

INTRACITY COMMUNICATION

June 7, 2010

TO: The Governing Body

SUBJECT: Report to the Governing Body No. 10-01 and Resolution No. 3811
Dangerous and Unsafe Structure at 7800 W. 60th St. Located Within the
Corporate Limits of the City of Overland Park, Kansas.

Background: A complaint was registered with the City of Overland Park, in July 2008 that the house located at 7800 W. 60th Street was in disrepair. Upon investigation by Sue Freeman Chambers, the structure appeared to have been abandoned and open to the public. The two egress doors were broken and unsecured, several windows were missing, and there were several large holes in the roof. Furthermore, unsanitary conditions were discovered inside of the structure. The property was posted as unsafe to occupy with a placard. At that time, Building Safety contracted to have the egress doors secured, windows boarded up and a tarp placed on the entire roofing system. On November 19, 2009, the locks were changed and windows boarded up, due to vandalism. Community Services contracted to have the lawn mowed in 2008 and 2009. An inoperable car was towed from the property in August 2009. Since the initial complaint, City expenditures to secure and maintain this property have totaled \$3,988.82.

Building Safety Division sent notices to the property, but they yielded no response. Property research discovered the owner of the property, Harold F. Orten, died on March 24, 2008. At that time no mortgage existed. Contact was made with the brother of the deceased, who stated there was no Will. He, Michael J. Orten, stated he would not pursue ownership of the property due to the amount of work, money and effort it would require to sell the property. Mr. Orten informed us that he has two sisters under psychiatric care by the State, who will not be pursuing ownership of the property either. The Law Department's search for relatives has not yielded a valid response. In May of 2010, a licensed contractor made a cash offer to Mr. Orten, which Mr. Orten declined. Mr. Orten stated he did not want to hire an attorney and begin the probate process.

Currently, the structure is continuing to deteriorate at a rapid pace. The roofing system is so decayed that partial collapse is possible. The tarp needs to be replaced to stop the infiltration of water and rodents. The insulation and sheetrock from the ceilings in various areas are damaged and falling; black mold is present throughout. The windows are decayed and rotted. The fireplace is decayed and unstable. In May, 2010, Community Services contracted to have the grass mowed at a cost of \$135.00 per month and are planning on removing a dead tree on the property at a cost of \$800.00. As of last week and according to the Johnson County District Court, there is no record of any probate action related to the property.

Discussion: The code official presents the following options for the abatement of the unsafe conditions and violations at this property:

- **Option 1** - Prepare the resolution to declare the house as an unsafe structure and order immediate demolition and removal of the structure. Financing would have to be found within the City's current operating budget. The structure is so decayed and dilapidated that it is unsafe. The unsanitary conditions and contamination have made the property unfit for human occupancy.
 - Quotes from independent contractors for the demolition and removal of the structure, average \$11,000.00. The quotes include demolition of structure, removal of driveway and concrete, removal of debris, grade and seed.
 - The City of Overland Park would continue to maintain the lot at an estimated cost of \$135.00 per month during the months of April through October for approximately \$1,000.00 a year.

Eventually, the property would be identified by Johnson County as delinquent on its property taxes and the process to arrange for public sale would occur. This could take as many as 24 – 36 months from today.

The total cost of this option is estimated to be \$14,000 to \$16,000.

- **Option 2** - Prepare the resolution to declare the property "abandoned" and Johnson County then starts the process to sell the property at public auction for delinquent taxes earlier than what would normally occur. By definition, abandoned property means any real estate for which taxes are delinquent for the preceding two years and which has been unoccupied continuously by persons legally in possession for the preceding 180 days, as provided in Kansas Statute 12-1750.

The Johnson County counselor's office stated that once the property is declared as abandoned, the redemption period is reduced from three years to just one year. The property can then be sold at the public auction and this is estimated to take another six to twelve months. It is possible that the property could be sold within one year from today.

Ongoing maintenance costs, until the property was sold, would be provided from the Department's current operating budget for abatement actions.

There are several issues with OPTION 2 that need to be addressed. First, Johnson County does not guarantee the sale of the property. Second, the sale of the property does not guarantee the purchaser will rehabilitate the property.

There are also several building code corrective actions that would need to be addressed immediately if OPTION # 2 was approved. First, the current roofing system has several large holes and is very decayed. The current tarp is torn and decomposed. Immediate action is required to keep water and rodents out. Three alternatives were explored for protecting the structure:

- Installing a temporary tarp, quoted at \$475.00.
- Repairing the sections of the roof requiring immediate attention with an estimate of \$1,500.00.
- Replacing the entire roofing system, estimated at \$7,200.00.

Second, in order to provide a minimum level of sanitation, abatement of the trash and treatment for rodents is recommended. Estimates for these services are \$1,000.00.

Finally, staff estimates the yearly maintenance cost for other issues to be approximately \$500.00 per year.

The total cost of this option is estimated to be \$4,000.00 to \$10,000.00. If the property does not sell within one year the cost will go up depending on what the maintenance issues are.

- **Option 3** - Take no action at this time and have City staff maintain property until Johnson County sells the property at the Public Auction for delinquent taxes. Under this option, the required three year redemption period would end in 2011.

Johnson County would sell the property, starting the process in September, 2011.

As with Option # 2, Johnson County does not guarantee the property will sell and the sale of the property does not guarantee the purchaser will rehabilitate the property.

As stated above, the structure is in need of a new roof. If Option # 3 is approved, the roof will have to be repaired or the roofing system will fail.

As shown above the roof can be repaired at an estimated cost of \$1,500.00 or the roof can be replaced at a cost of \$7,200.00.

The City of Overland Park would continue to maintain the lot at a cost of approximately \$135.00 per month until the property sold or approximately \$1,000.00 a year.

Staff estimates the yearly maintenance cost for other issues to be approximately \$500.00 per year.

The total cost for this option is estimated to be \$5,000.00 to \$10,000.00.

Under all three options any abatement and corrective action would be assessed as a lien on the property. When the property sold, the City should be able to recover any costs.

If you have any questions please contact me at 895-6252.

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Multi-Disciplined Building Inspector

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