

Kansas City Regional Association of REALTORS®
Written Testimony Submitted to the Kansas City City Council
Regarding Committee Substitute for Ordinance No. 260401

The Honorable Mayor Lucas and Members of the City Council,

The Kansas City Regional Association of REALTORS® (KCRAR), representing thousands of real estate professionals throughout the Kansas City region, respectfully submits this testimony regarding Ordinance No. 260401.

KCRAR supports the City's efforts to address blighted, neglected, and abandoned properties. Property owners should be held accountable when they allow properties to deteriorate and create burdens for surrounding neighborhoods. We share the City's goal of returning underutilized properties to productive use.

However, before adopting Ordinance 260401, we believe the Council should carefully consider a fundamental question:

What problem is this ordinance intended to solve, and does the ordinance as drafted actually solve it?

If the goal is to address blight, abandonment, and neglect, then the ordinance should target those conditions and the owners responsible for them. If, however, the ordinance imposes the same costs on properties actively pursuing investment and redevelopment as it does on properties that have been left without a plan or pathway forward, then it risks undermining its own stated objective.

The ordinance expressly states that its purpose is to encourage property owners to return vacant properties to productive use through rehabilitation, sale, or other active reuse. We agree with that objective.

For many vacant commercial properties and unimproved parcels, productive use begins with a sale. Before a property becomes a new business, redevelopment project, housing opportunity, or community asset, it must first find the entrepreneur, investor, developer, or business owner willing to invest in its future.

An owner who engages a licensed real estate broker and actively markets a property is taking a concrete, measurable, and verifiable step toward that outcome. Yet under Ordinance 260401, an owner who has hired a broker, invested in marketing, and is actively seeking investment would largely be treated the same as an owner who has taken no meaningful action at all.

Those circumstances are fundamentally different.

Importantly, Kansas City's existing vacant property framework already recognizes that actively marketed residential properties deserve different treatment than truly neglected properties. Under the current code, a residential property actively marketed for sale by a licensed real estate professional is treated differently because the City recognizes that active marketing is evidence that an owner is taking meaningful steps toward a productive outcome.

The proposed ordinance repeals and replaces that framework while expanding vacant property regulation to commercial properties and unimproved land. In doing so, it continues to distinguish between ordinary residential vacancy and problematic residential vacancy by limiting fees to chronically vacant nuisance properties. However, no similar distinction exists for vacant commercial properties and vacant unimproved parcels. Those properties become subject to escalating fees based on vacancy alone, regardless of whether they are actively being marketed for sale, seeking investment, or pursuing redevelopment.

The ordinance also requires owners to disclose whether a property is being held for a planned sale or transfer to a third party, yet it provides no distinction between owners actively pursuing that outcome and owners pursuing no outcome at all.

We believe that is an important inconsistency.

The proposed amendment does not create a new policy. It preserves a policy principle the City already recognizes in the residential context and applies it consistently to commercial properties and unimproved land.

The proposed amendment does not reward vacancy. It rewards action.

It recognizes owners who have taken a concrete step toward returning a property to productive use. By contrast, the ordinance as written fails to distinguish between those creating the problem and those actively working toward a solution.

Success should not be measured by the amount of fee revenue generated or the number of properties registered. Success should be measured by more occupied buildings, more neighborhood investment, more jobs, more businesses, and more properties returned to productive use. If those are the outcomes we seek, then properties actively listed for sale should be recognized as part of the solution, not treated as part of the problem.

Behind every listed property is a local property owner, family business, entrepreneur, or investor actively seeking a productive future for that property rather than allowing it to sit idle. These are not owners abandoning their responsibilities. They are constituents actively pursuing a solution.

At a time when Kansas City is seeking more investment, more redevelopment, more economic opportunity, and a stronger tax base, the City should be mindful of the message it sends. The message should be that Kansas City welcomes investment in underutilized properties and encourages those working to return them to productive use—not that owners actively seeking investment will be treated the same as owners who have allowed properties to languish without a plan.

For these reasons, KCRAR respectfully requests the adoption of the following amendment:

‘Notwithstanding subsections 56-583(a)(1)(b) and (c), no semiannual registration fee shall be assessed against any vacant commercial property or vacant unimproved property that is actively listed for sale with a licensed real estate broker. Such property shall remain subject to all registration requirements of Article VI. The owner shall provide proof of an active listing upon registration and renewal. Upon expiration, cancellation, withdrawal, or termination of the listing, the property shall become subject to the applicable fee schedule established by this section.’

This amendment does not eliminate registration requirements, reduce accountability, or weaken enforcement authority. It simply ensures that the City distinguishes between neglect and progress, between inaction and action, and between owners who are ignoring a problem and owners actively working to solve it.

The Council's objective should be to target neglect while encouraging investment. A property actively listed for sale is not a property without a plan. It is a property seeking a buyer, seeking investment, and seeking a productive future. In many cases, it is not the problem the ordinance is intended to address—it is the beginning of the solution.

KCRAR respectfully urges the Council to incorporate this amendment before final passage of Ordinance No. 260401.

Respectfully Submitted,

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