was present to speak in opposition to the proposed mandatory licensing and inspection fee ordinance. He said they all agreed that the nation urgently needed to encourage the creation of additional, affordable, safe, decent, and sanitary housing for a better housed America. He asked the City Commission to make this public demand by voting "no" to the proposed expansion landlord licensing and rental dwelling inspection ordinance. He said voting in favor of the proposed ordinance would institute a disincentive to the provision, production and financing of rental housing in Lawrence for all income levels. He said he submitted to the City Commission that there were alternative, viable and existing solutions to the stated goals addressed in the rental housing conditions within the City's limits that would not restrict rental property ownership opportunities. He said he would also submit that there were well established studies that most municipal inspection programs across the country were not effective in safeguarding the public's ability of rentals or solving problems of dwellings fiscal/structural issues or preventing the problems related to crime and easily recognizable blighted areas. As provided by the surveys of other cities indicated some more types of regulation existed elsewhere, but could not depend on the simple narratives provided by other cities' staff whose position depended upon continuing a rental inspection and landlord licensing program. He asked why the City hadn't provided any



quantity of academic studies supporting the notion that landlord licensing and mandatory rental inspections programs didn't work as intended or that the cost justified the benefits. He asked if this type of public policy work as well as they would like to think it did then every City in this nation would have a rental inspection and mandatory inspection and landlord licensing. He said what about other cities with similar ordinances where they failed to achieve their desired outcomes to improve rental housing. He said how about Milwaukee Wisconsin; a well-known academic published study indicating that using existing codes provided sufficient housing stock as well as Manhattan Kansas was another city that repealed their ordinances. He said he strongly encouraged this collective governing body of Lawrence to use existing codes and state and federal laws to protect citizens that rent rather than approve this expanded ordinance. Most landlords worked well with their residents to resolve health and safety concerns regarding rental homes. He asked where the public outcry was and how many people present were in favor of this ordinance. He said this might be judged in the court of law as unconstitutional because it did not equally address those single-family homeowners and other types of properties such as commercial and retail that were not within code compliance as well as those significant factors were being ignored. In conclusion, he and most of the folks present were strongly in favor of protecting and preserving both landlord and tenant rights and conditions. After being involved in real estate management, investment management for over 38 years it was his experience that the significant majority of rental owners wanted to work with each and every one in the City and staff to create a program or a solution to rental housing concerns that reasonably protected the safety and rights of everyone involved. He said he implored the City Commission to consider alternatives already established under current law and codes before voting to establish a program that would not achieve the five stated goals the City seek to address. He said as Kurt Schroder knows from his experience in Wichita, Kansas that does not have a rental licensing program, enforcing existing codes will resolve the issues you are trying to address. Under 6-1315(a) (1) stated that for the purposes of this Section (A) children of a Tenant are not

included in the occupancy count, but under the Fair Housing Keaton memo that all persons were to be counted in an occupancy standard and could not determine whether it was a child or a child of the landlord or a child of the occupant, and all occupants of the apartment needed to be considered and this section would need to be reviewed and revised.

Garrett Tufty introduced himself and said it seemed there was a fair tendency, not just in civic, but state level programs where people seemed to have a problem with general bureaucracy. He said they used policy and enforcement techniques to create jobs if that was their ultimate goal. It seemed that lots of times something went against the probable cause that was generally required in order for an authority figure to enter in and establish if there was something wrong in a particular private residence or on a person's person. He said pushing against that probable cause and increasing that enforcement pushed against personal liberty and people's privacy. It got straight down to that core of belief. A tendency of an ordinance like this was unnecessary and went in the wrong direction. He said he wanted to clarify the statement he made before about the auxiliary functions and primary functions of economy and where he thought a City or governance might best assist its citizens in that the auxiliary works were useful toward assisting people in going about their business, but the primary works were those that are actually the business itself. He said for instance, assisting in the mural that was going to be put on that bus was an example of something primary and that it was an end in itself as opposed to the things auxiliary were not really an end to itself, for instance the South Lawrence Trafficway. It could only be utilized and justified if it assists in a primary economic motive.

Bill Barnes said he did not believe the City was enforcing the laws that were on the books right now. He said he didn't know why the City Commission wanted to put more laws on the books when the City wasn't enforcing what they already had on the books. He said the City Commission could ask builders around the community and they would tell you the same thing.

Don Bouker, Attorney from Kansas City, said he had to check with the City Attorney's Office, but he was willing to bet no one received a larger stack of documents by an open records request than him. He said he had reviewed all of those documents and that had led him to the conclusion that the single most important batch of documents was the violation narrative. It was basically the current inspector's field notes on the inspections that had been conducted from 2002 through 2012. As a result of a computer problem, those records weren't retrievable until March 6<sup>th</sup> and it was his understanding that he received those records as soon as they were retrievable. He said he didn't think anyone had more than two weeks to review what is the important set of documents that were related to the issue before the City Commission. He said he had reviewed those violation narratives and a couple of conclusions were pretty easy to see right away. The first conclusion was that the single-family rental homes inspected 65% of those had zero violations and of the one-third roughly that had violations, half of those were non-functioning fire alarms and absent GFCI receptacles. He said he expected likely that those things were not required at the time those single family dwellings were constructed. He said the first conclusion to draw from the documents was the stock of rental houses in Lawrence wasn't as bad as the City Commission might have imagined. The second conclusion was that of those units inspected from 2002 to mid-2012, where the violations were found, only one-third of those properties were re-inspected. He said so to the extent that the inspection process had an effect on the condition of those premises, it was reasonable to conclude that some, but not significant and certainly not optimal benefit had been derived from the existing inspection regime. In light of this new documentation, he submitted that it was premature to construct a much larger inspection program based on a model that had such glaring deficiencies. He submitted that the City Commission should not expand the rental program until they had addressed and had an opportunity to study this new information and make appropriate adjustments. He said he understood that they were on the 5<sup>th</sup> draft of the ordinance and a lot of effort had expended to date, but it was kind of like driving 12 miles down the highway without a map, you finally stop to

get a map and realize that you were on the wrong road. He said this new map needed to be studied and he submitted that it was premature to do otherwise.

Brandy Sutton said another important piece of data that came out of the March 6<sup>th</sup> records was that there was one landlord which was responsible for 20% of the violations found. This was not widespread and all of those units were horrible, but most of the units were in good condition. The violations that were found were smoke detectors or GFI's which probably weren't required when the house were built. She said they go back to 2012, where at that time it was recommended by the auditor that they write policy and procedures for the rental inspection program, establish performance measures and recordings, propose an ordinance to raise the fee level that were funded, and consider whether the City should continue to exempt properties in the PUD areas that were formerly RS districts. She said this was two years later and that hadn't been done for the RS program that needed it and looking at the data it was very obvious that those were items that needed to be addressed. While this new ordinance addressed it, it addressed it in such a large fashion that they had no idea whether this would be possible or probable to implement. She said they did not know if they would be able to actually inspect all of those units. The data that they had showed that there probably wasn't a need to inspect all of those units. There probably wasn't a need to go into professionally managed and maintained properties that had been built fairly newly, were up to code and built for the purposed of being rented. The problems they were seeing were in the RS, RSO, and RMO neighborhoods where those were houses that had been converted and were never intended to be residential rental properties. Those were the homes they needed to focus on. They also needed to spend more time looking at the data because there were a lot of inconsistencies. In December of 2008 a memo came out saying there were 7,000 violations found and according to the new data, it was only 5,000. In 2008, it said there were 2,000 units licensed and the data that came out in March stated there were 1,400 units licensed. She said they didn't have a good solid track record of what happened and what needed to happen going forward. One of the things she heard

consistently was that they needed to know who the property owners were so they could be contacted. This could be accomplished through a rental registration program without the need to license and inspect. A lot of the registration programs that had been cited through the different memorandums in city staff's information were cities that had simply a registration process. Obviously, the current code staff was understaffed. If they implemented more staffing in that area, they could do what needs to be done which was enforce the codes that were already on the books. She said going to the current version and some issues, under the current RS program it was permitted to have private inspectors however, that same provision wasn't carried over into the new provisions and they would ask that the term "code official" be modified to allow for "private qualified inspector" to be used. The current code stated that a code official actually had two years before they are required to become accredited by ICC and receive training to inspect residential rental properties. She said she personally didn't want to see someone wet behind the ears out inspecting properties that had no clue. She said the City would be asking them to enforce the International Property Maintenance Code which was a monster. City code officials should be educated and be able to inspect properly. She didn't understand why Greek Housing was excluded which was one of the City's largest renters in town and also, some of the older housing stock. She said she would also look at rental registration fees because the chart wasn't accurately figured and there were some numerical issues there. She would ask that the City Commission to take a step back, implement it to RS, get the data and look at that data in a year to see what real figures they had and move forward from there into possibly the RMO and RSO districts and again, gather more data and look at those units that were in the Oread Neighborhood that were so regularly complained of.

Theresa Schmidt, property manager in Lawrence for 10 years, said she had a question about the consent and the consent form. She said the new ordinance was somewhat evasive on how that would be handled, whether or not the City was going to be presenting the consent forms to the tenants, the landlords, or the property manager's to the tenants and she said she

felt that strongly needed to be clarified in the language of the ordinance. Also, she managed a mobile home park with over 40 units for almost five years that were month to month rentals in Lawrence, which housed primarily low income families and she could assure the City Commission that many of the mobile homes in Lawrence were unsafe and didn't want to name any one particular park, but she could tell the Commission exactly if they cared to contact her privately, there were old furnaces, unsafe sewage, and bad water conditions. If they were going to go into a mobile home park and do a 40 unit inspection, the City would be putting 35 families on the street because many of those mobile homes were 30 to 50 year old units and no way would those units meet code. She said there was no specific code for mobile homes in this ordinance. She said mobile homes were a part of this community, low income community that was living in 3 bedroom mobile homes for \$500 a month. She said that was where the safety issues were. She said she had been through multiple RS inspections and she had always been compliant with whatever was asked for her to do, but thought the City was overstepping their boundaries, didn't think this ordinance was ready, and there were too many loopholes. Once the ordinance was signed and on the table, there was no going backwards.

Tom Harper, realtor, said he owned rental properties in single-family zoned areas and had two homes that would be inspected in this new proposal. He had experienced many single-family inspections and always welcomed the inspections. He said they had been an inconvenience, but they arranged their time to do the inspection effectively. There was always something wrong, but took pride in his homes and welcomed someone looking at his rental homes. He said he didn't look at it like it was an intrusion and asked why not have another set of eyes look for problems because he did value his homes and wanted people to be safe. He said back in 2003 the sky was going to fall when single-family inspections happened. It was just like this proposal and they were still kicking and the world was okay. He said he truly believed that single-family zoned neighborhoods were better for it. If anyone had the experience living next to a rental property that was un-kept and unruly, your quality of life plummets and he truly

believed having the inspections would raise the bar in many neighborhoods. It would do the same in multi-family zoned neighborhoods and apartment complexes. If it was simple enough for people to pick up the phone and call their landlord regarding problems or the City, they wouldn't be at this meeting. He said he applauded the City Commissioners and staff for the hours of work that had gone into this rental registration. Some of the Commissioners had led the charge and some Commissioners have been pulled, nudged, or poked, but each of the Commissioners had worked really hard on this issue and honored the sweat and stress that the City Commission had gone through. He said he thought the rental registration was affordable. There is an inconvenience, but definitely the cost was worth the outcome and that outcome was safer housing for Lawrence citizens. He asked that everyone take a step back and look outside themselves and look at the community as a whole versus this was going to cost me \$17 times 100. He said they ran businesses and businesses have rules and regulations to follow and this was no different and they all knew this was coming. He said they had been at this a long time. He said he hoped they would have a 5-0 vote. He asked will be people be mad at you. Yes, but there will be people happy with you too. I guarantee tenants will be happy with you.

Beth Reiber said she wasn't surprised that people that owned businesses had come in out in force in trying to bully the City Commission into tabling and changing this proposal so that they could protect their investments, but the business owners were making money off the people living on their property and could not see how they couldn't be held accountable for it. She said she had teenage boys that rent and were not going to call their landlord. She said some would call, but the average student didn't call. She said she couldn't see the inside of the house. She didn't know if the furnace was going to leak carbon monoxide, the safety electricity of if smoke alarms were working. She said it wasn't a small problem, but a huge problem, especially in the Oread Neighborhood where they had fires. She said she didn't like to be compared to other cities because they might not have as many rentals and it was staggering how many rentals were in this town. She said that was big business and they needed to treat it

as such and keep people safe. She said it was the right thing to do and rental inspections would become the norm around the country and she suggested being at the forefront and not follow Wichita's example. Public safety was the main issue and was the right thing to do.

Matt Gough, Barber Emerson Law Firm, said he reached out to owners of the professionally managed and maintained units in town and had the opportunity to connect with owners of about 3,000 units but that wasn't an exclusive list of that segment of this industry, but it was a fair representation of it. In addition to the 9,000 or 10,000 units in that particular segment there were a large number of duplexes that were new or nearly new that like those units, were zoned, designed, and built with the purpose of rental housing in mind. All of the data they had as late as it was in coming, seemed to indicate that the areas that they needed to focus on was a sample size of about 5,000 units, not 20,000 units. He said he heard through the course of this long process several site specific examples of tenants who had problems with their housing, but felt unable to rectify that problem and heard from people who supported this program that cited specific examples in the neighborhoods where they reside. He said he was a little bit surprised for support for this draft of the ordinance, if the goal was to protect those types of people and to address those specific concerns because as it was written, it really depended on the luck of the draw in terms of whether the landlord had the first initial that started with right level, if it was "E" through "L" that inspection won't find the problem until 2017. There had to be a better way, but the data suggested that there was a better way. He said they knew with some certainty which units in town were more likely than not to have a violation and if limiting the scope of this licensing program, to those units, it would be a faster, cheaper, more efficient program that enabled you to get at those units faster. As it stood they had so much of a burden to inspect 20,000 units and it took so much time that they were missing the point. They had the ability to get at the problem and do it quickly. If the Commission didn't agreement with him that they had data now that enabled the Commission to make that decision and move that direction. He said right now was the time for the City to get more depth. There might be an opportunity for



property owners to provide more units for a pilot type anonymous inspection. If the City Commission wanted data from those units, right now was the time to get that data. He said his concern was after this ordinance was approved there would be less of an incentive and less of a willingness to add support for this sort of data at the back end. He said they were at the front end of it right now and if the City Commission wanted more data or explore the possibility of a tighter and leaner/meaner program, they should delay the vote today, create an opportunity over the course of as much time as the Commission could give because this was the one and only chance before it was approved to really define the scope of something that could work so much better.

Candice Davis, representing the Oread Residence Association, said she lived in the Oread neighborhood for 17 years. She said she was present because she had been passionate about this subject for over 5 years. She said this was either the 3<sup>rd</sup> or 4<sup>th</sup> City Commission that had heard information, had voiced their support of a rental inspection program. This was the first Commission, however, that had actually budgeted money and as has been stated there were definitely low staffing in the City's Code Enforcement Department. She said she believed this was absolutely the responsible thing to do and as City Commissioner's that had been elected to office they did have a charge for public safety, health and welfare. She said her neighborhood consisted of largely houses that had been converted and there were problems, but also as a social worker she had been into rental units that were multi-family that were not converted houses and those units were deplorable. She said she didn't think it was reasonable that low income affordable housing was unsafe and unhealthy housing and didn't think it was a reasonable excuse. The notion that 400 units had to pay \$8,000, you have to figure they were also making at least \$20,000 a month. Some of the humongous units, people had to understand the volume of income that was coming in from those units. Restaurant had to have inspectors and we like to know were not going to get sick. She said she couldn't believe that anyone would want a unit that your son, daughter, or a loved one was living in, that you wouldn't want them to

be safe. She said if people in the community had their children going to this university or any other university, she asked if they preferred their children living in an inspected apartment or an apartment that was never inspected. She said she guessed 100% would choose the one that was potentially inspected. The KU Student Senate had sent a letter some time ago supporting a rental inspection in multi-family neighborhoods so the young people at KU, even though KU representatives weren't present tonight, it was a probably a political hot potato. She said she was all for privacy in your own home, but when it's a business then that was something else and they had a responsibility. She said she ran a business too and had to pay licensing fees, continuing education, and insurance. She wanted to thank everyone because she knew they spent an exorbitant amount of time. Commissioner Farmer had done a great job and City staff had gone over and over this proposal. This is nothing new. People that just heard about this rental registration lately, this issue had been going on for a long time. She said the City had a really good document and she was totally supportive as well as the residence in her association.

Matt Hoy, attorney representing Lawrence Apartments Association, said he was struck by the almost unanimous agreement on the issue of how to provide safe housing. The question was what the right method was and the goal was unanimous. He said he hadn't heard anyone suggest that it would be in any way appropriate to allow code violations and unsafe housing to exist. He said again, what was before the City Commission was a unanimous goal. The question was how to most properly achieve that result. He said making sure they had the appropriate data and understanding the data and what it provided so that based on the facts, they were crafting program that would address the issues at hand. Unfortunately, what happened was a program had been created based off of the existing program, but it was a broad expansion and a new bureaucracy was being created, without clear definition as to whether or not that would solve what the facts were. It seemed that they kind of got the cart before the horse and he had been talking to this Commission and Commissions before for many

years about this issue. He said let's identify specifically what the problems were and perhaps the first step was to have registration, understanding who owned what and where and what it was, keep track of what violations come in. He said based on the information that was provided recently, a narrowly tailored, laser focused program could be crafted to address the violations rather than casting a broad net and saying everyone was now brought in whether or not the folks that would be burden by that program would be in fact, the problem. He said the community appreciated the City Commission's efforts.

Susan Hatfield said for many years she had been very proud to call Lawrence home, however, this whole deal was upsetting. She said she was a landlord, had many properties and took pride in keeping her properties in great condition and keeping her tenants safe and healthy. Many of her tenants were finding this rental registration program to be a huge deal and felt that it would invade their privacy. She said her tenants were very happy in their units and she encouraged her tenants to contact her and the City if there were any problems in their units. She said she was all for the registration, but had to agree with the masses that this rental registration was being rolled out before it was ready. There had not been enough time to totally examine information. She asked if anyone had taken the 27 violations of the proposed ordinance and checked their own homes for those items. She said the city had a large elderly population that were owner/occupied by the elderly in fixed incomes and those were the people they needed to be helping. She said they needed to educate all tenants and help the elderly that were on fixed incomes that could not afford to make those improvements that their homes needed. She said regarding the trailer parks in Lawrence, she didn't manage any trailer parks and asked what City staff would do when inspecting trailer parks and all of a sudden, 40 families were homeless. She said the City had a great new homeless shelter, but was it enough to accommodate all of those families that would be homeless. She said in some of those trailer parks they were only paying \$200 or \$300 a month for rent which included water. She said she knew of nowhere else in the City of Lawrence that they could even get a studio for that amount

of money. She said they need to consider those people that they would make homeless and what they would do with those people. She asked about the year in which the licensed dwelling unit were scheduled for inspection and who would pick the 10% to be inspected. She said she talked to a lot of landlords recently and there were a lot of people in Lawrence that were very upset about this rental registration. She said she was a partner in a complex southeast of Lawrence that they were very proud of and had 88 townhomes. She said she had talked to her tenants and they didn't read the Journal World and her tenants were appalled that some stranger was going to enter their home. She said the City Commission was totally educated on the processes of the City, but a lot of the tenants were not. She said their tenants needed to be educated and suggested rolling out a plan that they register all of the rental units and work on education. She said they needed to spend some time thinking about the homeowners that were elderly that couldn't afford to make some of those fixes.

Russell Livingston said he would be one of those people who regardless of whether or not they had an inspection force when his daughter goes to KU to school, he would inspect her property and would be the person who decided whether his daughter was living in a safe home. On that note, he would like to thank everyone that had contributed on this long hard process. He said it was the democratic process to sort things out and get it right so the community could work together cohesively to have an environment that was safe and respectful of people's privacy. He said he was disappointed that it had taken citizens a full year and the use of the Kansas Open Records Act to gain access to the files as a rental housing program. A program, the City auditor clearly stated was mismanaged over two years ago and the City Manager agreed to fix, within six months of the audit report, which had not yet been done. The current rental housing program was the model being used as the template for ten-fold expansion, that model was broken. He said management had been aware of those failings for years and this was just bad business. He said fix this program and fix it first.

1. Implement the primary suggestions of the City auditor in the rental housing performance audit as agreed by the City Manager in January 2012 and do this by establishing written policies and procedures for the rental inspection program by establishing regular performance audits and transparency and accountability and compiling and publishing meaningful, collated data for the rental program.
2. Initiate a rental advisory committee made up of citizens, tenants, industry professionals and landlords.
3. Continue to balance to cost by using the general revenue funds.

He said rental housing benefitted the community at large, gave choice and enticed people to come to this community and live. It was the second largest industry by his estimation in this community. This rental housing benefitted the community as a whole and in Lawrence it was over 50% that were renters. This system worked best when the costs were borne out by those who benefit. He said he urged the City Commission to table this ordinance until a rental advisory committee of citizens, property owners, and managers, a valuable community resource that was allowed to participate in the decision making process of a transparent and accountable program. As landlords and citizens, they wanted to help, but had never been invited. The current program was broke and he asked why were they thinking of expanding it. He said fix this program first.

Joe Patterson said he talked to a landlord recently that had an inspection scheduled and at the last minute, the landlord couldn't be at that inspection and called his renter who showed up for the inspection, but to this day, no inspector has shown up and no inspector had ever contacted the landlord. Second, we have an ordinance about grass, trash, weeds. He has brought it to the attention of the City and it has never been touched.

Janet Gerstner said she lived in the Oread neighborhood for about a decade and had also been a landlord for a number of years, and she greatly supported this program and had supported the rental registration and inspection all along. She said she had seen improvements

in the single family neighborhoods and had waited a long time for rental registration and inspection to come to multi-family neighborhoods that were in bad need of it. She wanted to commend everyone that had been part of this process and especially wanted to commend the landlords that were doing an excellent job. She said she could understand trepidation and concerns, but since they were doing such a wonderful job, they would find this as a great program and would go very easily for them. She thanked City staff and City Commissioners that put so much thought and energy into this program. She said she had been amazed at the City Commission's patience and their ability to listen to everyone. Some people had accused the City Commission of not listening and not having input from landlords, but she had felt the opposite and the City Commission had listened to everyone. She said there had been criticisms of the data from the past and everyone would agree the program had been underfunded in the past, but at this point they had a blueprint of how to go forward. She said she had great faith in City staff and the City Commission that they would make this program work and it would be refined if need be over the years to achieve making the program work.

The city commission recessed at 8:30 pm.

The city commission reconvened at 8:35.

Dever said he wanted to apologize for the City taking so long to release information that had been requested through the freedom of information act because any data staff could have provided sooner, he was sure staff would have. He said having data available to the public was helpful for discussions and the City needed to make sure to provide that data on a timely basis. It was a commitment moving forward that the City needed to make sure they adhere to and respond more quickly in the future. He said there were two particular questions that he would like answered. The first question was how the City picked the 10% of units to be inspected and the second question was how staff came about using the alphabet to determine who was first as far as inspections.

McCullough said the 10% sample size was determined by staff at time of scheduling the inspection, per policy contained in the ordinance they worked with the landlord to determine what staff called the “qualified vacant units” which were units that were not occupied so that the tenants weren’t burdened. If it was a unit that was vacant and had not been previously inspected, staff would work to go into those units and make that part of the 10% sample, but it was a process that staff would take up upon working with the landlord to inspect the units. He said regarding using the alphabet to determine who was first, they had to have some method to get this off the ground and get all of the units inspected. He said the City Commission might recall through the evolution the timeframe for inspections moved around from trying to inspect every unit in 2 or 3 years to 4 or 5 years and they landed on 3 year cycle with a 6 year incentive cycle and to do that efficiently and orderly, they borrowed the City’s current process and program of using the license name alphabetically. In the long-term everyone would be inspected and licensed, but had to have an orderly way to accomplish those inspections.

Dever asked if staff felt it was adequate and reasonable to take so long to inspect the housing stock and if health and safety was so important, why were they taking so much time.

McCullough said through this citizen input process one of the first compromises in the program was going to a sample size. It was acknowledged that a sampling of units would give staff a pretty clear indication with the ability to sample additional units, if they found issues with any property, it would give staff the ability to determine whether or not the property was being maintained to minimum standards. He said that was how they arrived at the sample size and the length of time between inspections. Also, acknowledging that with this educational program could also take advantage of their services and call staff out in between those time periods.

Dever said in the original discussions with landlords, one compromise was to dramatically reduce the number of units inspected. It was thrown back to the Commission as a bad compromise. He said he wanted to make sure everyone remembered that we reduced the sample size because landlords asked for it and now several landlords were questioning the

veracity of the City Commission's goals and intention of doing so if they were only going to inspect 10 percent. It was important to point out that this was a compromise as a result of the public input.

Schumm asked who picked the sample units.

McCullough said staff would pick and track those units in their system so that if they had 50 units and were inspecting 5 units each year, they would not be inspecting the same 5 units each inspection cycle. He said again, working with the landlord, looking for vacant units, first and foremost in any one inspection cycle.

Schumm asked about the consent form.

McCullough said by practice staff asked the landlord to get that consent because they had the contact information and the ability to work with their tenants more effectively. Staff couldn't require the landlord to get that consent and if it came down to it, staff would seek out that information from the landlord. The consent form protects inspectors from going into a property and so it was an important component. Staff had the practice now with the RS program and typically the landlords would provide the form prior or have it ready when staff showed up.

Schumm asked about private inspectors.

McCullough said it was initially in the RS program. Staff found that it had not been used and removed it from the program and was discussed at length early last year. Staff provided the City Commission a memo of options for private inspections and what it would be like if staff didn't do inspections and actually just did 3<sup>rd</sup> party inspections. What was determined, based on the RS program, was that there wasn't a desire by anyone to do private inspections.

Schumm said he recalled it was cheaper to use city inspectors.

McCullough said that was correct.

Schumm asked McCullough to address mobile homes and their status.



McCullough said they had a fairly active workload in recent years working with mobile homes, typically on a complaint basis. Many of the complaints were landlord/tenant issues. They had one complaint recently where the entire park was condemned because it didn't meet minimal housing standards. The codes and policies of the city's current minimum housing standards did not exempt low-income from the right to minimum housing standards being applied to their units. Staff would apply the 27 code standards to rented mobile home units.

Schumm said if someone owned their own mobile unit, in a mobile home park, it would not come under the inspection but if the next 3 were rented, they would.

McCullough said yes, just like any street.

Amyx asked McCullough if the definition of new construction, in the ordinance, started from the time the ordinance was adopted and anything that was built after that adoption. There were a lot of apartments built in the last couple of years and he believed those apartments would still meet the code. The ordinance indicated that "new construction" shall mean any building or structure built entirely new, including foundation, walls and all other components of a building or structure. He asked if it was any unit that was built after this ordinance that was held for rent. He said he couldn't find anything that would exempt it.

McCullough said they moved some of that language between the administrative regulations and the Ordinance itself and thought it landed in the Ordinance.

Larkin said there was a provision in the ordinance that provided that those units were exempt 6 years from the date that they were first granted the final occupancy permit.

McCullough asked Larkin about the question of retroactive.

Larkin said it was not clear, but could very well be retroactive.

McCullough said he believed when it was expanded in the administrative regulations that they had it retroactively applied and thought that would be a fair distinction to make.

Larkin said that was their intent. If something was built 2 years ago, they would have 4 more years of exemption.

Amyx said it was retroactive for 6 years.

Dever said there were 2 issues that were troubling to him and wanted to give McCullough a chance to respond. The first issue was the response to the City Auditor's recommendations and staff's lack of prompt adherence to those recommendations for the existing program. The second issue was the clear lack of follow up, from the data that were given and things that he read previously, over the last few weeks, over two-thirds of the violations that were noted were not followed up on. He said they needed to get to the heart of those issues.

McCullough said he would characterize the auditors' report much differently than it had being framed tonight and in going through that process with the auditor, seeing the results, and talking about the process with the Commission. The auditor found that they had a sound program, but had some recommendations to make it better and found that it was a program of one person, essentially a one person shop, which was Treni Westcott. The issue the auditor found was all in Westcott's practices, in un-written practices and policies, but the practices were consistent and consistently applied. They used the ordinance essentially as their policy manual. One of the key recommendations was to put a policy and procedural manual together. Staff had a draft manual for the RS Program but, at the same time, contemporaneously staff was talking about expanding the program. Staff wanted to make sure they understood the new program and roll that program into their policy and procedure manual. It's only been very recently that anyone had said anything negative about their existing program because it had always ran fairly smoothly. He said in his 7 years staff had never had an appeal on any inspection, on any violation found. While the program had resource issues, it's been a smooth running program. He appreciated the auditor's recommendations and the idea that we need policy and procedures and need to do a better job of tracking data. They had implemented Innoprise software system. The Auditor made some other recommendations that staff was fully aware of and had been shown which would be fulfilled through this new program. So all the reports,

ways to track data, and all those things would be fulfilled through this new program. He said staff would fulfill those recommendations in any event, if the program didn't go forward, but had been holding off to see the outcome of this. The lack of follow-up had been pretty expansively described in the memo, in terms of the resources and when in 2006, when the recession hit, the city had to make some hard choices about resources. He said through the data, it could be seen that that was the moment of decline in terms of the ability to follow-up with inspections. They maintained the program, did their initial inspections, cited violations, and worked with landlords to correct those violations, but they focused primarily on some of the higher level, life safety issues that were of eminent threat to tenants. That was their departmental practice through those times. He said he had been a little challenged that they were comparing apples to oranges. The current program was under resourced and probably underfunded. They collected about 40% of the fees that it took to implement even the one person shop and this program would give the opportunity to staff the program appropriately, track the data appropriately and follow-up appropriately.

Dever asked if McCullough was questioning the stipulations that 2/3 of the violations that were noted were not followed-up and/or cleared.

McCullough said he wasn't challenging that at all. Staff had known about the follow-up issues and talked about it internally. Westcott brought that up every year and they had discussions about resources. Staff had a process to bring some of those issues forward through different budget processes throughout the year. He didn't question the decisions that were made to work the City through the recession. This opportunity presents itself to have the fees pay for the program which was a much different program than they had with the general fund supporting the current program.

Dever said he was not trying to judge, but there had been a lot of things flying around via emails and discussions that needed to be explained. The public deserved and demanded an explanation. He asked if McCullough, at any time, brought it to the City Commissions attention

that staff was failing to follow-up on those inspections even though they had a program in place and were charged with that program. He said staff had been collecting fees and demanding inspections, but weren't following-up on those inspections. Again, he asked if McCullough ever told the City Commission about that issue.

McCullough said no. He had never presented that specific program to the Commission. It was typically presented more generically, in terms of the ability to provide services on any number of Planning and Development Service programs with any allocation of resources.

Schumm asked how many code inspectors the City had currently.

McCullough said they had 3 code enforcement officers. One code enforcement officer handled primarily rental licensing, all of the administrative work, inspections, follow-up and would get involved with any notice of violation, prosecution if it went that far which was Westcott and did a host of other things as well. They outlined in the memo Westcott's other duties as assigned. They had 2 other inspectors that were responsible for all the other things that they did such as weed enforcement and sign enforcement.

Schumm asked McCullough if it was all complaints.

McCullough said all complaints of a various nature.

Schumm asked how many inspectors were lost prior to the 2006 year.

McCullough said they lost 2 inspectors.

Schumm said they had 5 inspectors and went down to 3 inspectors. He asked about the jobs of those 2 inspectors that were lost.

McCullough one inspector was for rental licensing and the other inspector was more general.

Schumm asked if they implement this program, how many additional inspectors would they end up with.

McCullough said 4 additional inspectors, 5 total inspectors, including Westcott and 4 new inspectors which would be primarily their job of rental licensing.

Schumm said for rental licensing in total which would now be the single family dwellings as well, there would be 5 inspectors.

McCullough said yes. One of the keys to the program as outlined, were 2 administrative assistants to keep the inspectors out in the field. Right now, Westcott spent the majority of her time in the office doing administrative work, scheduling inspections, re-scheduling inspections, getting bulk mail notices out and the work it took to process one case.

Schumm said they would have 5 inspectors if the program passes and 2 new administrative assistants as well which would make 7 employees for this program.

McCullough said yes.

Riordan asked why they went from 3 inspectors to 1 inspector.

Corliss said they went through a hiring freeze with the city. He said they lost about 28 positions in the general fund and as they had come out of the recession the only place that they added full-time equivalent employees in the city's general fund had been police officers because that was highest priority and had not filled back on staff. He said they added an inspector in the gas tax fund, which might have been in the general fund and added a few in utilities which were out of the waste water fund. When you manage through attrition, which was what they were doing during the recession, when there was a vacancy, they did not fill it.

Riordan said the previous inspection program was funded, and underfunded was his understanding, based on what they brought in they had to have general revenue funds and this program would not. In the future, if they were to go through some type of problem with a recession, with the fact that this was funded by the people who did the rentals, and it's adequately funded, he asked staff if they could see a situation where they would decrease the city inspectors at that time because of the way that it was funded or would it be thrown in with the rest or would they be exempt since it's funded adequately.

Corliss said the general law regarding governmental fee collection was that they could not collect fees in excess of the cost of operating the program. So if they continued to collect

the fees and they needed that staff support to operate the program they would probably recommend that they continued to hire so that they could continue to operate the program at the appropriate level.

Riordan said his concern was that they not make the same mistakes they made in the previous program that caused some problems. So, it would be fairly straight forward that staff would not make that mistake again because of how this was being changed and the changes were based on the errors that were made before, which they didn't anticipate, but did occur and now they could build on that.

Dever asked when the existing inspection program was implemented was there an intention for the fees that were collected for the program to pay for the program and the inspectors.

Corliss said as he recollected there was a general discussion in that regard but the fee amounts were part of the negotiation and the compromises in coming up with the program. So he didn't know that there was a direct calibration to that extent. They had a lot of experience with fees in the Planning and Development Services Department and staff was trying to be a little bit more rigorous this time then perhaps staff was at the initial onset.

Dever said one of the city auditor's assessments was that staff needed to be more cognizant of fees matching the cost associated with the services collected for and tracking that and staff wasn't doing so. He said if they intended for fees to pay for this program, the fees failed too. He said they never had that discussion about needing to change the fees to help pay for the program and the help that Westcott needed. He said he didn't want to get to this point again where they expanded the program, to a great extent and went back in this position. He said Riordan's point was well taken that they didn't want to go there again. He said he didn't want to throw anyone under the bus when they cut the funding for a program that they created a rule for. On the other hand, they created a rule and didn't back it up and then it made the City look bad when they didn't have the data, documentation, and the follow-up to make the City look

competent. He didn't feel comfortable that the City Commission had been kept well informed and wanted to make sure that the public understood how they got to some of those numbers. He said the City needed to do a better job in creating a program that was self-sustaining even through bad times because bad apartments and properties didn't go away when the economy gets worse and probably increased and that might have been a direct result of why they had more back log. Some of those problems that had arose were problems new to him.

Riordan said with the present system, again learning from problems they had before, he asked if the quarterly reports about the rental registration program would help prevent that.

McCullough said absolutely. Staff would share that with public and the Commission on staff's progress and status. Staff would owe the City Commission through a report where they were with fees, resources and how it was vetted out.

Dever asked about the qualifications of the inspector. He said if they were talking about hiring a bunch of people, they needed to find qualified people. Landlords were concerned with, specifically, the City sending qualified people around to do those inspections, more qualified than the landlord and/or, their property maintenance engineer. It was embarrassing when they walk around a building and the person that was walking around knew more about the codes and such, than the City did. Some of the comments he received over the last few weeks were that Westcott was awesome, but the City didn't have 5 Westcott's to add to the program. He said they needed to have a standard of care that exceeded that of the person who was walking around the building with them because it didn't look good to the public when they didn't.

McCullough said like any job that the city or an organization had, a lot could be done through the job description, experience, qualifications, and the certifications that were preferred or required of any job and then making it a requirement to get certain certifications once on the job. That was very standard practice for the City in any number of the building trades industries that they had, whether it was a plan reviewer or inspector, there were requirements to get those certifications within a certain amount of time and their job depended on it. Also, just in the initial

hiring, looking for certain experience in the building trades, preferred degrees or certifications would help staff get very qualified people.

Dever asked if staff budgeted for people that would meet those qualifications because often times a bar was set and those people cost more. Good people were going to cost more and it's important that they were not under hiring and training on the job because that's going to cost the people who they were inspecting money because it took longer, they didn't understand building systems, they didn't understand ramifications of how to check for those life safety issues.

McCullough said they had worked with our internal positions, with human resources to understand where that pay scale would be and applied it to the calculation.

Amyx said 2 weeks ago he asked for a report provided which was provided in the City Managers Report that dealt with the Fire Department and the fires they had over the last couple of years. He said he wanted to make sure about the justification for a new program for licensing and registration of rental real estate and expanding the program. He said he noticed that in 2012 there were 57 fires and 49 of those fires were accidental, smoking or cooking or incendiary and 45 of the units were rental properties. He asked how many of those would staff had inspected of the remaining 8 fires. As he looked at the list, he realized that about 5% of the fires last year were units that they might have inspected in this program. In looking at the justification of this program, fire was the worst thing that could happen. If they were looking at 5%, as being things that they might inspect for when looking at adding a \$421,000 new program to the city, he asked if that was worth going after those low numbers.

Dever asked if Amyx meant based on the fire response.

Amyx said correct.

Schumm said he thought it was a lot more comprehensive than that such as dead bolts so women didn't get raped, broken windows so that people stay warm, sewer lines didn't work.



Granted, he was glad there were only 5% fires, but what if those 5% of fires kill 3 people? He said he thought the program was much more comprehensive than just the fire aspect of it.

Amyx said he wanted to bring it up for discussion.

Dever asked if the question was did they think that the City's response or that anything in this program was going to help remedy the fire responses that occurred last year.

Amyx said of all the things that had been listed, he would like to know what staff would be inspecting for that would help save those fire situations.

Dever said there was actually a lot related to cooking, smoking, which could not be fixed, but Amyx mentioned dryer vent. If they were inspecting how those vents were are vented then they would see that it's not properly vented and they would catch a fire that way. He said Amyx was right, it was not a lot of things related to that report that this program would touch upon.

Amyx said he just wanted to point that out.

Dever said he read it.

Schumm said speaking of fire, there was the fire safety aspect of it and there were 3 points that would be inspected and that would be requiring emergency escape windows that were missing or failed to meet the requirements of minimum openings, required smoke detectors for dwelling units if they are missing or inoperable and a structure containing 3 or more dwelling units that failed to provide in each dwelling unit 1 portable fire extinguisher with a minimum rating. Those were all things that if a situation occurred and those requirements were in place, could save lives. He said if you didn't have a fire you didn't need them but you're betting on a lot of units with the fact that they did have a history of some fires. If someone's cooking and they get a grease fire and couldn't get out because there was no fire escape then that's a tragic situation.

Farmer said he thought the City Commission clearly understood that the targeted outcome of the program was safe housing for people in this community. He said he didn't think anybody could argue about the fact that there were less violations now per capita verses what

there was when the single family program was launched in 2002. He said he thought a person could make a strong case for, that's why they had the program and that's why it worked. He said there were a lot of points that had been brought up that he absolutely agreed with that had to do with the data the City had and what that data told them. He said clearly it gave him pause in that did the Commission really want to expand a program right now that the community had mistrust at how the City managed that program. He said that was not to say they shouldn't do the program, but that was to say that the City Commission had a huge responsibility to do what they could to earn the communities trust back and to be able to prove that they could do what they say they were going to do with this program which should be the next step. He said how would they get at the outcomes that everyone in the room wanted, which was safe housing throughout all homes in Lawrence, Kansas and at the same time prove to the community that the City would commit the resources as well as the time and effort to look at this issue on a quarterly basis to understand what was needed to more efficiently manage this program. He said he had no issue with the ordinance and the inspections check list, but to think about adjusting the timeline for about a year for instance and to start registering multi-families in April 2015 and spend the next year hiring a couple more inspectors, hiring an administrative person or 2. He said provide to the public that by dedicating adequate resources to this program under this ordinance, with this inspection form, this guide, this check list, etc. it works. He said with applying that process for a year, staff could have good data. He said his concern was if they rolled this program out prematurely, because it would take time to hire quality people, if they passed this program in January 2015, what would happen if they had only hired 2 people. He said he never wanted rental registration to ever be his issue and was not top of mind awareness when he ran for this seat. He said what would always be his issue, was that he dislikes strongly, how divided this community could be about stuff and he wanted to work together to bring compromise to people and a fair compromise would be to say, they needed to do this. It took a long time to get data and the buck stops with the City Commission. He did not enjoy

looking the community in the eye to say they were sorry that they screwed up and now they had to earn trust back. Again, he suggested spending a year on the single family program and adjusting the timeline instead of July and January to April and September of next year to start this program. He did not want to put this program in a position where the Commission had not done everything to support the program because clearly, they had some rebuilding of community trust to do and adjusting the timeline would go a long way to addressing that.

Amyx asked what would be happening between now and April 1<sup>st</sup> of next year.

Farmer said there were a couple of things that needed to happen which would be a draft of processes and procedures and work on getting the website up and rolling. People were asking what information would be provided in the packet that would go to their tenants. He said they talked about what type of information could be provided to tenants, but it's not in writing where they had something they could refer back to. If they didn't get this program right, they were shooting themselves in the foot long term. This commission or the next commission would be talking about why they didn't make the right decisions today so they could have a better program tomorrow. Again, he suggested spending the next year educating folks, telling the community what's going to happen, getting all of our packet information together, and developing a very user friendly website that folks could go to for information. He said they needed to figure out where they wanted to start this program and have more conversations in concurrence with establishing a timeline with this ordinance that would give the program every opportunity to succeed.

Riordan said he didn't think that was a good idea. He said when he was a member of the Oread Neighborhood Association, they worked with the University and their key was to delay, delay, delay, until they could figure out some way to win. He said the City Commission wanted to protect the citizens of Lawrence. If they delayed this program, they would never come up with regulations that were helpful to the citizens of Lawrence. He said he had seen 5 different drafts in over a year. He was pleased with the input the Commission received from the

people that had spoken, all the renters, the people that represented the citizens of Lawrence who were in favor of this program. Again, if they delayed this program, they would kill this program. He said Farmer did an excellent job of taking something that he thought was good and made it much better. He said they had learned from the errors that were made and during hard times, people would do things that they would normally not do and the city had to do some things that put the program at risk, but they had discussed why that would not be done in the future. He said rental registration had been around since 1961 and this was not a new idea and asked why the City hadn't done this type of program so far? It was embarrassing and upsetting to say that he was for rental registration and then would vote for something other than rental registration tonight. If they didn't approve this rental registration, it would not succeed in the future because there was always something that could improve a regulation. If you have a good regulation, be proud of it and put it out there. I think we can do this with this regulation. One of the things they asked was how many staff members were hired in the different cities for their rental registration program. He said Wyandotte County had 4 staff members, 2 administrative support people and 1 special supervisor and Iowa City had 4.7 full time equivalence and 1 support staff with 12,577 registered units and 3,174 rental properties within that. He said staff could learn and build on because it had worked in other cities. He said Boulder, Colorado had 20,000 rental units and inspected 5,000 units each year with 2 full time people; Bloomington, Indiana had 6,534 units and inspected at a 95% re-inspection rate which means that it is a program that was needed. He said when anything new was implemented typically there would be people against it because change was difficult. He said rental registration was a universally accepted in every city that they had looked at, after the first few years. Things were going well in those cities because they had the guts to do it and the City Commission needed to man up. He said no incentive was given to any rental owners other than what would be given in Lawrence, Kansas. He said this City had gone beyond what other cities had used for successful programs and staff was building on what other cities had done and the

mistakes that staff made and were able to improve them. He said Kansas City, Kansas thought that rental registration increased safety and decreased neighborhood problems. Isn't that what we want? Ames, Iowa, stated that it increased safety with improved neighborhoods and asked wasn't that what Lawrence wanted. He said Bloomington, Illinois and Boulder, Colorado contended that it increased safety. Why are we questioning if this can be done. It's been done. He said the City's professionals had done a great job and listened to the public and City Commission and changed it ad nauseam, but to the benefit of the citizens of Lawrence. He said Farmer had done some great things with this rental registration and was very proud of what Farmer did because it was made a better regulation with suggestions from other cities and being consistent and specific with well specified guidelines. He said use dedicated licensing staff that did not have to perform other duties. They had learned from what happened during the recession and won't go down that path again. Some people didn't trust the government and couldn't say this was going to be an absolute thing. He said he was on the City Commission now and would do everything within his power with those quarterly reports while he was a Commissioner to say that they won't go down that path again. He said treat landlords as valuable assets because they were. He said strong support from the City Commission was needed and was why he thought they should implement this program tonight. He said strong public relations effort prior to the beginning of this program. People were worried about someone coming into their homes, but it would be very infrequent. He said Ames, Iowa indicated that this City should not create its own code, but follow the codes that already existed and Lawrence was already doing that. He said Wyandotte, Ames, Iowa City, Lenexa, Boulder, Bloomington all inspect inside and outside the building which was exactly what they were doing. He said the registration program had been around in concept since 2006, was not a rushed regulation, and wouldn't be perfect, but the program was good and adequate. If the Commission backed out on this program tonight, it was not to the benefit of the citizens of Lawrence. There had been 5 revisions and it was all to the benefit of the renters, the owners of

rental units. This was not an expansion of the program, but it built upon the previous one and was for the entire rental community. He said it was necessary to protect over 50% of citizens of Lawrence because if they didn't do it now, he predicted they we're not going to do it all. He told a story of a patient of his that didn't have heat and reported that her landlord wouldn't fix it. Why didn't she complain? He said National Public Radio (NPR) had a discussion about people who rent and it was very clearly stated exactly what was stated several weeks ago when Farmer said that "poor people didn't complain." He said poor people didn't complain about their housing, they just live with it, but they needed protection. He said he was not going to let poor people go unprotected and if the City Commission didn't vote in favor of this program, the Commission would be letting those people go unprotected. He said for instance, if they only took people who needed social security and had them pay for it, there would be no social security because the people who could pay for it were the people in the upper income brackets. Again, he said they had to protect those citizens in Lawrence and in the United States that needed protection. He said he upset someone at a meeting that he had no intention to, but stated that if a person had 6 problems in a rental unit, then that person didn't deserve to be a landlord. He picked six off the list and asked if anyone would think they had a good landlord if they had an unsound roof, missing handrails, missing external doors, large patches of fungus and a sanitary sewer service and water service line that were non-functioning. This was just six he picked out of there. He said he would challenge the Commissioners that if they didn't approve the program at this time, then they didn't want to do it. He said it was worth fighting for and if there was one thing that he didn't do, was let things go that needed to be fought for.

Farmer said let me address what Riordan had been saying about the delays. He had not worked hard so that they could delay the program for a year so that it didn't get done. The timeline that was in the memo of draft 5 was the same timeline that they had for the last 6 months. He said all he was saying was that 6 months ago they looked at a timeline where they were going to start registering homes in July of 2014 and start inspecting in January of 2015.

Six months had passed since they started talking about this last October. He said he was suggesting that they change the timeline that was in the administrative regulations, not suggesting delaying it and waiting a year to talk about it again, but saying let's pass it and give themselves time to prove to the community that they could do this. He said he was talking about an adjustment of the timeline for when this rolled out, not delaying it.

Riordan said he misunderstood, but thought a delay in passing this tonight would destroy it.

Farmer said he was not talking about a delay in passing it. He said they needed to adjust the timeline in order to earn the communities trust back. He said they needed to talk about how they would pick who was up for inspections. Again, he was not talking about delaying this for a year but adjusting the timeline to give us time to beef up the staff, get policies and procedures, and have Westcott train those folks. If they tried to do that in 6 months, it might take 6 months just to hire people.

Riordan said that was not clear and apologized. He said this was a good regulation and very sound. He said it would never be perfect, but if they waited for it to be perfect, they would never do it and the citizens of Lawrence would never be protected.

Farmer said all he was suggesting was a timeline push.

Schumm said he was surprised at this request to delay because they had been on it so long and Farmer pushed so hard on him to accept this new draft 5. Over the last weekend, he read it in depth and he really thought it got to the heart of what they were trying to do. They had compromised so far on this thing. He said Riordan's example of 6 violations, if getting only 5 of those, they would give that landlord a medal. He said staff would let the landlord know they had an outstanding apartment and didn't need to come back for 6 years. That's how much the Commission compromised and had gone too far in his opinion. How would you like to live in an apartment, or have a relative live in an apartment, where there were 5 of those violations out of 6 and wouldn't need to have an inspection for 6 years because they ran such a great facility.

Again, that was how far they had compromised. The Commission compromised on the sample size, the money issue, and given a bonus. He said they were ready to do this. If staff couldn't produce 3 people to make inspections by the end of the year, they need new staff. This was professional procrastination and it's going to ruin their opportunity. He said Farmer was saying the Commission was falling out of the good graces with the public, but he heard a bunch of people tonight with whom we were going to fall out of favor with because they were not going to pass the program or delay it so far that it's going to get challenged and eventually not happen. If the Commission didn't pass this program tonight and stay with the timeline they were on, they would be just trashing it and would not get there.

Dever said when he was voted to the Commission 7 years ago they had a bus system that the City Commission decided they needed and didn't pay for it. In fact, took the money that they were going to use to run the bus and used it for other stuff. If they thought that they had the power to do anything that's going to last forever, they were wrong. The only way it's going to happen was by creating a tax and made it permanent or made a law and let the people vote on it. That's the only way. So if they thought they were going to make a permanent change, welcome to the real world. It only lasts as long as the next commission comes along. My desire was to make sure that if they did something, it's worthwhile, it's lasting, and it had an impact. If making sure that the public voted on and provided a bus system wasn't trying to help those who were on the lower end of the scale, in general, than he didn't know what was. That was something that City Commission opted to build and then let sit and shrink on the vine. He said the same thing happened with their last rental registration, they had it, didn't look after it, the Commission wasn't kept up to date on it and they let it dissipate. So they had a program in place that would hopefully make it better, but he said trust him, things would change, this body would change and the power that they thought they might have would wither unless letting the public make those decisions. He said he learned that the hard way by having to try to change something that was handed to them. He said Schumm talked about Riordan's list of things, he



agreed with those things he can't vote against it, but then he looked at the data and he saw how many things were really relative to those 6 things that Riordan cited and there was probably less than 10 over a 10 year period of 4 or 5 of those items that were cited in any of the inspections. So, yes, they could have a horrible home but he hadn't seen that and the data didn't show that they had horrible homes. It didn't show that of the 10 years of inspection data that staff had that they had those horrible existing conditions. Either staff wasn't providing the data to prove it or it didn't exist. He didn't know which one it was because they had done a poor job at keeping records and reporting that data to the Commission. He said for him this wasn't about emotion, but about making an intelligent decision about inspecting properties and he didn't want to make it emotional because what he wanted to see was proof that the program was worthwhile and worth doing. All those things that were said, he agreed with 100%, but he didn't think the data bears out the fact that they had this horrible problem. If they did have a horrible problem then they needed to fix it. He said unless they were reading data that he didn't get, he didn't know where they had a place where they had 6 violations like that, other than 10 in a 10 year period. So, they were going to create a program and needed to make sure it gets funded and that it didn't wither and die, or get diverted, and that they actually had a problem to solve with the program. He said he believed there were parts of this program that were important, but he didn't want to get sensational about it because when they finally received the data, the data did not bear out what he thought was a gigantic problem that the Commission needed to solve. It boiled down to smoke detectors, which were very important, but could be disabled by any tenant. They talked about GFCI's which were something that was added to houses over the last 20 to 25 years as a requirement. They were also talking about outlet covers that were not covered which could break, fall off and were plastic and could be replaced in no time. Those were the most common citations. Those other things that Riordan talked about were important, but he didn't see that many violations. He wanted to make sure that if they created this program, that there was really a problem and that there was an answer that the government

was stepping in and solving a problem. That was his concern right now and that the government that they would be handing those keys to could actually carry out and enforce the rules that they were going to create. He said his biggest problem was if there was a problem and could they be sure that the government that they create could actually carry out the program effectively. He said they would be touching tens of thousands of units instead of less than 10. That was a big deal and he agreed that he didn't want to pass the buck, didn't want to vote it down, but he also wanted to make something that worked right. He didn't want to just agree to something because it's time, but wanted to make sure there was a problem and solve it with the proper program. He said he loved the compromise, but he was not seeing those problems that Riordan brought up.

Riordan said he appreciated the comments. He said he was not a politician and ran for City Commission because he had a passion for people. He used the word "passion" very specifically and didn't like the word "emotion." As a physician, he had a passion for what he did. He said he thought he did things pretty well because he had a passion to exceed. He said you don't have to make him get CME, Continuing Medical Education, because he would do it on his own, because he had a passion for what he did. He would substitute the word "passion" and didn't like the word "emotion." He said he knew that what he did could be undone. He was not that important in this except that he was on the City Commission today and that's all he could do which was to do the best that he could today. He said when looking at the rental expansion, March 19<sup>th</sup>, 2014 inspection 1, duration of inspection 37 minutes, install handrail. He said if someone fell down, breaks their hip and dies because they were 75 years old that was important. He said installing the TMP relief valve drain pipe on a water heater, GFCI's, they were extremely important. He didn't care whether GFCI's should have been there, they weren't there 20 years ago, but they should be there now. He said other things listed were installing a smoke detector; vertical cracks, securing a fan to the ceiling. He said inspections 2 and 3 had a GFCI that was missing which was still very important. If a rental unit had been there for 20

years with no GFCI that told him that they should have had this rental registration inspection 20 years ago. He asked if they wanted somebody to die from electrocution because the GFCI wasn't there because it wasn't mandated 20 years ago. None of the windows were operable on the first or second floor and combine that with the smoke detector missing battery which was preventable and can last ten year. Inspections were only every 6 years. A second story with windows that don't open and no smoke detector. He said those were simple things but those infractions could have been prevented by a rental registration program. He said there were 4 inspections that failed. All 4 had significant violations that were life threatening that wouldn't have been there if they had a rental inspection program. He said this was a good program and they should pass it because to delay would kill the program. He said he did not want to pass something that was not adequate, but he believed in City staff professionalism and they were telling him this was a good program.

Dever said clearly the tone was to do it, or it's dead. There was a sincere desire to move forward with what they had worked on, carefully, and even if it's not perfect it could get better and that they trusted staff. He said that was his summary of what he heard tonight.

Schumm said with the issues that Farmer raised in terms of timeline, if they moved ahead with the ordinance tonight, did staff feel comfortable that they could fill the positions by January 1<sup>st</sup> and could staff get the data that wasn't completed yet and in the hands of the parties that needed it.

McCullough said the date had moved at least once which gave staff about 4 months to get administrative staff that's going to be crucial to begin the licensing process this year. It gave staff the rest of the year to get inspectors hired and trained and not to mention, hold some seminars with landlords to help landlords be effective administrators from their prospective as well as hold seminars for both staff and the landlords. He said staff was comfortable with the program established and proposed in this packet.

Schumm said it was important to note that they had moved the timeline back. This Commission had worked on this program almost a year. It had moved because of the length of time they've taken to trying to perfect the program.

Amyx said he respected each one the Commission's opinion. There had been a lot of work that had been done to put together the best ordinance. The Mayor and he worked on items that they thought were important and would garner 3 votes. He appreciated Farmer putting a lot of those items into Ordinance 8840. He also appreciated Farmer providing information to make a good decision and to all the people that requested information under the Open Meetings Act. He said this governing body had a lot of authority in making sure that they could correct a problem under the City's existing ordinances. He said he had concern about the information that dealt with the current rental registration program. One of the main problems was being under staffed and being able to carry that out and performing the follow-up inspections. If it's going to happen, it needed to be done right. A lot of the things Farmer proposed were good for the ordinance. He said he had concerns about the justification of the program. When they looked at affecting the lives of 18,000 to 20,000 units and the number of people that lived there, it's going to be pretty tough. He said staff was good enough that they could carry out anything the City Commission gave direction to do, but he didn't think this was the time to do it. He said he and Riordan would always disagree about whether it's would raise rent because he believed it would. He said he also had a concern about folks that might have lower income than he had, but sometimes rent needed to be raised to be able to accommodate those things. He said everyone knew people that could not afford additional rent right now, but as landlords they did a good job of taking care of people's needs and problems with their unit, but there were some landlords that didn't. He said they should make sure staff followed up on every one of those inspections. If they saw something from the outside, it's probably as bad on the inside. He said the City could beef up our staff and the Commission had the authority to levy money to pay for those programs which was one way they could do it. He received

numerous emails with picture of property around town asking why the City wasn't doing something. There were obviously violations that existed from the outside. He said rather than start a program that was going to enter the lives of so many people, both owners and tenants, and were just going to be coming up with a way to bring more money into the coffers and it's going to be ultimately passed to the tenant. He said this wasn't the time for this rental registration program.

Farmer said he whole heartedly disagreed with Schumm's statement that this was professional procrastination and he took offense to it. He wanted to make sure that they were doing themselves as elected officials, city staff, landlords, tenants, and people for and against this program an incredible disservice if they didn't roll this program out in a way where they had a better understanding of data and numbers and all the things they still needed in order to roll out this program. He said he didn't know until tonight they had policies and procedures, but he should have known that. There were a lot of things they needed to do to get their ducks in a row so when they rolled this out it didn't roll out with a sputter. He said he was mostly concerned because that was going to mostly fall back on him. He said with as much time as he had spent on this program, it would be a whole lot better for the City Commission if they made sure they had extra time. He said he was not saying not to pass the ordinance, but if they amended the administrative regulations in Section 2 to say they start registration to January of 2015 and start inspections in summer of 2015. He said the Commission needed some extra time to prove to the community that they were not as incompetent as they had seemed to be with this process in that they didn't have any data until February or March of this year. It took a while to get it the data and staff had to make sure they didn't repeat that process. He said giving themselves more time in the timeline would be better than not doing it. He wanted to support this program and I want to vote for it and get it done, but this timeline is just a little bit too quick. It's not about trusting City staff, but he wanted to roll it out and be able to say they rolled it out exactly how it needed to be rolled out. He said that would be the loss if they had

this tremendous program, that we worked on and they rolled it out and it rolled out with a dud instead of a bang. He said that was all he was asking the Commission to consider which was adding more time to the timeline to make sure everything was in place and amend Section 2 and they could administratively amend it tonight for a new timeline, bump it down to six months and vote on it.

Riordan said he was in support of this program and if that's an important thing, and Farmer had some good comments, he would be supportive. He asked if delaying the administrative aspects would add a cost to the city.

McCullough said not necessarily. They were planning on getting inspectors and administration hired before income was coming in, in any event, so it evened out over the long term. If the timeline was changed there was quite a bit they could do without hiring the staff immediately as they would if it stayed the same. The cost implications were minimal.

Riordan said he had the same goal as Farmer that was to get a good regulation and to do it well and if that was what they needed to do, he could vote for that.

Amyx said if a majority of the Commission wished to move ahead with Ordinance 8840, he asked if the administrative regulations needed to be approved tonight.

McCullough said the ordinance required the City Commission promulgate the administrative regulations so they teed it up as a packet of information. The ordinance, the administrative regulations and all the attachments in the Commission's that went with the administrative regulations could be adopted tonight. Staff could come back in the future with revised administrative regulations. He said his recommendation would be to let staff revise the regulations and on second reading then staff would have it revised per the revision tonight. The Commission would have the ordinance back and the administrative regulations and all of its attachments for second reading.

Farmer asked if he was talking about pushing a timeline 6 months and was not proposing changing anything else. He wanted to give staff every opportunity to succeed

because it's been very hurtful to him all the folks that have said, they didn't have data, the program hasn't worked, and only remediated 33%. Westcott was trying to make all this happen and spending 90% of her time in the office putting stamps on letters and that wasn't fair to Westcott. They did not set good public policy up for this program to succeed. That's what he wanted to make sure they did so that at no point in the future, the Commission wasn't back having this conversation. He said he thought there was still work that needed to be done, but that didn't preclude the Commission from passing this ordinance. He asked Schumm could go with that recommendation.

Schumm said he didn't know because it had taken so long, and was so arduous. He said this had to be meeting 15, 16 or 17. I've been to every meeting and now they were going to drag it out another 6 months. He said he didn't see what Farmer would accomplish. He understood the desire for perfection, but staff said they could get it done. He said Farmer talked about one inspector having to lick and stick stamps instead of investigating things, that's what she's going to be doing for 6 more months because they weren't going to hire the assistants to setup the administration part of this program.

Dever said he had been at all the meetings too and a part of this process for years. He had been in favor of the concept. He proposed a set of rules and provided those to the Commission and would have voted on them. This was not about us or them or, for safety or against safety. He took offense to those things and he was really unhappy that it came to this discussion that they had about, it had to get done or it wasn't going to get done or procrastinating. He said he took that personally and was offended because he spent just as much time as Farmer did on a rule that other Commissioners couldn't agree to but he was ready to support. It's not that much different than what they were talking about tonight. The time that had elapsed had shed light on issues that he had a problem with. He didn't have the confidence that there was funding available and there was the wherewithal to carry this out without some serious concern and effort on what they already had. They had a program in place that had not

been funded and staff had never told the Commission about any of those problems. He hated to say it but that was what brought him to this point. He said you trust that staff was going to do it, but he didn't have that trust and didn't feel comfortable with the communication level that had been going on that they were going to bring a whole new set of regulations, put them in place and rely on staff to do it when they had data showing that they hadn't done it. Whether it was money or lack of communication, it didn't matter because he wanted to make sure they fixed those problems. He said he agreed with Farmer about taking time to roll it out and he would have even voted in favor of it limited to those changes, limited to only the single family program they had in place right now and see if it worked. That's what he thought should be done if all this was possible because they spent all this time creating those check lists and formats that never existed and weren't available to the public. This has been getting better and hadn't been dragged on. It had been perfected to the point where they had a real program that was going to affect over 50% of the population. He said it needed to be documented properly and clear to everyone who reads it and until this time, it hadn't even been close and for him it was darn close. He was leaning for voting in favor of this until this evening when comments were thrown out, when data was provided and when he didn't believe the information he needed was given to me to make a good vote this evening. He said he had been talking with Farmer and trying to right himself on this issue but frankly he didn't want to just pass a rule because it's time, because they spent too much time on it. He said he wanted staff to prove to him that they could implement a program effectively that they already had in place before he expanded it dramatically. He said it was him desiring perfection because that's what people expect from him in his personnel and professional life and that was what he got paid to do and if he did a bad job, he would lose his customers. He said they had done a relatively poor job in communicating effectively the program they had in place and he didn't know that they could do it better until he saw it in action.



Farmer said this timeline shift would be helpful because they would have 2 progress reports in 6 months. He was confident that they would be able to show the Mayor with those 2 progress reports. He said this timeline shifted and wanted to offer to the Mayor that that was the reason why he needed to support this because it would give staff time to prove that they could and would do it and that was why they should support this. They weren't going to wait to hire those people for 6 months, but giving themselves a different D-day so there was less pressure to do it by a certain point. It's not to say they delay the rolling out of this program or staff but to give them a different end date so they could make sure they hit their metrics. He wanted to make sure that they set up this program to succeed because the biggest failure in all of this would be if they as policy makers set this program up to fail. He asked the Mayor to let this timeline push be a reason why they could have complete justification to support the program. If after those 6 months, the remediation rate was still 32% and they've added staff, then they had a much bigger issue that they needed to look at, but that would not happen. He said that was the reason why they should support this program as proposed because with this timeline that was pushed out and staff would have the opportunity to earn the Mayor's trust back.

Moved by Farmer, seconded by Riordan said he wanted to make a motion that with an amended timeline for 6 months from July 31<sup>st</sup>, 2014 that they moved to adopt Resolution 8840 with the amended timeline beginning January 1<sup>st</sup>, 2015 for registration and July 1<sup>st</sup> of 2015 for inspections.

Dever asked if that was a motion.

Farmer said yes.

Dever asked if he could tell him the dates again.

Farmer said January 1<sup>st</sup> of 2015 was when we start with registration and they'll keep the registration names the same, so starting with letter N, move that timeline 6 months down and

July 1, 2015 was when they would start inspecting the multi-families. He asked when staff would start with the single family with this inspection check list.

McCullough said he thought Farmer was asking in the meantime to maintain the RS program, hire staff, work on a transition plan to begin licensing January 1, 2015, inspect July 1, 2015, provide reports, educate tenants, build websites, get information together and all the other materials.

Dever asked how they could evaluate a program if it's not being done the way they needed it to be done to evaluate.

Farmer asked if they were going to use the amended check list that they passed tonight in the RS district.

McCullough said they would need some clarification from the Commission. He said this program established the 27 standards that would be applied. The ordinance would change to have an effective date of January 1, 2015.

Farmer withdrew his motion.

Corliss asked Farmer if he wanted staff to do the RS inspection as it was in draft 5 and wanted staff to do it now to see whether or not it worked.

Farmer said yes.

Corliss said in order to do that they were going to need to have more inspectors. In order to have more inspectors the Commission would need to tell him to spend down resources or staff would talk about raising fees. He said that seemed like it was Farmer's goal and with that information in place they could hopefully get at the issue as to whether or not the program was working better. They certainly were going to have more inspections and Ordinance 8840 became effective January 1, but what staff really wanted was all of the single family elements of Ordinance 8840 to become effective as soon as possible.

Farmer said correct.

Corliss asked if Farmer wanted staff to hire more inspectors.

Farmer said Westcott inspected 898 single family units last year and he didn't know where staff was at so far this year on how many units have been inspected. If the administrative position was what they needed the most, than he felt that was the most important hire to make because they licensed 2500 and inspected every 3 years so staff won't need to inspect 1200 units, but 800. He said the most pressing need was an administrative position to make sure Westcott wasn't stuffing envelopes in the office.

Dever asked how the City would pay for this person.

Farmer said they just heard that before they collected fees they would have to hire somebody anyway and spend down fund balance. He asked if he understood that right.

Corliss said whatever the effective date was, if it's July 1 or whatever, they would immediately start that process.

Farmer said that didn't change anything and they would have to do that anyway.

Riordan withdrew his second of Farmer's motion.

Dever asked if they were done talking about the funding because the City Commission was going to pass a motion which would require funding. How asked if they were going to hire inspectors or administrative people and how many. He said those were important questions.

Farmer said he thought the most important position at this time was an administrative person.

McCullough said yes because it gave staff the biggest bang for the buck in terms of improving service on the existing RS program.

Farmer said they could hire 2 more inspectors but the bottom line was if they hired 2 more inspectors, they only had 800 units to inspect.

Dever said they didn't need more inspectors. He said he wanted make sure they had the funding clarified because the City Commission would be passing an ordinance on 1<sup>st</sup> reading, that would hopefully be read again and they needed to have the money to pay for it.

Farmer said his point was that they would need to spend down fund balance anyway because they weren't going to start collecting fees until July and they would have started hiring immediately.

Dever said absolutely.

Farmer said the time was a little different and didn't have to spend down fund balance for an additional 6 months, but they would get to the same place.

Amyx asked how many people were going to be hired from the fund balance.

Farmer said 1 administrative position which was \$28,800. McCullough said as they get closer to January 1 they were going to want to hire the second administrative person, get that person trained and then hire inspectors.

Farmer asked to earn the Mayors trust back, in order to get Westcott out of the office and inspecting and remediating they needed an administrative person.

McCullough said yes.

**Moved by Farmer, seconded by Riordan,** to adopt Ordinance 8840 with revisions to the effective date of the ordinance for the RS and non-RS zoned properties as follows:

1. July 1, 2014 - RS zoned properties will be required to be licensed and inspected according to the schedules contained in the ordinance and the Administrative Regulations.
2. January 1, 2015 - all other rental units, regardless of zoning district, will be required to be licensed according to the schedules contained in the ordinance and the Administrative Regulations.
3. July 1, 2015 – non-RS units will be required to be inspected according to the schedules contained in the ordinance and the Administrative Regulations.

In addition, fund balance will be used to hire an administrative support position for the code enforcement office. Aye: Farmer, Riordan and Schumm. Nay: Dever and Amyx. Motion carried.

**E. PUBLIC COMMENT:**

Tom Harper asked if the motion could be dumbed down for him. He asked what just happened and would they be debating this issue again.

Dever said what just happened was that the City Commission passed the ordinance on 1<sup>st</sup> reading that expanded the rental licensing program as requested, except amended by the timeframe. They were no longer using the original time frame but starting on January 1, 2015 they'll start the registration program and in July, 2015 they would start the inspection program for all multi-family dwellings. In addition, they would begin inspection of the existing regulated single family residences that were rental properties using the formats and procedures that they proposed to enact for all rental registration. Effectively, they were trying out this program on the existing regulated housing stock.

Harper asked if there would be another public hearing debating the merits.

Dever said no.

Russell Livingston said one comment he wanted to make to Dr. Riordan was that he brought up the Boulder program. It was interesting that they operated on he believed 2 half-time administrative assistance and they had no other employees. They've chosen to sub-contract out all the inspection processes. The city didn't get involved and didn't need to seek funding to provide for those inspectors. The second thing he would like to have some clarification on was when they would have policies and procedures in place. He didn't hear any discussion about the importance of running a business with policies and procedures in place. It's for the benefit of the staff, the community and the people who were being inspected to know exactly what's expected of them. He said for 2 years they've waited for those policies and

procedures and was curious when this was going to happen. He said it was an integral part of the whole process and the failing of the existing program. That's my point.

Dever said he disagreed with Livingston's comment that it wasn't discussed because he brought it up specifically. He said he wanted to make sure that that's clear.

Riordan said he didn't use the word employ, but used the word FTE, full time equivalent and it was 2 half-time.

Corliss said the City Commission would have it on their consent agenda next week for second reading. The ordinance would be published and the law. McCullough would have the policy and procedure manual and everything set up by July 1<sup>st</sup> and staff would be using all of those procedures in place for the single family work. It would then be available for people to look at for 6 months until it started being effective for the multi-family as far as registration. They had a change in the program and would now be able to implement the policy and procedure manual.

Amyx asked Corliss if the only other item that comes back before this body, on this matter, was just second reading.

Corliss said correct, once it was law there would be reporting procedures in the ordinance.

Amyx asked if there were other approvals, no regulations because the regulations were already in place.

Corliss said correct.

Farmer said those weren't policies and procedures, just the administrative regulations.

McCullough said he wanted to put a little more context on policies and procedures. That told staff how to open up the case in the Innoprise system, it's a manual for staff, essentially, who were added on to be able to do their work from day to day and what's the primary issue, and what's new to the program, is the administrative regulations. He said they didn't have those regulations with the current RS program. So, most of the policies and procedures they've

attempted to put in the administrative regulations that were promulgated by the City Commission so that staff couldn't arbitrarily adjust in reaction to something they were seeing in the field. Any change to the administrative regulations, by Ordinance 8840, had to come back to the City Commission in the future for revision. That's the primary policies and procedures manual. Staff would have a policy and procedures manual, now that we have an Ordinance adopted on first reading, that they would need to create that addresses this program specifically and staff would share that with the City Commission.

Dever said and the public.

McCullough said absolutely.

Livingston said he felt strongly about citizen input and advisory groups since there was a big article in the newspaper last week about how the advisory groups had really benefited this Commission and the City of Lawrence. He said he thought this was a very strong argument for participation from the citizens. If there was a chance that the Commission might want to hear that input he would be happy to volunteer and he knew several others. He said he wanted to thank everybody for their time great comments and hard work.

Dever said he thought that was a great idea.

A woman said thank you for passing. She said she wanted to point at the obvious that if they're using the single family inspections as a barometer of how this works, it is comparing apples to oranges because we you get into multi-family areas it would be totally different.

**F. FUTURE AGENDA ITEMS:**

NONE

**G: COMMISSION ITEMS:**

NONE

**H: CALENDAR:**

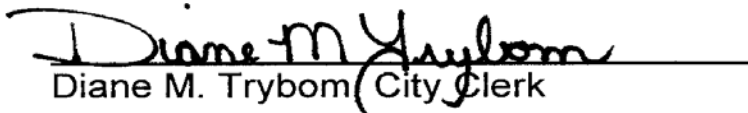
NONE

**I: CURRENT VACANCIES – BOARDS/COMMISSIONS:**

Existing and upcoming vacancies on City of Lawrence Boards and Commissions were listed on the agenda.

**Moved by Schumm, seconded by Amyx,** to adjourn at 10:21 p.m. Motion carried unanimously.

**MINUTES APPROVED BY THE CITY COMMISSION ON MAY 27, 2014.**

  
Diane M. Trybom (City Clerk)