



**Testimony Before the  
Joint Standing Committee on Judiciary  
April 22, 2015**

Senator Burns, Representative Hobbins, members of the joint standing Committee on Judiciary, my name is Paul Nicklas and I am the Assistant City Solicitor for the City of Bangor. I am here today to testify in support of LD 1203, An Act To Address the Detrimental Effects of Abandoned Property.

I have included for all of you a copy of a Bangor Daily News article that illustrates the detrimental effects of abandoned property this law would help to address. Last summer, through complaints from neighbors, the City Code Enforcement office and Bangor Police Department learned that the residential building at 15 Garland St. was abandoned and housing squatters. The building had been foreclosed upon by a bank which failed to secure the building, allowing for the unauthorized entry of a number of people. At least some of these people were drug users, including one person who was arrested at the house with nine bags of heroin. Bangor Public Works then set to work boarding up the windows, cleaning the property to eliminate health hazards, and temporarily securing the house. The Code Enforcement Office sent notice to the bank in early August, stating that the bank had 14 days to properly secure the building and fix several building defects. There was no response until December, and it was only last week, in the middle of April, that the Code Enforcement Office finally received word from a contractor



stating that they had been contacted by the bank to perform the required maintenance. In the meantime, Public Works and the Code Enforcement Office have returned to the building on several occasions to do further clean up and to re-secure the building. This is the type of situation that municipalities currently face. We were fortunate in this case that we heard from the bank eventually; some never respond at all.

Vacant and abandoned buildings create significant and costly problems for the City and its citizens. These properties often are structurally unsound or otherwise dangerous because of a lack of maintenance, are prone to unauthorized entry which can attract criminal activity and cause fires, and tend to decrease property values in the neighborhoods where they are located. For these reasons, in October of 2013, the City of Bangor adopted an abandoned building registration ordinance. The City has had some successes in the past year and a half with this ordinance in place, but we still face significant challenges; the example I gave earlier took place after our registry had been created. Even with our present ordinance in place, we often do not hear from the owners of abandoned properties, particularly when the owner is a financial establishment.

Stephan Whitaker of the Federal Reserve Bank of Cleveland conducted a study in 2011 of residential property sales and concluded that “two to five years after [a] property is transferred, foreclosed homes are two to four times more likely to be vacant than a house sold through ordinary transactions,” and that the length of vacancy is significantly extended when a bank purchases the foreclosed property.<sup>1</sup> Our Code Enforcement Office often finds out about abandoned property before the responsible party registers it. They also find that if the responsible

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<sup>1</sup> Stephan Whitaker, *Foreclosure-Related Vacancy Rates*, Fed. Res. Bank of Cleveland (July 26, 2011), <http://www.clevelandfed.org/research/commentary/2011/2011-12.cfm>.

party is a bank it may take months to receive any kind of a response in regard to a notice to correct an issue or simply to register the building as vacant or abandoned.

LD 1203 would help Bangor and other cities and towns, even those which already have abandoned property ordinances, to deal with abandoned properties in a number of ways. First, it would create a standard procedure and notice process that would apply statewide to any municipality that wishes to adopt an abandoned property ordinance. If the procedures for dealing with abandoned properties are similar across the state, it should be somewhat easier for, say, a bank with foreclosed properties throughout the state to comply with various municipal abandoned property ordinances. Second, it allows municipalities to remedy property defects after the owner has been given an opportunity to do so. If an owner refuses to do anything about a property, or simply cannot be contacted, municipal action is a better option than allowing the blight to continue and deepen. Finally, it allows a municipality to lien the property for its costs in remedying these properties. Right now, a municipality's only way to recover costs is through a lawsuit, and that requires time and resources that municipalities often do not have.

We believe LD 1203 will help us to address our abandoned properties, while providing both municipalities and owners of abandoned properties a relatively standard procedure with which to comply across the state. It is for these reasons that the City of Bangor urges this committee to pass LD 1203. Thank you, and I would be happy to answer any questions you may have.