

# Kansas

GOVERNMENT JOURNAL

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**Special Edition:  
Forging Ahead in Tough Economic Times**



# 2010 CONFERENCE HOTEL ACCOMMODATIONS & RESERVATION PROCEDURES

October 9-12 • Overland Park Convention Center & Sheraton Suites • Overland Park



## Sheraton Overland Park Hotel\*\*

6100 College Blvd  
Overland Park, KS 66211  
(913) 234-2100  
Single/Double \$134 + tax per night  
Cut-off Date: 9/18/10  
Connected to the convention center



### RESERVATION PROCEDURES:

- LKM has made special arrangements with the hotels listed to provide accommodations during our Annual Conference. Room reservations should be made by contacting the hotels directly.
- Attendees are responsible for making their own reservations.
- Reservations may not be made until after 2/1/10.
- Remember to ask for the special LKM conference rate when making reservations.

### SPECIAL NOTE:

If you are making hotel reservations for someone else, please confirm with each person that they actually need hotel accommodations and intend to use the accommodations before making the reservation.

\*\*Sheraton Inn & Suites requires a non-refundable deposit equal to one night's stay in order to secure reservations.

### Additional Accommodations:

#### Holiday Inn & Suites - Convention Center

10920 Nall Avenue  
Overland Park, KS 66211  
(913) 312-0900  
Queen/King: \$92 + tax per night  
Executive/Suite \$99 + tax per night  
Cut-off Date: 9/19/10

#### Chase Suite Hotel

6300 W 110th Street  
Overland Park, KS 66211  
(913) 491-3333  
Studio/Queen: \$95 + tax per night  
2BR/King: \$115 + tax per night  
Cut-off Date: 9/01/10

#### Courtyard by Marriott

11001 Woodson Street  
Overland Park, KS 66211  
(913) 317-8500  
Single/Double \$104 + tax per night  
Cut-off Date: 9/17/10



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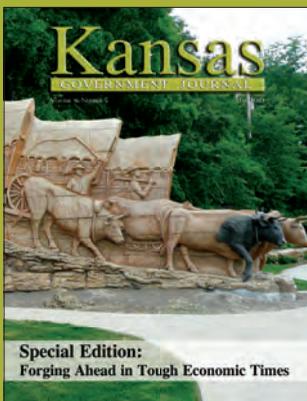
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**About the Cover:**  
 Pioneer Crossing Park is Shawnee’s newest park that features a life size, 3-D brick monument. Shawnee is also one of several cities to consider approving a Community Improvement District (CID) project. See related article beginning on page 147.

# Kansas

GOVERNMENT JOURNAL

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*The mission of the League shall be to unify, strengthen, and advocate for the interests of Kansas municipalities to advance the general welfare and promote the quality of life of the people who live within our cities.*



## Calendar of Events

### June

#### 4, 5, 18 - MLA: Ethics, (Ulysses, Goddard, Lenexa)

LKM will be offering three MLA core classes on *Ethics*. This course will provide an overview of the law as it relates to local government ethics and will offer strategies that your city can follow to encourage ethical behavior. The course will be held in Ulysses on June 4, Goddard on June 5, and Lenexa on June 18.

#### 25 - LKM Governing Body Meeting, Overland Park

#### 25 - KMIT Board Meeting, Hays

### July

#### 9, 10, 19 - MLA: Neighborhood Building (Phillipsburg, Chanute, Great Bend)

LKM will be offering three MLA elective classes on *Neighborhood Building*. This course will offer participants an increased understanding of building and renovating attractions within your city. The course will be held in, Phillipsburg on July 9, Chanute on July 10, and Great Bend on July 19.

### August

#### 6,7,13 - MLA: KOMA/KORA (Iola, Concordia, Greensburg)

LKM will be offering three MLA core classes, *KOMA/KORA*. The course will be held in Iola on August 6, Concordia on August 7, and Greensburg on August 13.

#### 27 - KMIT Board Meeting, De Soto

### September

#### 10 - Governing Body Meeting, Manhattan

#### 10, 11, 17 - MLA: Sexual Harassment (Scott City, Minneapolis, Westwood)

LKM will be offering three MLA elective classes on *Sexual Harassment*. The course will be held in Scott City on September 10, Minneapolis on September 11, and Westwood on September 17.

### October

#### 9-12 - LKM Annual Conference, Overland Park

Preparations are already under way for LKM's 2010 Conference, when the League's 100th Anniversary will be celebrated. This conference will be held at the Overland Park Convention Center and Sheraton Hotel, October 9-12. LKM will hold a Governing Body Meeting on October 10 and KMIT will hold an Annual Meeting on October 11 at the conference.

#### 27, 28 - LKM Regional Suppers (Goodland, Dodge City)

Goodland is the first stop for LKM's annual Regional Suppers on October 27. Dodge City will follow as the second stop on October 28.

### November

#### 3, 4 - LKM Regional Supper (Wichita, Concordia)

LKM will make its third stop in Wichita on November 3 for the annual Regional Suppers. Concordia will follow on November 4.

#### 5, 6 - MLA: Community & Media Relations (Manhattan, Fort Scott)

LKM will be offering two MLA elective classes on *Community and Media Relations*. This course will be held in Manhattan on November 5, and Fort Scott on November 6.

#### 17, 18 - LKM Regional Supper (Leavenworth, Parsons)

Leavenworth is the fifth stop for LKM's annual Regional Suppers on November 17. Parsons will follow as the sixth stop on November 18.

### December

#### 10 - LKM Governing Body Meeting, Topeka

#### 17 - KMIT Board Meeting, El Dorado

## Obituaries

**Edward H. DeVader**, 91, passed away April 11, 2010. DeVader served as mayor of Emmett.

**Judge William (Bill) O. Isenhour, Jr.**, 67, passed away on April 10, 2010. In the early 1970s, Isenhour was a municipal judge in Merriam and Mission.

In 1994, Governor Joan Finney appointed Isenhour to the District Court in Johnson County.

**Charles M. Scharf**, 69, passed away on April 24, 2010. He served as a city commissioner in McPherson.



# Mainstreet News

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## Riley County Launches Redesigned Website

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Riley County launched its newly redesigned website, [www.rileycountyks.gov](http://www.rileycountyks.gov). The new site offers citizens and visitors a new design, a number of e-government features, and up-to-date information. The County said the new site's goal is to improve citizen engagement. According to Robert Nall, Information Technology Director for Riley County, "the County's Web site was in need of a fresh new look [that] improves navigation as well as additional functionality to improve citizen engagement. Riley County is also a unique, beautiful, and diversified area and one of our goals was to try and capture and reflect these aspects through our website."

Specific new features include: A phone/e-mail/text message emergency notification system, bid postings, e-mail subscriptions, job postings, online property tax search, tax payment, and vehicle registration. It also includes RSS feeds to social networking sites such as Twitter and Facebook.

The site was developed by CivicPlus. The platform allows County staff to perform updates and post new information. Moreover, CivicPlus purchased BEF Carbon Offsets that make the new website one of the most environmentally responsible in the State.

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## Kansas Counties Deemed Stress Free

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The Associated Press recently analyzed conditions in each of the 3,100 U.S. counties. This year, the average county was determined to be economically stressed.

However, for four counties in Kansas, this was not the case. Ford County was the nation's "most relaxed" county with a stress score

of 4.17, followed by Ellis County that scored a 4.31. Finney County placed at number 5 with a score of 4.86, and Riley County was number 12 and scored 5.53. Each county had to have a population of at least 25,000 for consideration.

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## Topeka Wins Award

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The U.S. Environmental Protection Agency (EPA) and the Department of Housing and Urban Development (HUD) have awarded the City of Topeka's Department of Housing and Neighborhood Development (HND) the 2010 ENERGY STAR Award for Excellence in Energy-Efficient Affordable Housing in recognition of its efforts to provide energy-efficient housing for low-income residents. This award was unusual in that it marks the second consecutive year that the City of Topeka has received this award.

The City of Topeka's Department of Housing & Neighborhood Development will be recognized at an awards ceremony in Washington, D.C. "The Energy Star Award confirms that Topeka is a leader in building and promoting energy-efficient affordable housing," said Randy Speaker, Deputy City Manager. "By promoting the ENERGY STAR label we encourage families to replace less energy efficient products with energy efficient products that will pay them back in lower utility bills and thereby make their homes more affordable. This in turn provides additional resources for family needs."

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## Wichita Mayor Wins Advocay Award

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The Kansas Library Association (KLA) will recognize Mayor Carl Brewer with a Presidential Award for Library Advocacy during its annual conference in Wichita on April 8, 2010. The KLA award is "given to an individual or institution in recognition of exemplary leadership or support for growth and development of the Kansas Library Association and/or a library or libraries in Kansas. Such leadership and support may be, for example, in areas of library-related legislation, media coverage, or in writings which further the understanding and appreciation of Kansas and its libraries."

Mayor Brewer was nominated by the Wichita Public Library, which cited his consistent and generous support of libraries and

literacy projects in Wichita including "The Little Read" preschool book reading program, "The Art of Reading a Storybook" partnership and the "READ" posters campaign. The nomination letter also referenced his 2010 State of the City Address and his participation in last year's joint conference of the KLA and Mountain Plains Library Association.

"Mayor Brewer seems to be only a phone call away whenever we need his assistance," said Cynthia Berner-Harris, Director of Libraries for the City of Wichita. "He not only works to fulfill the requests, but often takes them to the next level of impact."



# A Snapshot of the Economy

## by Jonathan Fisk

Economies fluctuate between periods of growth and decline. As such, recessions are not unusual. Since the end of World War II, the U.S. economy has persevered through at least 10 recessions.<sup>1</sup> In most recessions the stock market stagnates and drops, but overall, the financial system continues to function smoothly. In contrast, the most recent recession undermined the stability and health of the financial markets.<sup>2</sup> Two years after it began, policymakers at all levels are still coping with its impact on wages, housing, and employment.<sup>3</sup> These issues are exacerbated by the interconnectedness and complexity of a globalized economy. Rising home foreclosures, for example, force local officials to address abandoned homes and the federal government to thaw frozen credit lines, which are coincidentally influenced by international events. It should be noted that many economists believe that a second depression was avoided mainly through the aggressive response of policymakers.<sup>4</sup>

The U.S. financial system began to show signs of weakness in August of 2007. It “officially” entered into recession four months later.<sup>5</sup> Thus far, the economic landscape has suffered an avalanche of home foreclosures, the loss of millions of jobs, and depressed wages. In response, lawmakers have unveiled a number of programs designed to reinvigorate the economy. They range from an economic stimulus program to additional deregulation and decentralization. Perhaps, the largest and most long-term impact will be a shift in the expectations Americans hold for government and private industry.

### Homes

At one point in 2009, there were 14 million vacant homes dotting the American landscape.<sup>6</sup> Although 61% of foreclosure filings occurred in six states,<sup>7</sup> home foreclosure signs are nearly a ubiquitous sight in today’s neighborhoods.<sup>8</sup> Unfortunately, Kansas has not been immune to the symptoms of an anemic housing market. During the second quarter of 2009, Kansas home sales declined 17%.<sup>9</sup> Even fewer new home construction permits were issued.<sup>10</sup>

The Kansas housing market may be seen as a microcosm of the national market. However, by early 2010, data compiled by RealtyTrac indicated that nationwide foreclosure filings were beginning to slow.<sup>11</sup> In February 2010, it reported that the month-to-month foreclosure rate declined by 2% (January 2010 to February 2010).<sup>12</sup> The year-to-year comparison, however, still showed an increase of 6%.<sup>13</sup> Evidence also indicates that the foreclosure rate in Kansas is beginning to slow. Again, using February 2010 as a benchmark, the year-to-year foreclosure rate dropped by 32%.<sup>14</sup> Shown in Table I below, the housing industry in Kansas is even more stable when compared to most states, as it ranked near the bottom for home foreclosures in 2007

TABLE I. Foreclosures in the Midwest<sup>15</sup>

State (Rank)	Foreclosure Rate 2007	% Change from 2006	Total Number of Filings
Kansas (42)	<b>0.203</b>	<b>20.85</b>	<b>4,978</b>
Missouri (13)	0.0906	80.93	32,022
Oklahoma (23)	0.52	-12.78	13,594
Nebraska (30)	0.474	30.88	3,971
Colorado (5)	1.919	29.96	71,149
Nevada (1)	3.376	215.12	66,316

<http://realestate.msn.com/article.aspx?cp-documentid=1310781>

### Employment

The unemployment rate is another indicator of the nation’s economic health. For many, it is the principal indicator of economic conditions. President Franklin Roosevelt, in an April 1938 radio address, succinctly captured the importance of work, “Not only our future economic soundness but the very soundness of our democratic institutions depends on the determination of our government to give employment to idle men.”<sup>16</sup> During the midst of the 2007 recession, unemployment spiked to over 10% and employers were shedding thousands of jobs each month.<sup>17</sup>

During the first three months of 2009, for example, average monthly job losses reached 700,000. Currently, unemployment has dipped to 9.7%.<sup>18</sup>

Despite the state's relatively low unemployment rate, unemployment in Kansas has nearly doubled in the past two years. In 2009, the state lost over 54,000 jobs, a 4% decrease in total jobs. Of those losses, 24,700 were manufacturing jobs, 12,100 were in professional or business settings, and the trade/transportation/utilities combined to lose 6,300 jobs.<sup>19</sup> Again, relative to other states, employment in Kansas is fairly robust as shown in Table II below.

Equally as troubling, and often less reported, is the growing number of underemployed Americans. The Bureau of Labor Statistics measures several variables when it calculates underemployment, known as the U6: Unemployed and searching, unemployed and not searching, involuntarily working part-time, and marginally attached.<sup>23</sup> It does not consider individuals who are overqualified for their current positions. Since the recession began, this indicator has doubled to over 17%, which is a 12% increase from 2008.<sup>24</sup> Moreover, since late 2007, the number of people involuntarily working part-time has surpassed 9.3 million, the highest number ever recorded. As a result, the average work week is now down to 33 hours.<sup>25</sup> See Table III. U6 Total Unemployment Including Underemployed below.

The high unemployment is also depressing wages and salaries. Because the job demand is outpacing job supply, wages are often falling or stagnant. According to the Bureau of Labor Statistics, only one Kansas county reported wages that exceeded the national

average of \$840 per week.<sup>27</sup> Other evidence shows that approximately 1/4 of Kansas counties have wages averaging under \$500 and approximately 1/2 were between \$500 and \$599.<sup>28</sup> Generally, the lowest wages were concentrated in central and northern regions of Kansas.<sup>29</sup>

### State and Local Government

The recession has had a profound impact on governments across the state and throughout the nation. While the need for public services is rising, the revenues necessary to provide those services are not. During fiscal year 2009, state and local taxes accounted for \$11.772 billion in revenue. Comparatively, in 2008, these taxes generated over \$12.2 billion, a difference of approximately \$500 million.<sup>30</sup> See Table IV. Major Taxes Collected below.

The strong increase in property taxes and decrease in income taxes is misleading. In fact, both income and property taxes show a similar decline as part of overall income. In other words, property taxes may be increasing but at a slower pace than income levels. Additionally, when compared to other states, Kansas property taxes and income taxes are average, ranking nationally between 20th and 22nd. See Table V. Kansas State and Local Government Revenues Per \$1,000 of Income on the next page.

Comparing government revenues on a per capita basis reaffirms that Kansas' tax rates are usually average to below average for most major taxes. See Table VI. Kansas State and Local Government Revenues Per Capita on the next page.

### The Future?

Economic forecasting is an imperfect science. Nonetheless, it behooves local government leaders to have a sense of what to expect in the short and long-term future. In order to successfully understand the economy's future, it becomes necessary to know its past. Following the financial crisis in 2008, consumer spending dropped. Only recently has consumer spending accelerated. In February 2010, for example, several major retail chains reported earnings that exceeded expectations.<sup>34</sup> Moreover, the retail industry predicts year-to-year sales to increase by nearly 10% in March 2010.<sup>35</sup>

Job creation is also showing some signs of life.<sup>36</sup> Since the beginning of the recession,

employers laid off over eight million workers.<sup>37</sup> By March 2010, the trend reversed itself and employers added 162,000 jobs to their payrolls. It is important to note that the economy must generate approximately 100,000 jobs per month just to absorb the new participants in the labor market. In other words, in order to actually decrease the unemployment rate, employers will need to keep pace with new entrants to the labor market and create jobs for the millions looking for

TABLE II. Unemployment (Lowest to Highest)

2010 Rank	State	Unemployment Rate for February 2010 <sup>20</sup>	Unemployment Rate for February 2008 <sup>21</sup>	Unemployment Rate for February 2006 <sup>22</sup>
1	North Dakota	4.1	3.0	3.4
2	Nebraska	4.8	2.8	3.4
2	South Dakota	4.8	2.6	3.5
4	<b>Kansas</b>	<b>6.5</b>	<b>3.7</b>	<b>4.7</b>
28	Missouri	9.4	5.3	4.8
16	Colorado	7.7	4.4	4.3
6	Oklahoma	6.7	3.1	3.6
50	Michigan	14.1	7.2	6.6
	United States	9.7	8.9	4.8

TABLE III. U6 Total Unemployment Including Underemployed<sup>26</sup>

	Not Seasonally Adjusted			Seasonally Adjusted					
	Mar-09	Feb-10	Mar-10	Mar-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10
Total Rate	16.2	17.9	17.5	15.6	17.2	17.3	16.5	16.8	16.9

<http://www.bls.gov/news.release/empsit.t15.htm>

TABLE IV. Major Taxes Collected in Kansas<sup>31</sup>

TAX	FY 2007*	FY 2008*	FY 2009*	% of Total Revenue	% Change from Yr to Yr
<b>Property</b>	3,627,149	3,765,993	3,953,527	33.58%	5%
<b>Sales</b>	3,093,574	3,126,006	3,019,908	25.65%	-3.39%
<b>Income</b>	3,218,384	3,410,089	2,998,010	25.47%	-12.08%
<b>Total</b>				<b>84.70%</b>	

\*In Millions

[http://skyways.lib.ks.us/ksleg/KLRD/Publications/TaxFactsSupp\\_2009.pdf](http://skyways.lib.ks.us/ksleg/KLRD/Publications/TaxFactsSupp_2009.pdf)

TABLE V. Kansas State and Local Government Revenues Per \$1,000 of Income<sup>32</sup>

Revenue Type	FY 1999*	FY 2007*	Rank	% Change
Sales Tax	\$47.99	\$39.64	19	-21%
Property Tax	\$35.94	\$34.09	20	-5%
Income Tax	\$28.83	\$27.08	22	-6%
Fees	\$6.44	\$5.36	41	-20%
Licenses	\$82.93	\$88.14	44	6%
*In 2007 Dollars				

<http://www.ksu-olg.info/assets/docs/RevenueInterstateReport.pdf>

TABLE VI. Kansas State and Local Government Revenues Per Capita<sup>33</sup>

Revenue Type	FY 1999*	FY 2007*	National Rank	% Change
Sales Tax	1,281	\$1,448	18	13%
Property Tax	\$960	\$1,245	19	30%
Income Tax	\$770	\$989	20	28%
Fees	\$2,215	\$3,219	42	45%
Licenses	\$172	\$196	40	14%
*In 2007 Dollars				

<http://www.ksu-olg.info/assets/docs/RevenueInterstateReport.pdf>

employment. The Congressional Budget Office (CBO) expects that the economy will continue to add jobs but will not create enough to truly decrease unemployment in 2010. It predicts that it will take at least two more years for the rate to fall below 9%.<sup>38</sup> Finally, the CBO projects that “the average potential growth rate in the latter half of this decade at only 2.4%,” “well below the average growth rate of 3.4% during the past 60 years.”<sup>39</sup>

If history does repeat itself, the United States and Kansas will eventually emerge from this recession and enjoy a period of robust economic growth. In the short-term, policymakers have introduced a myriad of programs meant to abate the recession—with varying degrees of success. More importantly, the long-term impact of the current economic climate remains unknown. Will spending increase back to pre-recession levels? Will there be a fundamental change in expectations for government? And most importantly, will government be able to meet those expectations.

 *Jonathan Fisk is a Research Associate with the League of Kansas Municipalities. He can be reached at [jfisk@lkm.org](mailto:jfisk@lkm.org) or (785) 354-9565.*

<sup>1</sup>US. National Bureau of Economic Research. US Business Cycle Expansions and Contractions 4 Apr. 2010 <<http://www.nber.org/cycles/>>.

<sup>2</sup>US. Library of Congress. Congressional Research Service. *U.S. Economy in Recession: Similarities to and Differences From the Past*. Labonte, Marc 5 Feb. 2009. 4 Apr. 2010 <[http://assets.opencrs.com/rpts/R40198\\_20090205.pdf](http://assets.opencrs.com/rpts/R40198_20090205.pdf)>.

<sup>3</sup>Labonte, Marc <[http://assets.opencrs.com/rpts/R40198\\_20090205.pdf](http://assets.opencrs.com/rpts/R40198_20090205.pdf)>.

<sup>4</sup>Labonte, Marc [http://assets.opencrs.com/rpts/R40198\\_20090205.pdf](http://assets.opencrs.com/rpts/R40198_20090205.pdf)

<sup>5</sup>Labonte, Marc [http://assets.opencrs.com/rpts/R40198\\_20090205.pdf](http://assets.opencrs.com/rpts/R40198_20090205.pdf)

<sup>6</sup>De Wit, Jessica. Revitalizing Blighted Communities with Land Banks. [updated 2005; cited 8 December 2009]. Available from <http://www.umich.edu/~econdev/landbank/>.

<sup>7</sup>Nevada, Florida, Michigan, California, Colorado, Ohio

<sup>8</sup>U.S. Department of Housing and Urban Development. Office of Policy Development and Research. *Revitalizing Foreclosed Properties with Land Banks*. August 2009. [http://urban.csuohio.edu/forum/events/foreclosure/landbanks\\_report\\_hud.pdf](http://urban.csuohio.edu/forum/events/foreclosure/landbanks_report_hud.pdf) (accessed December 8, 2009).

<sup>9</sup>United States Census Bureau. Housing and Household Economic Statistics Division. *Annual Statistics: 2008* (Including Historical Data by State and MSA) . March 2009. <http://www.census.gov/hhes/www/housing/hvs/annual08/ann08t4.xls>. Accessed May. 9, 2010.

<sup>10</sup>U.S. Department of Housing and Urban Development. *Regional Activity, 2009*. [http://www.huduser.org/portal/periodicals/ushmc/fall09/reg\\_activity.pdf](http://www.huduser.org/portal/periodicals/ushmc/fall09/reg_activity.pdf) (accessed December 8, 2009).

<sup>11</sup>[http://www.huduser.org/portal/periodicals/ushmc/fall09/reg\\_activity.pdf](http://www.huduser.org/portal/periodicals/ushmc/fall09/reg_activity.pdf)

<sup>12</sup>Rosen, Steven. *Home foreclosures fell slightly in January in Kansas and Missouri*. The Kansas City Star. 11 March. 2010. Web. 6 April. 2010. Available from <http://www.kansascity.com/2010/03/10/1803737/home-foreclosures-fell-slightly.html>

<sup>13</sup>Rosen, Steven. <http://www.kansascity.com/2010/03/10/1803737/home-foreclosures-fell-slightly.html>

<sup>14</sup>Rosen, Steven. <http://www.kansascity.com/2010/03/10/1803737/home-foreclosures-fell-slightly.html>

<sup>15</sup>Rosen, Steven. <http://www.kansascity.com/2010/03/10/1803737/home-foreclosures-fell-slightly.html>

<sup>16</sup>Fulmer, Melinda. States Ranked by Foreclosure Rates. MSN Real Estate, 5 April. 2010. <<http://realestate.msn.com/article.aspx?cp-documentid=1310781>>

<sup>17</sup>On Economic Conditions. [online]. Marist University, Available from World-Wide Web: <http://docs.fdrlibrary.marist.edu/041438.html>

<sup>18</sup>US. White House. Council of Economic Advisors. *The Economic Impact of the American Recovery and Reinvestment Act of 2009*. 13 Jan. 2010. 8 Apr. 2010 <<http://www.whitehouse.gov/sites/default/files/microsites/100113-economic-impact-arra-second-quarterly-report.pdf>>.

<sup>19</sup>US. Department of Labor. Bureau of Labor Statistics. *Economic News Release: Employment Situation Summary*. 1 April. 2010. 7 April. 2010 <<http://www.bls.gov/news.release/empsit.nr0.htm>>

<sup>20</sup>Clark, Matthew. “Kansas unemployment figures jump.” *The Pittsburg Morning-Sun*. 10 Mar. 2010. Web. 6 April. 2010 Available from <http://www.morningsun.net/news/x2102349414/Kansas-unemployment-figures-jump>

<sup>21</sup>U.S. Department of Labor. Bureau of Labor Statistics. *Unemployment Rate for States 26 Mar*. 2010. 8 Apr. 2010 <<http://www.bls.gov/web/laus/laumstrk.htm>>.

<sup>22</sup>U.S. Department of Labor. Bureau of Labor Statistics. *Regional and State Employment and Unemployment: February 2008* 28 Mar. 2008. 7 Apr. 2010 <[http://www.bls.gov/news.release/archives/laus\\_03282008.pdf](http://www.bls.gov/news.release/archives/laus_03282008.pdf)>.

<sup>23</sup>U.S. Department of Labor. Bureau of Labor Statistics. *Regional and State Employment and Unemployment: February 2006* 30 Mar. 2006. 7 Apr. 2010 <[http://www.bls.gov/news.release/history/laus\\_03302006.txt](http://www.bls.gov/news.release/history/laus_03302006.txt)>.

<sup>24</sup>Individuals wanting jobs, but have not searched in over a month

<sup>25</sup>Dugan, Ianthe. “Working Two Jobs and Still Underemployed.” *The Wall Street Journal*. 1 Dec. 2009. Web. 8 April. 2010. Available from <http://online.wsj.com/article/SB125962111284270397.html>

<sup>26</sup>Zuckerman, Mortimer. “The Economy Is Even Worse Than You Think: The average length of unemployment is higher than it’s been since government began tracking the data in 1948.” *The Wall Street Journal*. 14 July. 2009. Web. 8 April. 2010. Available from <http://online.wsj.com/article/SB124753066246235811.html>.

<sup>27</sup>US. Department of Labor. Bureau of Labor Statistics. *Alternative measures of labor underutilization* 2 Apr. 2010. 8 Apr. 2010 <<http://www.bls.gov/news.release/empsit.t15.htm>>.

<sup>28</sup>US. Department of Labor. Bureau of Labor Statistics. *County Employment and Wages in Kansas - Second Quarter 2009* 25 Jan. 2010. 8 Apr. 2010 <<http://www.bls.gov/ro7/qcewks.htm>>.

<sup>29</sup><<http://www.bls.gov/ro7/qcewks.htm>>

<sup>30</sup><[http://skyways.lib.ks.us/ksleg/KLRD/Publications/TaxFactsSupp\\_2009.pdf](http://skyways.lib.ks.us/ksleg/KLRD/Publications/TaxFactsSupp_2009.pdf)>

<sup>31</sup>Kansas Legislature. Legislative Research Department. *Kansas Tax Facts: Supplement to the 2009 Edition*. Principal Economist Courtwright, Chris Chris W. Courtwright, Principal Economist, 0 Dec. 2009. 4 Apr. 2010 <[http://skyways.lib.ks.us/ksleg/KLRD/Publications/TaxFactsSupp\\_2009.pdf](http://skyways.lib.ks.us/ksleg/KLRD/Publications/TaxFactsSupp_2009.pdf)>.

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<sup>33</sup>Kansas. Kansas State University Local Government Center. *Kansas State and Local Government Revenues: A Comparison with Other States for State Fiscal Year 2007*. March. 2010. 8 April. 2010. Available from <<http://www.ksu-olg.info/assets/docs/RevenueInterstateReport.pdf>>

<sup>34</sup>Kansas. Kansas State University Local Government Center. <<http://www.ksu-olg.info/assets/docs/RevenueInterstateReport.pdf>>

<sup>35</sup>Rosenbloom, Stephanie. “Upbeat Signs Revive Consumers’ Mood for Spending.” *The New York Times*. 6 April. 2010. Web. 8 April. 2010. Available from <http://www.nytimes.com/2010/04/07/business/07shop.html?scp=5&sq=economic%20growth&st=cse>

<sup>36</sup>Rosenbloom, Stephanie. <http://www.nytimes.com/2010/04/07/business/07shop.html?scp=5&sq=economic%20growth&st=cse>

<sup>37</sup>Rich, Motoko. “Economy Gains Impetus as U.S. Adds 290,000 Jobs.” 7 May. 2010. Web. 9 May. 2010. The New York Times. Available from <http://www.nytimes.com/2010/05/08/business/economy/08jobs.html>.

<sup>38</sup>Rampell, Catherine and Javier Hernandez. “Signaling Jobs Recovery, Payrolls Surged in March.” *The New York Times*. 2 April. 2010. Web. 8 April. 2010. Available from <http://www.nytimes.com/2010/04/03/business/economy/03jobs.html>

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## Upcoming Court Decisions May Impact Cities

Several U.S. Supreme Court cases are pending that will affect cities in various ways. These decisions could come down at any time, but most likely will be decided this summer. The first, *City of Ontario v. Quon*, Case No. 08-1332, was argued on April 19, 2010. This California case will decide the issue of whether a police officer has an expectation of privacy in text messages sent and received on his city owned and issued pager where the City had an official policy of no personal use, but informally allowed officers to use the device for some personal use. The City contracted with a vendor to provide wireless text-messaging services for the City and issued pagers to some police officers, including Sergeant Quon, that were capable of sending and receiving the texts. While the City did not have a policy regarding texts sent by and to city pagers, it had a general policy regarding using computers, associated equipment, emails and the Internet, and prohibited all personal use. The City policy also provided that access to Internet websites was recorded and would be periodically reviewed, as would email use, with or without notice. The policy specifically stated that employees should have no expectation of privacy or confidentiality when using such city resources. It also stated that any hardcopies or electronic copies of communication were city property and the use of inappropriate, obscene, defamatory, or harassing language would not be tolerated.

As with many such policies, the employees in the City of Ontario signed an acknowledgment that they had read and understood the policies and that they understood their electronic communication could be monitored. At a subsequent meeting at the police department, Quon and his fellow employees attended a meeting where they were notified that the communications on the pagers were considered subject to the City's email policy. The City's contract with the provider allowed 25,000 characters over which the City had to pay overage charges. Despite the City's official prohibition regarding personal use, officers were told that they needed to pay for their personal use or they would have to be audited to determine what messages were business related and what messages were personal. After City officials became tired of having to collect from police officers for the personal use of the pagers, an internal affairs investigation was initiated and the provider sent the content of the emails to the individual auditing the pagers. Quon had exceeded his monthly allotted characters by 15,000 and many of the emails were sexually explicit and to a woman other than his wife.

The officers, as well as the women involved in the emails, sued the City and the wireless company, alleging among other things that they had an expectation of privacy in their emails, and the City's search, by way of the audit, was unreasonable. The City was

absolved of liability at the trial court level, but the Ninth Circuit Court of Appeals found that the officers had an expectation of privacy and that the search uncovering the personal emails was unreasonable. The U.S. Supreme Court granted certiorari to review the Ninth Circuit's decision.

Cities that have policies impacting the personal use of electronic devices, such as cell phones, computers, pagers, and other types of devices should review their policies and, most importantly, apply them consistently. If personal use of city equipment is prohibited, employees should be made aware of that prohibition and the policy should be applied as written, not only occasionally enforced. This case may potentially impact such policies in the future.

The second case that could impact cities is *McDonald v. City of Chicago and Village of Oak Park*, No. 08-521, which was argued before the U. S. Supreme Court on March 2, 2010. Both Chicago and Oak Park had ordinances that banned the possession of almost all handguns. The question that will be decided by the Supreme Court is whether the Second Amendment to the U. S. Constitution, which creates the right to keep and bear arms, applies to the states and local governments. An affirmative answer by the Court could impact the ability of the state and local governments to regulate firearms.

A line of Supreme Court cases has traditionally held that the Second Amendment applies only to the federal government. The most recent Second Amendment case addressed a Washington D.C. law limiting gun possession, and the Supreme Court found that the District of Columbia, a federal enclave, was subject to federal control. It did not answer the question about the rights of the states and local governments to regulate firearms. If the Court holds that the Second Amendment applies to the states and local governments, it is possible cities could lose the ability to regulate the carrying of firearms into city facilities. It is also possible, however, that the Court could hold that reasonable regulation of firearms is permissible. Depending on the holding, city regulation of firearms may be impacted.

One other case bears watching and was argued at the end of this court term, *John Doe No. 1 v. Reed*, Case No. 09-559, is a Washington State case wherein referendum signature sheets were released under that state's open records act. The argument is that such release violates the First Amendment to protect such information as core political speech. Cities often receive petitions with signatures and the release of those signatures could be affected by this case.

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# Pushing Away the Clouds Making Economic Development Sunshine During the Financial Storm

by Mike Taylor

**B**ad economic news is smothering Kansas communities like a thick blanket of grey clouds that just won't lift. The national collapse of the housing market caused an increase in foreclosures, a decrease in home sales, and a severe decline in property tax revenues. Rising unemployment and slower consumer spending created a drastic drop in sales tax collections. And, the Kansas Legislature, facing its own budget crisis, slashed hundreds of millions of dollars in promised, legally obligated local government funding over the past few years.

The Unified Government of Wyandotte County/Kansas City faced a \$12 million shortfall in its 2010 budget. The municipal workforce has been cut 15% with more than 300 positions eliminated. Most employees are furloughed 15 days, pay has been frozen for 2 years, and every department has been hit with at least a 10% budget cut.

The dark financial clouds for cities and counties will likely stick around as 2011 budgets are planned this summer. But, with eyes focused on the future and collaborative community efforts in the present, local government leaders can be successful in pushing away the clouds and letting the sunshine of recovery and progress shine through.

State and local governments are all partners in the effort to make Kansas and its communities great places for people to live, work, and play. The partnership between Wyandotte County and the State of Kansas has produced landmark developments such as the Kansas Speedway, Village West and The Legends tourism district, the Schlitterbahn Vacation Village, a major league stadium for the Kansas City Wizards Soccer team, an office campus for the high tech healthcare Cerner Corporation, and the Hollywood Casino at Kansas Speedway. These projects are creating thousands of new jobs; both immediate construction jobs and permanent long-term careers. Working together does produce positive results.

That work first begins at home with a unified vision among elected leaders, cooperation with business and civic groups, support from local legislative delegations, and consensus among citizens. The hard work undertaken to make cities stronger places to raise families creates better neighborhoods and fosters business climates, which creates more jobs, and leads to a positive dynamic for the entire state. When cities are successful, the State of Kansas is successful.

"To emerge from this economic crisis and succeed, we must focus on job creation, supporting small business, and investing in our children. That's why we have worked to create new jobs across the spectrum from entry level positions in hospitality, to manufacturing jobs that have built our city, to jobs in high tech growth areas like health care that are becoming an emerging part of our economy," stated Unified Government Mayor Joe Reardon in his recent annual State of the Government Address.

While Wyandotte County is known for its tourist attractions, destination shopping, and entertainment venues, Mayor Reardon and the Unified Government Commission recognize the urban core and that small businesses are the lifeblood of the community.

Mayor Reardon has launched the Urban Core Development Task Force charged with redesigning the Unified Government's economic development process to focus on neighborhood development and

business creation in areas of the community which have seen disinvestment or are at economic risk. The new approach to economic development within the urban core will focus on job creation, stabilization and improvement of neighborhoods, creation of new businesses, reinvestment in infrastructure, and programs to improve the quality of life and health issues.

Realizing the Unified Government cannot achieve this goal by itself, Mayor Reardon is calling on the Wyandotte Economic Development Council, Kansas City, Kansas Chamber of Commerce, the Black Chamber of Commerce, Hispanic Chamber of Commerce, and others to work with local government in developing programs and approaches to strengthen small business opportunities, as well as invigorate the support systems for existing small businesses.

In Wyandotte County, public/private partnerships have long been a driving force behind economic progress. The Wyandotte Economic Development Council (WYEDC) is a major partner with local government and a predominate player in keeping existing businesses and attracting new ones.

*A sketch of the Kansas Speedway with the addition of the Hollywood Casino that is currently being constructed. Photo provided by the Unified Government of Wyandotte County/Kansas City, KS*



"The Wyandotte County approach to economic development is not one seen in every community and is truly an asset," said WYEDC President Brent Miles. "Working with multiple individuals, partners, and organizations to collaborate in furthering our mutual economic success is a competitive advantage that our community continually offers."

In 2009, despite the recession, WYEDC worked to create and retain 1,496 jobs in Wyandotte County. Capital investment hit \$208

million, up from just \$61 million the year before. Many economic development organizations are primarily funded by tax dollars. While the Unified Government, along with the cities of Bonner Springs and Edwardsville are important contributors, private sector investment in WYEDC has increased 400%, with public and private funding nearly equal.

Investors clearly see the financial benefit in this cooperative approach. WYEDC officials say \$1 in public investment brings a \$1,105 return in capital investment.

“Building and strengthening a dynamic local economy through innovative approaches and partnerships will reap huge benefits for residents and businesses alike for years to come,” said Miles.

### Education and Training are Key

Support of employee training and workforce development activities is critical in Wyandotte County’s economic development efforts. Working with Senator Sam Brownback and Congressman Dennis Moore, the Unified Government secured federal funding for an innovative job training program to meet the growing demand for retail and hospitality workers.

The “HEART” Program, short for Hospitality, Education, and Retail Training Program, is a collaborative effort between the Unified Government and Kansas City, Kansas Community College. The 13-week course has graduated several dozen students ranging in age from 16 to 60. There is no cost to enroll in the program. It is open to any one interested, although aimed primarily at adults going through difficult times, including high school dropouts, the unemployed, and some who have been incarcerated or on parole. Many have launched careers in retail sales and the hospitality industry in and around Village West and The Legends shopping area.



“It’s a win, win program, helping some people who may have just given up. For some, they’ve never written a resume or had a job interview. Now they’re learning job skills and some kind of trade. So many have gotten jobs from the competency they have learned,” said HEART Project Manager Tammy Lewis after the first class graduated last year.

Improving educational opportunities and involvement for all Wyandotte County citizens is an integral part of the plans and

approach to improving economic conditions and bringing meaningful benefits of economic development home.

“We have found success and now we must take job opportunity and ensure that it equates to opportunity for our young people. More than ever before our Unified Government must work cooperatively with our educational institutions; our local colleges and our school systems, to make sure our children not only see the new things going on in our city, but that they can see themselves as full participants in them,” explained Mayor Reardon.

### Success Breeds Success

Wyandotte County citizens set the stage for today’s economic development successes in 1997 when they overwhelmingly agreed to consolidate the county government and City of Kansas City, Kansas government. The community was suffering from years of economic hardships and decline. Citizens were ready for a rebirth. The new form of government was the beginning of the landmark renaissance in the community.

The fresh political dynamic created by consolidation allowed the community to take new, bold approaches to many issues, including economic development. Soon after the Unified Government was launched, the economic development opportunity of a lifetime landed in Wyandotte County. The Kansas Speedway and Village West developments are the most successful economic developments ever built in the State of Kansas, turning mostly undeveloped land into one of the most popular tourist, shopping, and entertainment attractions in the Midwest.

Village West has 114 businesses, including 28 restaurants. Those businesses employ nearly 5,700 people, jobs which just 5 years ago did not exist. They generated over \$610 million in retail sales in 2009, producing \$41 million in local and state sales tax collections. The 2009 real and personal property taxes levied on Village West is just over \$11 million. Before the development was built, that same land area produced only \$209,000 in annual property taxes.

Great Wolf Lodge, an indoor waterpark resort, was the first hotel. Other Village West hotels soon followed, including Hampton Inn, Holiday Inn Express, Country Inn, and Chateau Avalon. Chateau Avalon is a unique hotel where every room is decorated in a different destination theme. It has been acknowledged by [Expedia.com](http://Expedia.com) as among the top 1% of hotels worldwide. Construction is now underway on an 86-room Best Western Hotel.

Village West is also the product of innovative financing and groundbreaking economic development approaches. The development is financed in large part by Sales Tax Revenue Bonds (STAR Bonds), in which sales tax revenues generated by the businesses pay the bonds used to build the infrastructure and key components of the development. The taxpayers of Wyandotte County nor the State of Kansas are obligated to pay a dime on the STAR Bonds should a project fail. That obligation rests solely with the investors who purchased the bonds.

The International Economic Development Council (IEDC) awarded its 2009 Excellence in Economic Development award in the Public-Private Partnership Category for the Village West Project. IEDC is the largest and most respected worldwide professional economic development organization.

The Village West development has sparked construction of surrounding retail which is not part of the STAR Bond district, including a Wal-Mart Supercenter, Best Buy, Kohl’s Department store, JC Penney, Target, Payless Shoes, National Tire and Battery, and Olive Garden and Red Lobster restaurants. Those retail establishments generate sales and property taxes which go to the State of Kansas, Unified Government, and public schools.

The Kansas Speedway and Village West District sparked a new housing boom in western Wyandotte County. In 2004, Wyandotte

County issued 476 new single family housing permits, setting a 40-year high. Since then, several thousand new housing permits have been issued. The Home Builders Association of Greater Kansas City consistently ranks KCK fifth in the metro for new homes built. Despite a slow down in the new housing construction market, KCK remains number five in the Kansas metro area for housing permits, following Kansas City, Missouri; Overland Park; Lee's Summit; and Olathe.

The synergy generated by the Kansas Speedway and Village West is also creating new destination tourism attractions. The Schlitterbahn Vacation Village Resort opened in 2009 and continues to expand. It is slated to be a \$750 million water park, retail shopping, and dining destination. Nearly \$200 million in private funds had been invested before a dime of STAR Bond dollars were even issued. Schlitterbahn is hiring 300 workers for the upcoming summer season.

Recent successes include a \$400 million deal to bring a major expansion of the Cerner Corporation, an 18,000 seat stadium for the Kansas City Wizards Major League Soccer team to Village West, and a \$386 million Hollywood Casino to Kansas Speedway.

The Cerner Corporation/Kansas City Wizards project will bring 4,000 new high-paying healthcare technology jobs to the State of Kansas, while creating several thousand additional jobs connected with the sports stadium. Spin-off employment will help the State meet its goal of becoming a national leader in the healthcare field, creating educational and job opportunities for Wyandotte County students, as well as bringing the first and only major league sports franchise to Kansas.

In addition to the thousands of Cerner and stadium-related jobs, as many as 3,000 construction workers will be put to work building the project. These jobs will be paid prevailing wages and meet strong goals for local, minority, and women-owned business participation.

Construction on the Hollywood Casino at Kansas Speedway took off in April with a formal groundbreaking ceremony. The destination casino is being built by Kansas Entertainment, a partnership of Penn National Gaming, International Speedway Corporation, and Kansas Speedway.

The \$386 million phase one development of Hollywood Casino at Kansas Speedway includes a 100,000 sq. ft. casino floor with capacity for 2,300 slot machines and 86 table games, a high-energy lounge, and a variety of dining and entertainment options. The casino will overlook turn two of the NASCAR track.

Plans include additional phases, which will bring a hotel, expanded gaming space, a spa, convention center, and an entertainment retail district. The later phases could bring the total investment to more than half a billion dollars.

"Our community has worked hard for the opportunity to bring casino gaming to Wyandotte County and we are excited to see that

opportunity become reality," said Mayor Reardon. "It means thousands of permanent casino jobs and construction jobs, and they couldn't come at a more important time for our community and the region."

The project is expected to create 1,700 construction jobs and more than 1,000 full-time jobs. The Hollywood Casino at Kansas Speedway will be another destination venue that will attract millions of new visitors to Wyandotte County and bring significant economic benefits to the State of Kansas.

All of the developments in Village West, including the Cerner office complex, the sports stadium, Schlitterbahn Vacation Village, and the Hollywood Casino will pay full property taxes.

Under the agreement, the Cerner Corporation will begin construction of its 600,000 sq. ft. office complex by the end of 2011. Construction on the sports stadium is underway and will be completed in time for the 2012 Major League Soccer season.

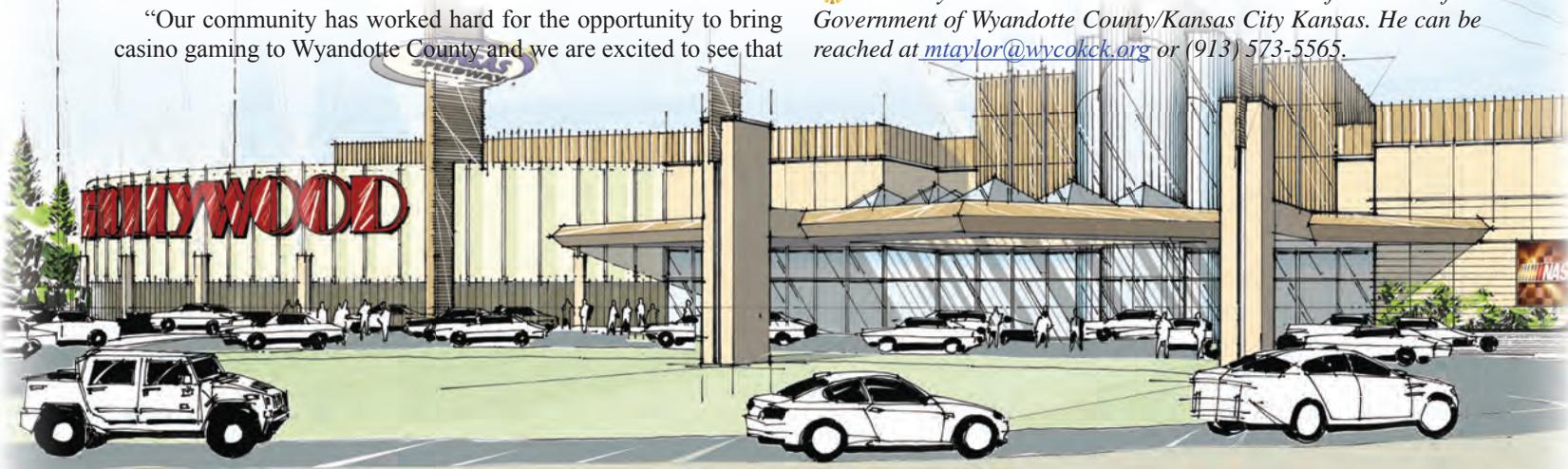
In addition to the soccer stadium, the proposal includes 18 tournament quality soccer fields in nearby Wyandotte County Park, designed to attract national soccer tournaments. The \$30 million tournament complex will be one of the largest in the Midwest, attracting more than two million athletes, family members, and spectators every year to Kansas City. The tournament fields will be built before the end of 2012. The developers will also construct three recreational soccer fields located throughout Wyandotte County for use by local residents.

Despite the landmark successes in economic development, Wyandotte County, like many Kansas counties, still faces steep challenges due to a large number of economically distressed areas. Wyandotte County currently has 44 census tracts defined as economically distressed. Across 70 Kansas counties, more than 65% are experiencing economic distress. Mayor Reardon's Urban Development Task Force will be considering a legislative agenda to assist such counties with job creation. The approach could include the ability to create a small business development fund offering grants and low interest loans for small businesses.

And the Unified Government, like most Kansas cities and counties, still struggles to balance the annual budget without slashing basic services and important programs. The same innovative thinking applied to economic development are being directed toward day-to-day operations of municipal government.

Bold creativity and new approaches to both everyday operations and economic development can help push away some of those dark economic clouds and bring some rays of sunshine to Kansas cities.

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*A sketch of the Fairfield Inn & Suites that will be added to the 39th & Rainbow urban development. Photo provided by the Unified Government of Wyandotte County/Kansas City, KS*



# A Year of Wyandotte County Economic Success

by Mike Taylor

In addition to the high profile destination projects, the Unified Government's economic development partnerships have also produced more traditional economic successes in the past 12 months, focused on attracting new businesses, expanding existing industries, and retaining or creating more than 1,000 jobs.

**39 Rainbow:** A \$35 million multi-use urban development across the street from the University of Kansas Medical Center and The University of Kansas Hospital will begin this summer in KCK. An existing motel, sports bar, and eight rental homes near 39th and Rainbow will be bulldozed to be replaced by a five-story building, including 68 apartments, restaurants, retail shops, and an 89-room hotel.

**Earp Distribution:** Wyandotte County's family-owned and operated Earp Distribution will move into a new, larger facility in Edwardsville in January 2011. Earp Distribution, the sole wholesale provider of foods and goods to approximately 450 McDonald's and Chipotle Mexican Grills in the Midwest, will break ground on their new location during the first quarter of 2010.

**Sealy Mattress:** The largest bedding manufacturer in North America and longtime Wyandotte County manufacturer, Sealy Mattress Company has announced plans to continue producing their world-famous mattresses in Kansas. Sealy will move its local operations to a new location in July, 2010, securing in excess of 100 manufacturing jobs for the county.

**Liberty Fruit Company:** Family-owned and operated Liberty Fruit Company, Inc. expanded its KCK operations, increasing its warehouse capacity by 50% and adding to its workforce. Liberty Fruit is a major midwest supplier of fresh produce and fruits.

**Advanced Building Composites:** This science and technology start-up company already owns two patents for their designs of economical, light-weight, and high-strength composite building materials.

**Kansas City Steak Company:** Locally owned and nationally known Kansas City Steak Company is expanding its facility. The significant growth will help make room for their newly expanded product line, which is anticipated to help the company draw an estimated \$110 million in sales in the next year.

**Sara Lee Facility:** Opening a new, state-of-the-art sliced meat manufacturing facility in KCK, creating more than 250 new jobs. The deli meat plant will be fully operational by 2011.

**Sports Associated Inc.:** Came to Wyandotte County last year. The carrier company is nationally known for its expertise in transportation, warehousing, and trade shows which require specialty transportation.

**NetStandard:** One of Wyandotte County's most notable technology firms increased its operations. NetStandard is a national leader in technology management and software services.

**BioTarget:** A Nebraska-based drug company specializing in cancer treatments, is leasing space for a new research and development facility on the University of Kansas Medical Center campus, creating 13 new jobs and \$1 million in capital investment.



*A sketch of the 39th & Rainbow urban development. Photo provided by the Unified Government of Wyandotte County/Kansas City, KS.*



# Get the Heck into Dodge by Jane Longmeyer

In an Associated Press article by writers Martin Crutsinger and Mike Schneider in late March 2010, Ford County was recognized as the least economically stressed county in the nation with a population of at least 25,000, according to The Associated Press Economic Stress Index.

Can that designation be a result of the leadership in 1997 that asked the question: Why Not Dodge? A suggestion to diversify its economic base from primarily agriculture to entertainment was proposed. The phrase changed from a question to an exclamation when the “Why Not Dodge!” 1% sales tax proposal to fund entertainment venues was approved by the voters of Dodge City and Ford County. Dodge City already had a strong tourism draw because of its name and history, so it was a natural fit that Dodge City should become the entertainment capital for Southwest Kansas.

Four specific projects were approved: 1) air condition and electrical upgrades to the existing Civic Center; 2) outdoor motorsports complex; 3) tournament facilities for baseball, softball, and soccer; and 4) a 6,000 seat special events/convention center. The first three projects have been welcoming tourists and participants for several years, and the special events center is now under construction with an anticipated completion date of February 2011.

Another economic development boost came about when after years of discussion, the State of Kansas approved casino gaming. Once again, the leaders in Dodge City and Ford County asked the question, Why Not Dodge? Leaders aggressively moved forward to seek legislature approval to construct a casino in Ford County. As a result, Boot Hill Casino & Resort, the first state owned and operated casino located on Highway 50 in Dodge City, is now in full operation 24 hours per day [www.boothillcasino.com](http://www.boothillcasino.com).

### Economic Business Growth Spurs Workforce Challenges

The community’s low unemployment rate resulted in an aggressive plan to recruit workers to the area, which began in October 2008. The first task was to create a web site, [www.dodgecityhasjobs.com](http://www.dodgecityhasjobs.com), to connect local employers with job seekers. The other successful recruitment tool has been attending approximately 24 career fairs throughout the state per year as well as sending mailings to plants that are closing.

Unemployment remains steady in Ford County at 3.2% to 3.4%. This rate indicates that approximately 500 individuals in the community are available for employment under the best of circumstances. With the addition of the development projects stated and the growth of existing businesses in the community requiring 700-800 jobs be filled in the next 18 months, aggressive recruiting will need to continue.

### Economic Employment Growth Spurs Housing Challenges

The domino effect of economic growth and challenges continued as housing needs for the new employment opportunities became critical. A Community Housing Assessment Team (CHAT) Report sponsored by Aquila was completed in April 2008 by Martin H. Shukert, FAICP, to identify the current and future needs of housing in the county. The report showed that new housing construction dropped dramatically since 2002. As a result, the available housing would not meet the continued population growth rate from the positive economic development efforts.

The Dodge City/Ford County Development Corporation hired a Housing and Neighborhood Revitalization Coordinator in January of 2009 to implement the findings of the CHAT Report. One of the first steps was to develop a website that offered a comprehensive listing of available housing. The website has also become an informational resource for developers listing all of the new programs and incentives that are now available.



*Legends Park was built to host baseball and softball tournaments for the City. Photo provided by the City of Dodge City.*

To encourage development, the City Commission approved a resolution designating certain areas as Rural Housing Incentive Districts. The Rural Housing Incentive District (RHID) is a program designed to aid developers to build housing within communities by assisting in the financing of public improvements. RHID captures 100% of the incremental increase in real property taxes created by a housing development project for up to 15 years. In order to take advantage of the incentive, property must be within a redevelopment district. Districts are defined by the City or County and must be based on the Housing Needs Analysis at [www.dodgecityhousing.com](http://www.dodgecityhousing.com).

The Neighborhood Revitalization Program is another important asset to improving the housing stock in the community. The Neighborhood Revitalization Program (NRP) is an incentive designed to inspire the revitalization of residential areas throughout the southern half of Dodge City. The NRP is designed to give property owners in the designated areas a five-year, 95% tax rebate. The incremental rebate is applied to additional property taxes that might be incurred as a result of rehabilitating homes or constructing new housing. [www.dodgecityhousing.com](http://www.dodgecityhousing.com). The importance of this program was evidenced by the unanimous vote of support by all of the taxing entities in Dodge City in January of this year.

Interfaith Housing Services Inc. became an important player in the effort to meet housing needs. A grant through the USDA/Rural Development Farm Labor will help construct nine duplexes (18 units) for agriculture production related jobs.

Additional incentive programs are being considered to assist developers in constructing the housing necessary to meet the demands of the population growth.

With agriculture still the number one economic base for Dodge City, we continue to pursue economic development opportunities in that field and are currently working aggressively to capture those opportunities. Along with increased economic development, the Downtown Historic District was added to the national register, a Master Tourism Plan is being implemented, and a Main Street application is currently being completed with the hopes that Dodge City will become a Kansas Main Street community. These endeavors have the potential to spur additional economic development opportunities.

Does economic growth just happen for a community? No. It is the direct result of leadership continuously looking toward the future and working diligently to bring the economic development growth to the community.

 Jane Longmeyer is the Director of Public Information for the City of Dodge City. She can be reached at [janelong@dodgecity.org](mailto:janelong@dodgecity.org) or (620) 225-8100.



*View of the Boot Hill Casino & Resort.  
Photo provided by the City of Dodge City.*



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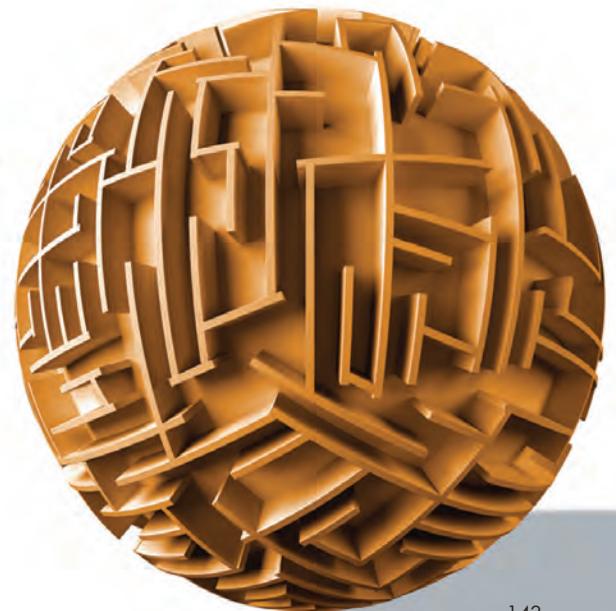
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*Havensville lies approximately 38.6 miles north of I-70, along U.S. Highway 75. Photo provided by the League of Kansas Municipalities.*



by John L. Gann, Jr,

## Economic Development “For the Rest of Us”

Do any of the following describe your municipality?

- Your city didn’t get that Honda plant years ago.
- Summer tourists have never heard of your city let alone spent any money there.
- The Interstate Highway was routed through another county, or its interchanges were built far from your corporate limits.
- The shopping malls went elsewhere, and now they’re not building any more of them.
- The big, new government facility you wanted got located in a town with more political clout.
- Your community sends its high school graduates to college elsewhere instead of bringing in young people from other parts of the state.
- No one would ever call yours a “cool city,” and the creative class is staying away in droves.
- Washington’s big bailout of Wall Street didn’t seem to have much effect on your Main Street.

If you found that your town fit a few of the above circumstances, you’re doing about average. Because while economic development is a popular topic in almost every municipality—in today’s depressed economy more than ever—the reality is that it’s so far been a game with very few big winners. It’s the Pareto Principle at work: Probably 80% of the state’s economic growth has gone to 20% of its localities.

But, there are still things enterprising municipal officials can do about that.

### **New Ideas “For the Rest of Us”**

“No one ever got fired for buying IBM,” the saying goes. So when the mainframe computer giant entered the personal computer market in the early 1980s, the other PC makers were in trouble.

Apple cleverly responded by positioning its IBM-incompatible machines as the computers “for the rest of us.” The company

offered hardware and software for the small businesses, hobbyists, and families whose needs had simply not been met by the IBM standard for corporate computing.

There are similarly scores of communities that want more jobs, better incomes, and stronger tax bases for which the standard economic development formulas—which have been pretty much done to death by hundreds of competing localities—haven’t worked. These towns haven’t been competitive in attracting industry, nor do they have what it takes to be tourist destinations. They are Pareto’s 80% of the places that got only 20% of the growth.

That’s why we now need an economic development “for the rest of us.” We need new ideas that can give our other communities a competitive economic advantage.

### **The Economic Value of Visibility**

One such idea that can be used by smaller municipalities outside of metro areas is the subject of a new manual. This idea deals with the reality that a big impediment to economic growth in small rural places is their lack of visibility.

Small towns outside of metro areas and not right on an Interstate Highway don’t get seen very much except by local people, who are already contributing what they can to the local economy. So the bigger source of sales, investment, jobs, and tax revenues is all those out-of-towners.

But to benefit economically from outsiders, small towns have to be visible. Most of them aren’t.

To achieve visibility, few small towns can run full-page ads in site selection journals or tourist publications. But all have a potentially powerful tool for visibility already in place. It’s the non-Interstate highway that runs right through or by the community.

Many of these older UNterstate Highways still offer excellent transportation that can compete for long-distance travelers with the Interstates and even with flying. If these roads were marketed effectively to travelers by the towns along them, they could bring

sales, jobs, and tax revenues to even the smallest rural communities. When more travelers chose UNterstate Highways for longer trips, places bypassed by the Interstates become visible again.

### Why Older Routes Can Be Sold

There is a growing number of reasons why small towns can now be made more visible by selling UNterstates to travelers who almost never use them for longer trips.

A NASA study, for example, found that for most trips made by air, flying is no faster than driving. With businesses looking to cut costs in this recession and airlines piling on the fees, more business travel is now happening on the highway. Economically stressed carriers are cutting capacity, making flights more crowded. And their passengers are being held captive for hours on grounded planes and are now electronically strip searched with airport whole-body scanners.

But driving the Interstates today is no picnic either. On just 2.5% of our highway mileage, Interstates must move 25% of our traffic. Their motorists must dodge heavy trucks, creep through construction zones, and endure fast food at interchanges. Although the Interstates were designed for safety, good UNterstates can now boast a number of safety superiorities. And while you get there a little faster on the Interstate, you see a lot less of the country.

It's a mistake to see highways only as transportation. They are potent economic development tools. Because business follows traffic.

That's why UNterstate Highways should not be confused with scenic or historic byways. The latter are a culture-focused niche product with limited appeal to motorists wanting good transportation. Economic development-focused UNterstates, in contrast, offer good transportation competitive in speed, safety, and comfort with the Interstates. They may also be scenic or historic, but on UNterstates that's the icing, not the cake.

Since communities along well-marketed UNterstate Highways do not have to be tourist destinations, many more places can benefit economically. And UNterstates can serve the larger market of travelers rather than the smaller and more seasonal tourist trade.

### Seeing and Investing

In the new how-to manual for bypassed small communities, *Marketing UNterstate Highways*, I illustrate the value of visibility with a story of a small midwestern town on an older U.S. highway running parallel to an Interstate. A consultant (not myself) from near Chicago regularly took this road instead of the Interstate.

On one trip passing through this town he spotted a for sale sign on the site of one of the last of a dying breed: a closed-down outdoor theatre.

Despite not being in the motion picture exhibition trade, this businessman became fascinated with the possibilities. So he bought the place, fixed it up, and reopened it.

He continued to live around Chicago, but now this country town has another business, an entertainment venue for local people (the town has no indoor theatre), and an unusual attraction to draw people from miles around. All because an out-of-towner saw what he never would have seen driving the Interstate.

Visibility works. And more traffic on UNterstate Highways means visibility.

### The Power of New Ideas

New ideas also work. In fact, today they're almost mandatory for success.

One company mentioned in the manual more successfully sold baby products at rest stops on a highway than it had in stores. A western town got travelers to stop by posting billboards that made fun of the town's utter lack of distinction. A southern state's tourism program got better results from inexpensive small black-and-white print ads than from the usual big color spreads.

And as with the UNterstates themselves, sometimes the newest ideas are the oldest. Research for the manual turned up old highway signs that were tiny by today's standards but nonetheless sold product effectively and were found in a university study to slow down speeders and actually enhance traffic safety.

What do these unorthodox successes have in common? They all happened only because enterprising people were willing to try something new.

And there's still plenty of room for more new "rest of us" ideas for economic growth. Which highway is going to be the first to figure out how to make "Are we there yet?" car travel with young kids more enjoyable for their parents? Who's going to find a way to best the airlines' first class accommodations—which really aren't that much better than coach—with highway-based Gourmet Travel for people who want more out of the getting-there part of their trip than the Interstates give them?

### No More Business As Usual

Today municipal governments can no longer just sign up for a state or federal program, authorize tax breaks, contract for a "branding" logo and cute slogan, and do a brochure and a Web site and assume they'll be successful at economic development. Even riskier is doing nothing and assuming the county, regional agency, or state is going to do the job for you. There's just too much competition in these difficult economic times for economic development business as usual.

Communities small or large, rural or urban, need to find what they can do especially well, who they can sell that to, and what they need to do to achieve visibility among those people in a crowded marketplace. If they just do what all the other towns are doing, they risk ending up as also-rans.

Experts are forecasting sluggish growth nationally for years even during the recovery from the current severe downturn. That means more intense competition than ever among localities nationwide for jobs and tax revenues.

But today's financial constraints suggest meeting this challenge by better using what we already have in preference to funding costly new facilities. And even the smallest municipality already has a highway.

So for some communities, marketing their UNterstate Highway may be the way to go. Other places may need to do other things. But the 80% "rest of us" municipalities that have seen the big economic growth go elsewhere would do well to explore new ideas to grow the jobs and tax revenues that are needed now even more than in the past.

☀ *Chicago-area urban development and marketing consultant, trainer, and writer John L. Gann, Jr., President of Gann Associates, is the author of *Marketing UNterstate Highways: Bringing Out-of-Town Dollars to Non-Destination Small Towns and How to Evaluate (and Improve) Your Community's Marketing*, the latter published by the International City/County Management Association. A list of other articles by Mr. Gann on marketing small towns and UNterstate Highways is available gratis from the author at [cit-ykid@uwalumni.com](mailto:cit-ykid@uwalumni.com) or (800) 762-GANN.*



## ...More Spring Adventures

Getting the chance to stop by so many small towns is a special treat that a spring break trip seems to just naturally afford—more so than do other road trips during the year. This year, we visited so many small cities that it took me three columns to include them all—and including them all was my intention from the start. (I don't always have the opportunity to write about all the cities where I stop.)

The last three cities at which we made “official” (city hall stops) visits (not counting the other towns in which we paused and drove through, which meandered and “rubbernecked” our way that one day... including lunch at the historic Hays House, in Council Grove) were Alta Vista, Alma, and Strong City. All of these cities are located in that subset of the beautiful Flint Hills region which lies along K-177, bordered roughly by I-70 on the north and US-50 on the south.

As we were headed south from I-70, along K-177, the first of the three cities we came to was Alta Vista (pop. 420), on K-4, where that highway meets K-177. We chatted briefly with City Clerk Pam McDiffett. The topic of discussion in Alta Vista that day was a meeting to be held that evening, concerning whether or not to close the grade school and bus kids some miles away. These are tough times for communities, as the reality of the scarcity of all public financing is a cause for much worry. It is a big deal when a small town loses its school.

From Alta Vista to Alma, we immensely enjoyed traveling northeast along the leg of a great mini-car tour known as the Mill Creek Scenic Drive ([www.kansasflinthills.travel/sites/skyline\\_mill\\_creek\\_scenic\\_drive](http://www.kansasflinthills.travel/sites/skyline_mill_creek_scenic_drive)). We missed the best of the spring foliage by being several weeks early, but still, this was a wonderfully enjoyable little side excursion. The remaining leg of the Mill Creek Scenic Drive starts just southeast of Alma and snakes northeast to Paxico. More on that next time...

Arriving at Alma (pop. 755), we first HAD to find the Alma Creamery ([www.almacreamery.com](http://www.almacreamery.com)), “Home of the Famous Alma Cheese” (I have been told about his place since at least 1984). And, we of course left a bit of our hard-earned money at the creamery's small retail store, looking over the beautiful meadows east of town... the cheese is definitely not overrated... and, the cheese curds are the best. At City Hall, I talked with City Clerk Sharon White (mostly about the sales-tax-financed swimming pool), while Sue and Maddi checked out the incredible antique shops next door (the name of which, unfortunately, I do not remember). Alma is a gorgeous little city, filled with well-kept wonderful old limestone houses and businesses located within a very beautiful spot in nature (City of Native Stone: Set in the Flint Hills). I had never been to Alma before and now I want to go back... and so do Sue and Maddison.

After a fabulous late-and-long lunch, we continued our southward trek, down K-177, pausing just long enough to drive into and back out of the parking lot of the 1881 Z-Bar Ranch, (aka: Spring Hill

Ranch) and Tallgrass Prairie National Preserve ([www.nps.gov/archive/tapr/home.htm](http://www.nps.gov/archive/tapr/home.htm)), just a couple of miles north of Strong City—unfortunately, there was not enough time to do a tour on this trip. I really wanted Maddi to experience this magnificent, historic place, but a single-stop day trip is the only way to give it the justice it deserves.

Home to the famous Flint Hills Rodeo (the oldest consecutive rodeo in Kansas, [www.flinthillsrodeo.com/default.htm](http://www.flinthillsrodeo.com/default.htm)), Strong City (pop. 527) is nestled in the hills at the north edge of the Cottonwood River valley, where the highway intersects with US-50—20 miles west of Emporia. The Strong City City Hall/Water Plant is located a long block up the road out of mid-downtown to the east, at the top of a hill, and is the converted old Rural High School, that was built in the 30s. It was modified to its current use when the school closed about 30 years ago. When you enter the front door (after climbing the gazillion steps up from the front parking... I thought Maddi would have to call an EMS crew for me... THEN we learned that an even-grade parking lot and entrance was just up the drive), you turn right into the water plant area, or left into what was the old English classroom of the high school and is now City Hall. Pretty cool, really. The west wall of the former classroom is filled side-to-side with black board, and tall windows dominate the south wall, overlooking our car, the trees, and the valley below. City Treasurer Connie Pretzer gave us all the interesting history and also told us about the train depot restoration project. Strong City was named for railroad Magnate William Barstow Strong, and is trying to become a stop on the Amtrak system.

My book recommendation this month is, in my humble view, appropriate for the times in which we live—*The New Frugality: How to Consume Less, Save More, and Live Better*, by Chris Farrell, is really a back-to-basics/primer for how to live within our means and still get the most out of our lives. (Farrell is the Economics Editor of NPR's *Marketplace Money*). This book really helped me in a personal way, get back in touch with how to be just plain more frugal (and, please, do not call me cheap the next time you see me). Like many other individuals, and many public entities, too, I might add, I think I got caught up a bit in the obvious myth of good times forever. Sometimes, it's just a good thing to take stock of where we are, what means the most to us, and how to work toward achieving the true meaningful life accomplishments to which we aspire. Reading a wise, but commonsense book, such as this one, is a really good place to start. And, it is not all about money... and it never should be.

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# A Valuable New Development Resource: Kansas Enacts the Community Improvement District Act

by Matthew S. Gough

## I. Introduction and Background

On April 23, 2009, Governor Kathleen Sebelius approved and enacted HB 2324, known as the Community Improvement District Act (CID Act).<sup>1</sup> The CID Act permits the establishment of community improvement districts (CIDs and individually a CID) that create new revenue sources to finance real estate development, similar to the legislation passed in numerous other states.<sup>2</sup> It confers powers for economic development purposes and any other purpose for which public money may be expended.<sup>3</sup> The CID Act enables a municipality's governing body to form a CID to finance the cost of a broad range of development, including operating expenses that are incurred post-construction.<sup>4</sup> A CID is broader and can generate greater revenue than under the Transportation Development District Act (TDD Act).<sup>5</sup> Furthermore, the CID Act has advantages over tax increment-based incentives (e.g., Tax Increment Financing (TIF), and Sales Tax Anticipated Revenue (STAR) bonds), and tax abatements because a CID does not affect the amount of sales or ad valorem property tax that taxing jurisdictions collect. Because the CID Act has the potential to positively impact real estate development projects both large and small, counsel who are conversant with the CID process can provide a meaningful benefit to their developer, lender, and municipal clients.

## II. Scope of CID Projects

A CID can be used to finance any "cost" of a "project."<sup>6</sup> Under the CID Act, a "cost" means the cost of land, materials, labor, and other lawful expenses incurred in planning and doing any project, as well as costs to create the CID and employ "consultants" (including attorneys, financial advisors, engineers, and architects), and other administrative and preliminary expenses.<sup>7</sup> The definition of "project" is likewise broad and nearly all-encompassing and includes land acquisition, horizontal and vertical construction costs, public infrastructure costs, and ongoing maintenance costs.<sup>8</sup> Neither the TDD Act nor any tax increment-based incentive has such a broad definition of eligible projects. The only advantage a TDD district has over a CID project is that TDD revenues can potentially be used to finance project costs incurred outside the boundary of the TDD, while all CID revenues must be used for improvements made inside the CID.<sup>9</sup>

## III. Methods of CID Financing

Subject to the requirements of the CID Act and the approval of the municipality's governing body, a CID can use up to five different revenue sources to finance project costs: (a) prepaid special assessments; (b) special assessments paid in installments; (c) a CID sales tax; (d) the municipality's full faith and credit to use its ad valorem taxing authority; and (e) any other

funds appropriated by the municipality for the purpose of paying project costs, including the principal and interest of bonds issued pursuant to the CID Act.<sup>10</sup> Every CID must have a separate fund (a CID fund) that holds any CID sales taxes the district collects, special assessments paid to the municipality, CID bond proceeds, or any other revenues the CID generates.<sup>11</sup> The CID fund must be used to pay the cost of the project, through either the use of CID bonds or pay-as-you-go financing.<sup>12</sup> If moneys remain in the CID fund after the expiration of the CID sales tax, such moneys shall continue to be used solely to pay the cost of the project.<sup>13</sup> After CID revenues pay all eligible project costs or CID bonds, the municipality can spend any remaining funds as though they were local sales tax receipts.<sup>14</sup>

### A. Types of Financing

Unlike the TDD Act, which does not permit the use of full faith and credit bonds,<sup>15</sup> the CID Act permits the use of either special or general obligation bonds. In the context of the CID Act, special obligation bonds are payable solely from CID-generated sources and not from the municipality's general credit and taxing powers. CID special obligation bonds do not affect a municipality's bonded debt limitations.<sup>16</sup> By contrast, general obligation bonds are repayable not only from CID revenue sources, but also from a pledge of the general credit and taxing powers of the municipality.<sup>17</sup> General obligation CID bonds are within the bonded debt limit of the municipality to the extent they exceed 3% of the municipality's assessed valuation.<sup>18</sup> In general, when a municipality uses bonds to finance project costs, the municipality will sell bonds in an amount necessary to cover estimated project costs and any capitalized interest, administrative fees, issuance costs, and other expenses. Regardless of the type of bond issued, federal tax issues should be closely analyzed to confirm the bond's tax-exempt status. The bond proceeds are immediately available to reimburse project costs, frequently by reimbursing the developer for eligible out of pocket costs, and the municipality uses CID revenues (and the municipality's own taxing power, in the case of full faith and credit bonds) to repay the bonds. No CID bonds (of any type) can have a maturity date greater than 22 years.<sup>19</sup>

The alternative to CID bonds is to use "pay-as-you-go" financing, which means that the developer advances the costs of the project up front, without notes or bonds, and the CID fund reimburses the developer over the life of the CID.<sup>20</sup> Pay-as-you-go financing usually reduces administration costs, is easier to approve, and could result in more gross revenue (over time) than CID bonds. However, pay-as-you-go financing requires most developers to secure private lending, and to wait up to 22 years for maximum reimbursement (which may raise time-value of money concerns). To



avoid a severe diminution in CID benefits, the developer should be certain that all or most of the developer's private interest expenses are reimbursable.

### **B. CID Revenue Sources**

The CID Act provides three primary revenue sources to finance CID projects, regardless of the type of financing: (1) special assessments on real estate, (2) additional sales taxes, and (3) the full faith and credit of the governmental entity forming the CID.

#### **1. Special assessments**

A municipality has the power to levy and collect special assessments upon property in a CID and provide for the payment of all or any part of the cost of a project out of the proceeds thereof.<sup>21</sup> Special assessments can either be prepaid or paid in installments.<sup>22</sup> If special assessments are levied, the municipality must follow the procedures in K.S.A. 12-6a01 *et seq.*, and amendments thereto, except that unlike traditional benefit improvement districts, no part of the assessments may be levied against the municipality at large.<sup>23</sup> Another distinction between CID special assessments and traditional special benefit districts is that annual CID sales tax income (or other municipally appropriated funds) can potentially reduce the annual special assessment installments property owners in a CID pay.<sup>24</sup> This potential reduction, however, may not apply to prepaid special assessments, which might not be reimbursed.<sup>25</sup>

#### **2. Sales taxes**

As an additional or alternative financing source, a municipality may impose a CID sales tax on sales within the CID.<sup>26</sup> The amount of the CID sales tax may be in any increment of 0.10% or 0.25%, not to exceed 2%.<sup>27</sup> By contrast, the TDD Act only permits TDD sales tax of up to 1%.<sup>28</sup> The duration of the CID sales tax is coterminous with the maturity date of CID Bonds or, if pay-as-you-go financing is used, no longer than 22 years from the date the state director of taxation begins collecting such tax.<sup>29</sup> The term of the CID sales tax may be shortened if the CID bonds or pay-as-you-go costs are paid in full.<sup>30</sup> The CID sales tax is collected at the same time and in the same manner as all other moneys collected by a state agency pursuant to K.S.A. 75-4215.<sup>31</sup> To defray the Kansas Department of Revenue's CID administrative and enforcement expenses, 2% of all CID sales taxes remitted to the state treasurer are withheld and deposited in a CID sales tax administration fund, except that no more than \$60,000 in the aggregate can be collected from all state CIDs in any state fiscal year.<sup>32</sup> The remainder of the CID sales taxes is remitted at least quarterly to the municipalities from which the CID sales taxes were collected.

#### **3. General obligation bonds**

Although CID sales tax and special assessments will often constitute all or the majority of revenue sources in a CID, highly motivated municipalities have the authority to also pledge its full faith and credit to use its ad valorem taxing authority for the repayment of general obligation bonds under the CID Act, and also to appropriate funds for the purpose of paying project costs.<sup>33</sup> By backing a CID project with the municipality's full faith and credit, the municipality enables the issuance of general obligation bonds that greatly increase the marketability of CID bonds, and thereby enables a more immediate source of project funds and lower interest rates.

### **IV. Formation of Community Improvement Districts**

The statutory requirements to form a CID depend upon the

type of revenue sources requested and the level of property owner support within the proposed district. Fewer procedural requirements exist for CIDs that generate revenue solely from special assessments, which do not seek the use of full faith and credit bonds, and which have 100% support of the property owners within the district.<sup>34</sup> In such instances, the formation process commences when such owners file a petition to the municipality that contains the following information:

- (A) The general nature of the proposed project,
- (B) the estimated cost of the project,
- (C) the proposed method of financing the project,
- (D) the proposed amount and method of assessment,
- (E) a map of the proposed district, and
- (F) a legal description of the boundaries of the proposed district.<sup>35</sup>

Once the petition is filed, the governing body may proceed without notice or a hearing to make findings by resolution or ordinance as to the nature, advisability and estimated cost of the project, the boundaries of the district, and the amount and method of assessment.<sup>36</sup> Upon making such findings by resolution or ordinance, the governing body may by simple majority authorize the project, effective upon publication of such resolution or ordinance.<sup>37</sup> The resolution or ordinance must also be recorded with the office of the register of deeds in the county in which the district is located.<sup>38</sup>

When a proposed CID does not have 100% support from property owners, or when a CID sales tax or full faith and credit bonds are proposed, the CID Act requires more procedural steps to form the district.<sup>39</sup> At least 55% of the owners within the proposed district, both in terms of land area and assessed value, must file a petition with the governing body.<sup>40</sup> The petition must contain the following information:

- (1) The general nature of the proposed project;
- (2) the estimated cost of the project;
- (3) the proposed method of financing the project including, if applicable, the issuance of full faith and credit bonds;
- (4) the proposed amount and method of assessment, if any;
- (5) the proposed amount of community improvement district sales tax, if any;
- (6) a map of the proposed district; and
- (7) a legal description of the proposed district.<sup>41</sup>

After the petition is filed, the governing body must adopt a resolution to give notice of a public hearing on the advisability of creating or modifying a CID.<sup>42</sup> The resolution must also be published at least once each week for two consecutive weeks in the official newspaper of the municipality and sent by certified mail to all owners within the proposed district.<sup>43</sup> The second publication must occur no less than seven days prior to the date of the hearing and the certified mailed notice must be sent at least 10 days prior to the date of the hearing.<sup>44</sup> The resolution must contain the same seven enumerated items identified above.<sup>45</sup> Following the public hearing or any continuation thereof, the governing body may by simple majority create the district by adopting, publishing, and recording an ordinance or resolution.<sup>46</sup>

Regardless of the type of petition submitted, the petitioners may not withdraw their signatures after the governing body commences consideration of the petition, or more than seven days after the filing of such petition with the clerk of municipality, whichever occurs first.<sup>47</sup> The petition itself must include an acknowledgment of that fact, as well as the petitioners' consent to any assessments to the extent

described in the petition without regard to benefits the project may confer.<sup>48</sup> Although the CID Act does not require the district to include all benefitted property or to subject all such property to an assessment,<sup>49</sup> the failure to include and assess all benefitted property may affect the tax exempt nature of the bonds issued for the project, or have other state or federal tax consequences.<sup>50</sup>

The Legislature wisely established a short statute of limitations for CID protests. No lawsuit to set aside the assessments, CID sales tax, or otherwise question the validity of the proceedings creating a CID or authorizing the project may be brought after the expiration of 30 days from the publication of the appropriate resolution or ordinance.<sup>51</sup> When a municipality approves the use of full faith and credit bonds, the voting public can file a protest petition no later than 60 days following the public hearing discussed above.<sup>52</sup> A valid protest petition requires the signature of at least 5% of the qualified voters of the municipality and must be filed with the municipality's clerk.<sup>53</sup> If a valid protest petition is timely filed, the municipality may not issue full faith and credit bonds until a majority of the voters voting at an election thereon approve the bond issue.<sup>54</sup> If the voters do not approve the use of full faith and credit bonds, the municipality may use special obligation bonds instead.<sup>55</sup>

#### V. Practice Tips

When forming a community improvement district, counsel for an applicant should work closely with the city's staff and bond counsel. In communities that do not regularly consider the formation of TDDs or CIDs, counsel should make certain that the staff and members of the governing body understand that the CID will not decrease the city's existing tax revenues. To the contrary, the CID project will probably create new tax revenue. Frequently there is confusion about the scope of the CID sales tax – the sales tax applies only within the CID, not to the city at-large. Most of the urban cities have adopted economic development policies that could affect a CID application. If a city's policy requires more information or findings than the CID Act requires, the client should be made aware of such requirements. Ideally, the submittal of a CID petition occurs only after having discussed the proposed development with city staff and bond counsel. The creation of a CID involves both legal and political decisions, and the CID petition stands the best chance of approval if both have been addressed prior to submittal.

In addition to the legal and political concerns that are, perhaps, the most important to an attorney, counsel should also remember that to the client, economics is the most important consideration in any CID project. The potential CID revenue is, after all, the primary benefit to the client (and the purpose for retaining legal counsel). In most instances, the developer will carry the risk of having a CID generate lower than expected revenues—local governments will probably only approve pay-as-you-go financing or special obligation bonds that are not backed by the city's full faith and credit. Consequently, counsel should inquire whether a client has conducted reasonable due diligence regarding the amount and timing of anticipated revenues. Establishing realistic revenue expectations is critically important to the success of a project. Although the CID Act and the municipality may not require a feasibility study, spending time and money to obtain a good feasibility study will pay dividends in financial planning. This information is also valuable to the client's commercial lender, because the lender will almost certainly take CID proceeds as collateral for the development loan.

Because a CID imposes additional taxes or assessments on real estate, a well-advised client interested in forming a CID should weigh revenue expectations with the impact such additional taxes will have on the project's customers. For example, if an additional sales tax would prevent a retail establishment from competing against nearby stores, a CID may not be the appropriate development incentive. If

the project relies upon local business and if the CID sales tax would be unpopular in the community, a CID could negatively impact the project's business. On the other hand, retail businesses that derive a large portion of business from tourism and other transient clientele may not experience the same negative consequences from an additional sales tax.

Contemporaneously with or promptly following the municipality's approval of a CID petition, the developer and the municipality will enter into a formal agreement to codify each party's rights and obligations. This agreement will state with specificity any caps on and the payment priority of CID proceeds, any construction deadlines, the method for certifying eligible project costs, and the manner of reimbursement or repayment. The agreement determines and controls an applicant's right to receive CID revenue. As such, banks and other lenders will collateralize CID proceeds by requiring the borrower-developer to assign all right, title, and interest in the agreement to the lender. Because of the agreement's importance, lender's counsel will frequently ask to be involved in the negotiation of the CID agreement, to ensure the lender's interests are adequately addressed, and to confirm the municipality's consent to the collateralization of CID proceeds.



#### VI. Comparison of Kansas and Missouri CID Acts

The state of Missouri adopted a Community Improvement District Act in 1998 (Missouri CID Act).<sup>56</sup> Although the influence of the Missouri CID Act is evident in the Kansas CID Act, the Kansas CID Act has several philosophical, procedural, and economic distinctions that benefit development. Most notably, the Missouri CID Act has a lower maximum sales tax – the Kansas CID Act permits up to 2% of additional sales tax, while the Missouri CID Act caps the maximum sales tax at 1%.<sup>57</sup> In Missouri, the term “district” is not only the geographic boundary of the project, but also an entity that is either a political subdivision of the state or a not-for-profit corporation.<sup>58</sup> In Kansas, a CID means only the geographic boundary of the district and the improvements constructed therein. A Missouri CID, when a political subdivision, has a board of directors that must prepare an annual budget and manage the CID.<sup>59</sup> From the perspective of a private developer, this additional red tape could require the developer's continuing involvement in the management of the district, via ongoing participation in the CID board of directors, or could result in higher administration costs because of the board of directors' duties and obligations.

The Kansas CID Act has more flexible eligibility requirements. The Kansas CID Act requires the support of at least 55% of the owners in the district—as determined by assessed value and land area.<sup>60</sup> By contrast, the Missouri CID Act requires the consent of more than 50% of the owners in the proposed district, both in terms of assessed value and per capita.<sup>61</sup> The per capita approach adopted in Missouri can be quite problematic to a developer, versus the land area approach used in Kansas. For example, in a proposed district where Owner A owns 99 acres and 99% of the appraised value and Owner B owns 1 acre and 1% of the appraised value, the Missouri CID Act requires Owner B's support to file a CID petition (to obtain at least 50% per capita approval), while the Kansas CID Act does not (because Owner A owns more than 55% of land area and valuation). This distinction greatly reduces the likelihood of one or several holdout landowners causing delay in Kansas.

## VII. Conclusion

In the present economic climate, in which credit markets have tightened considerably and commercial lenders are requiring more collateral for development loans, community improvement districts may become a routinely used tool to help finance development projects. An attorney with a basic understanding of the mechanics of the CID Act will be able to advise developer-clients to pursue such benefits, advise lender-clients to collateralize such benefits, and in each instance enhance the client's economic position.

 *Matthew S. Gough is an associate with Barber Emerson L.C., Lawrence. He can be reached at [mgough@barberemerson.com](mailto:mgough@barberemerson.com) or (785) 843-6600.*

1. 2009 Kan. Sess. Laws 122, codified as K.S.A. 12-6a26 et seq.
2. See, e.g., MO. REV. STAT. § 67.1401 et seq. (the Missouri Community Improvement District Act, adopted in 1998).
3. K.S.A. 2009 Supp. 12-6a26(b).
4. K.S.A. 2009 Supp. 12-6a27(h) (defining "governing body" as any governing body of a city or the board of county commissioners of a county).
5. K.S.A. 12-17,140 et seq.
6. K.S.A. 2009 Supp. 12-6a33.
7. K.S.A. 2009 Supp. 12-6a27(e) and (f).
8. K.S.A. 2009 Supp. 12-6a27(m), defining "project" as follows:
  - (1) Any project within the district to acquire, improve, construct, demolish, remove, renovate, reconstruct, rehabilitate, maintain, restore, replace, renew, repair, install, relocate, furnish, equip, or extend:
    - (A) Buildings, structures, and facilities;
    - (B) sidewalks, streets, roads, interchanges, highway access roads, intersections, alleys, parking lots, bridges, ramps, tunnels, over-passes and underpasses, traffic signs and signals, utilities, pedestrian amenities, abandoned cemeteries, drainage systems, water systems, storm systems, sewer systems, lift stations, underground gas, heating and electrical services and connections located within or without the public right-of-way, water mains and extensions, and other site improvements;
    - (C) parking garages;
    - (D) streetscape, lighting, street light fixtures, street light connections, street light facilities, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers;
    - (E) parks, lawns, trees, and other landscape;
    - (F) communication and information booths, bus stops, and other shelters, stations, terminals, hangers, restrooms, and kiosks;
    - (G) paintings, murals, display cases, sculptures, fountains, and other cultural amenities;
    - (H) airports, railroads, light rail, and other mass transit facilities; and
    - (I) lakes, dams, docks, wharfs, lakes or river ports, channels and levies, waterways, and drainage conduits.
  - (2) Within the district, to operate or to contract for the provision of music, news, child care, or parking lots or garages, and buses, minibuses, or other modes of transportation;
  - (3) Within the district, to provide or contract for the provision of security personnel, equipment, or facilities for the protection of property and persons;
  - (4) Within the district, to provide or contract for cleaning, maintenance, and other services to public or private property;
  - (5) Within the district, to produce and promote any tourism, recreational, or cultural activity or special event, including, but not limited to, advertising, decoration of any public place in the district, promotion of such activity and special events, and furnishing music in any public place;
  - (6) Within the district, to support business activity and economic development, including, but not limited to, the promotion of business activity, development and retention, and the recruitment of developers and business;
  - (7) Within the district, to provide or support training programs for employees of businesses; and
  - (8) To contract for or conduct economic impact, planning, marketing, or other studies.
9. Id. (stating that all types of "projects" must be "within a district").
10. K.S.A. 2009 Supp. 12-6a33.
11. K.S.A. 2009 Supp. 12-6a34.
12. Id.
13. Id.
14. Id.
15. K.S.A. 12-17,149.
16. K.S.A. 2009 Supp. 12-6a35(a).

17. K.S.A. 2009 Supp. 12-6a36(a).
18. K.S.A. 2009 Supp. 12-6a36(c).
19. K.S.A. 2009 Supp. 12-6a35(c) and 12-6a36(b).
20. K.S.A. 2009 Supp. 12-6a27(l).
21. K.S.A. 2009 Supp. 12-6a30(a).
22. K.S.A. 2009 Supp. 12-6a33(a) and (b).
23. K.S.A. 2009 Supp. 12-6a30(a).
24. K.S.A. 2009 Supp. 12-6a30(b).
25. Id.
26. K.S.A. 2009 Supp. 12-6a31(a).
27. Id.
28. K.S.A. 2009 Supp. 12-17,145(a).
29. K.S.A. 2009 Supp. 12-6a31(a).
30. Id.
31. K.S.A. 2009 Supp. 12-6a31(b).
32. Id.
33. K.S.A. 2009 Supp. 12-6a33(d) and (e).
34. K.S.A. 2009 Supp. 12-6a28(a).
35. Id.
36. K.S.A. 2009 Supp. 12-6a28(c).
37. Id.
38. K.S.A. 2009 Supp. 12-6a28(e).
39. K.S.A. 2009 Supp. 12-6a29.
40. K.S.A. 2009 Supp. 12-6a29(a). By contrast, the TDD Act requires 100 percent support within the TDD district regardless of the type of project. K.S.A. 12-17,142.
41. Id.
42. K.S.A. 2009 Supp. 12-6a29(c).
43. Id.
44. Id.
45. K.S.A. 2009 Supp. 12-6a29(c)(1) through (7).
46. K.S.A. 2009 Supp. 12-6a29(c) and (f).
47. K.S.A. 2009 Supp. 12-6a28(b) and 12-6a29(b).
48. Id.
49. K.S.A. 2009 Supp. 12-6a28(d) and 12-6a29(e).
50. KANSAS REAL ESTATE PRACTICE & PROCEDURE § 18.14.1 (Lewis A. Heaven Jr. et al., eds.) (5th ed. 2009).
51. K.S.A. 2009 Supp. 12-6a32.
52. K.S.A. 2009 Supp. 12-6a36(d).
53. K.S.A. 2009 Supp. 12-6a32 and 12-6a36(d).
54. K.S.A. 2009 Supp. 12-6a36(d).
55. Id.
56. MO. REV. STAT. §§ 67.1401- 67.1571 (2008). See also Joseph G. Lauber, Public-Private Partnership in Community Development: Applying Constitutional Standards for Implementing the Missouri Community Improvement District Act, 59 J. MO. B. 80 (2003).
57. MO. REV. STAT. § 67.1545(2008).
58. MO. REV. STAT. § 67.1411(3) (2008).
59. MO. REV. STAT. §§ 67.1451 and 67.1471(2008).
60. K.S.A. 2009 Supp. 12-6a29(a).
61. MO. REV. STAT. § 67.1421(2008).



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## State Scene

### Kansas Signs Reciprocity Agreement

The State of Kansas has signed an agreement with the State of Nebraska to permit farmers to drive trucks across state lines without requiring commercial driver's licenses. Both Kansas and Nebraska exempt operators of farm vehicles from the commercial driver's license requirement, but without this agreement, the exemption did not extend outside the border of the farmer's home state.

"This is good news for farmers that live near the Kansas-Nebraska border, who will no longer have to worry about crossing the state line," said Susan Duffy, Executive Director of the Kansas Corporation Commission. "I'm pleased we were able to negotiate this agreement with Nebraska to ease interstate transportation of farm goods."

### Commerce Officials Host Iraqi Leaders

The Kansas Department of Commerce hosted a delegation of Iraqi business officials and leaders in April to discuss governmental affairs, the American political process, and potential trade opportunities between Kansas and Iraq.

The 10-member delegation's visit included an hour-long meeting with Kansas Department of Commerce Secretary Bill Thornton, followed by an appointment with Kansas Senator Tom Holland (D-Baldwin City).

The Iraqi delegation is in the United States at the invitation of the U.S. State Department, which often invites delegations of young leaders and business officials who demonstrate an interest in learning about American culture, customs, and political process.

The delegation's Kansas City-area program is being coordinated by the International Visitor's Council of Kansas City.

"We're honored and excited to have hosted this delegation of Iraqi business officials and leaders," said Secretary Thornton. "[The] meeting allowed us to have some fascinating dialogue with some incredible Iraqi leaders, who were eager to learn about the United States, our political process, and opportunities for Iraq to play a role in the global economy. They also educated us on recent happenings in the Middle East."

This was the first-ever meeting between an Iraqi delegation and Department of Commerce staff. Kansas historically has exported wheat and aircraft to Iraq.

### State Offers Electronic Recycling Program

The Kansas Department of Health and Environment (KDHE), Bureau of Waste management announced that funds are available for recycling Cathode Ray Tubes (CRTs). Through this program, KDHE intends to provide an incentive for recycling of televisions and computer monitors. These efforts conserve natural resources and benefit waste reduction by removing material from the waste stream to conserve landfill space and reduce the need for new solid waste facilities.

This is the first year of this program following several years of grants to Kansas counties to develop collection centers and inter-local agreements for collecting electronic waste.

Local units of government and regional solid waste management entities are eligible to apply for funding which will provide up to 15¢ per lbs. and up to \$5,000 in a four-month period. Only CRTs collected from Kansas residents, schools, and government offices will be eligible for the reimbursement. Downstream recyclers must be Bureau of Waste Management (BWM) permitted electronics, waste recyclers, or other BWM approved out-of state vendors.

### Kansas Historical Society Preserves Gown

The Kansas Historical Society announced that it is receiving a grant from the Institute of Museum and Library Services (IMLS) to conserve a gown that was worn at Abraham Lincoln's second inaugural ball. There are three pieces to the smoke blue silk gown—a bodice, skirt, and jacket. After treatment of the delicate gown, it will be installed as part of a temporary exhibit at the Kansas Museum of History and will be available for loan to other museums.

Previously only the evening bodice was stable enough for exhibit and travel; conservation will allow the dress to be seen in its entirety as an extraordinary example of mid-19th Century finery. The original owner of the dress, Margaret Usher, was

married to John Palmer Usher, Lincoln's Secretary of the Interior. The couple was living in Washington, D.C., when Lincoln was inaugurated for his second term March 4, 1865. Because of John Usher's cabinet position, he and his wife were invited to the inaugural ball held two evenings later. The Ushers eventually moved to Lawrence and Margaret Usher donated her gown to the Kansas Historical Society.

Assistant Director Rebecca Martin said, "We're very grateful to IMLS for providing the funds to preserve this delicate gown. It's linked to one of our country's greatest leaders. In this time of limited resources, we are especially thankful to be able to conserve a rare and valuable object for our nation."

# Mission Square, A Public-Private Partnership

by Christy Humerickhouse

**D**espite the current difficult economic times, the City of Mission is well into a unique development project that involves a public-private partnership and promotes economic growth, environmental health, and sustainability. The Mission Square project is a 3-story, 87,000 sq. ft. senior independent living residential building with secured and heated underground parking that is being built immediately adjacent to the Sylvester Powell, Jr. Community Center. The location of the building is one of the previous parking lots to the Community Center and it will contain a total of 56 units as well as generous common areas for the use of residents and guests which will include dining areas, a library, and a work shop.

The Mission Square building will be located on the west side of the Community Center with the main surface parking areas between the building and the existing Community Center. The main pedestrian access to the building will be from stairs or elevators in the garage or doors centrally located on the east and west sides of the ground floor. Vehicle access to the residential building will be through the Community Center parking lot and covered by a cross easement agreement. This easement will allow Community Center patrons and Mission Square residents and visitors to drive and park anywhere in the access drives and parking lots on both properties. The cost of maintaining the parking lots will be shared based on an agreed upon percentage.

The underground parking garage will be for residents of Mission Square only and will be accessed on the north end of the building with the exit on the south end. The garage will contain 59 stalls and storage units for the residents of the facility. Additional surface parking immediately adjacent to the building will make up the rest of the required parking for residential uses.

This project is located in a mostly commercial area of the City, with numerous services and retail opportunities nearby. The 6,000 Lamar Johnson County Transit Center and Rock Creek Trail are located immediately across Martway Street. Overall, this project is a clear example of efficient use of the land, which ultimately has the impact of decreasing “sprawl” development pressure in Greenfield development sites.

**Project Background and Goals:** The City of Mission conducted various area redevelopment planning studies starting in 2005 and as a result of these studies, future pedestrian friendly mixed-use developments (including residential components) began to be encouraged in the commercial corridors of the City. Currently, many underutilized parking fields for retail/industrial/office establishments exist within the City, and it was pointed out during

these planning studies, that “parking lots are the land-banks of the future.” With this information in hand the City leadership decided that a “demonstration project” was needed in order to prove that parking lots could be put to better and higher uses, which add to the vitality of the overall district.

The Sylvester Powell Jr. Community Center site (city-owned) was chosen as a potential demonstration project since it is surrounded by large parking fields, both public and private. The City issued a Request for Proposals (RFP) from the Community

## Mission Square - Mission, Kansas



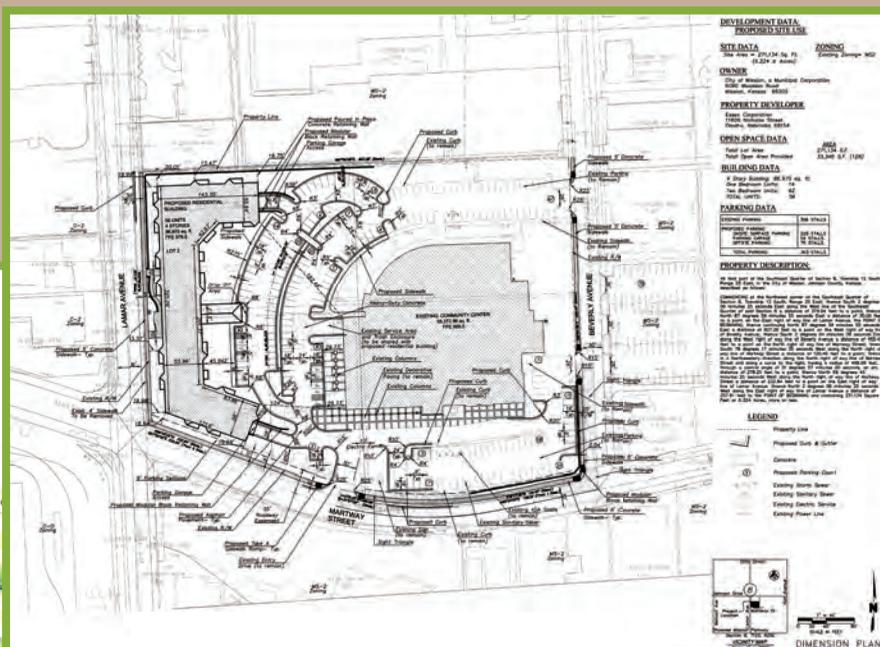
Development Department to inquire about interest in redevelopment of a parking lot at the site and three proposals were received and evaluated by the City. Ultimately, the Mission Square project was selected due to its manageable size, housing use, development strategy, etc. Many questions had to be addressed during the plan review and development agreement processes, given the concerns about the loss of parking and landscaping at the Community Center, and sale of public land, among other things.

Parking concerns were addressed by reconfiguring the existing lots in order to minimize loss of parking and by entering into a long-term parking lot lease with a neighboring property owner for overflow parking. A Payment of Lieu of Taxes arrangement was formalized as an added benefit to Mission Square residents and the City. The land was eventually re-platted and divided for sale to the developer. Various cross-access agreements were prepared in order to share parking and street access.

This project is a unique example of sustainability given its infill redevelopment nature; it adds a housing choice, which is not currently available in Mission. At the present time, seniors who desire this type of housing product typically find themselves relocating out of the community. This project stabilizes the community by keeping local residents in the area, and by allowing new families to relocate to their older homes.

*Below: Sketch of the senior independent living residential building that will contain a total of 56 units as well as convenient access to dining areas, a library, and a work shop for all residents and guests. Right: Dimension plans for the Mission Square project. Photo provided by the City of Mission Parks & Recreation.*

High-density housing projects have significantly decreased environmental impact overall, when compared to projects built on traditional suburban areas or Greenfield sites. For example, various studies have indicated that households in high-density urban areas have up to one quarter of the green house gas emissions from average American households residing in suburban areas. These decreased emissions are not due to different construction techniques (such as “green” LEED building techniques), but rather to increased efficiency in heating/cooling multi-story structures, and decreased Vehicle Miles Traveled (VMT) by its residents due to close proximity to services/jobs, etc. According to the website, [www.walkscore.com](http://www.walkscore.com), this site has a Walk Score of “89—Very Walkable.” It is entirely possible that residents of this project may eliminate a great majority of single-occupancy vehicle trips once they move into this project since there is a grocery store with urgent care facilities, drug store, Community Center with meeting rooms and exercise facilities, pool, transit center, restaurants and shopping, all within two short walking blocks of the project. The





# Classified Advertising

## Chief of Police

The City of Tonganoxie, Kansas (4,305 pop.) is accepting applications for the position of Chief of Police. The Chief of Police is responsible for planning, organizing, and directing all activities of the Police Department for the community located in northeast Kansas.

This is a managerial position requiring experience, education, and training in modern law enforcement with an ability to provide active leadership for the Police Department and support to the City administration and governing body.

This position requires budget preparation, personnel supervision, law enforcement knowledge, public and administrative communications, organizational management, capital planning, and public relations skills.

The Chief will supervise a department that includes 10 full-time officers including the Chief, 15 part-time officers, 5 reserve officers, and 1 police clerk.

Detailed information about the position and application requirements can be found on the City's website at [www.tonganoxie.org](http://www.tonganoxie.org).

The application deadline is May 28, 2010. Cover letter and resume should be submitted to Chief of Police Recruitment, City of Tonganoxie, 321 S. Delaware, Tonganoxie, KS 66086.

## City Superintendent

The City of Conway Springs is seeking an experienced working supervisor who will be responsible for all aspects of public works, including the maintenance and operations of the water and wastewater distribution systems, and for facility and road maintenance. Class I water or wastewater certification is preferred. Applicant must have a valid driver's license and High School diploma or equivalent. Salary is based on qualifications and experience. Applications are available at City Hall 208 W. Spring Ave. Conway Springs KS 67031, [cscity@haviglandtelco.com](mailto:cscity@haviglandtelco.com) or 620-456-2345.

## County Administrator

Finney County is seeking an experienced professional to serve as County Administrator. Finney County is a progressive regional agricultural, commercial, and medical services center in Southwest Kansas. The county's population is over 40,000 and there

are two incorporated communities, Garden City, the county seat with a population of 30,000, and Holcomb with a population of 2,000.

The County Administrator reports to the five-member Board of County Commissioners and is responsible for the day-to-day professional management of 15 departments and 325 employees. The 2010 annual budget for Finney County is over \$35 million. The County Administrator assists the County Commission in the development of budget, policy and procedures, and personnel administration, and coordinates strategic planning and financial management activities. The Administrator works with 5 elected department heads and has direct supervisory responsibility of 10 department heads and their departmental operations.

Qualifications for this position include a minimum of five years in public administration with extensive knowledge of county operations, including budget development, capital improvement planning, strategic planning, and statutory requirements impacting local government administration in the state of Kansas. Qualified candidates will have a Master's degree in public administration or related field with five years of experience, or a Bachelor's degree in a relevant field with 7-10 years of county government experience. Starting salary and benefits are negotiable based upon experience and qualifications.

Comprehensive resumes are to be submitted to the Application Review Committee, c/o County Clerk Elsa Ulrich, P. O. Box M, Garden City, Kansas 67846. Email address for electronic submissions is [eulrich@finneycounty.org](mailto:eulrich@finneycounty.org). Resumes will be accepted through the close of business May 21, 2010.

## Director of Human Resources

The City of Pittsburg, Kansas is seeking a Director of Human Resources. Pittsburg is located in extreme southeast Kansas and has a population of 19,234. The City of Pittsburg employs 197 full time employees. This exempt position will plan, organize, and direct the activities of the Human Resources Department including but not limited to recruitment and selection, job classification and compensation, employee

benefits, organizational development and training, federal and state employment law compliance, and maintaining employee relations.

A Bachelor's degree in public, personnel or business administration, or related field and five years experience in all phases of public or private sector personnel administration including three years of progressively responsible supervisory experience is requested. A Masters degree is preferred. Any equivalent combination of experience and training which provides the knowledge and abilities necessary to perform the work will be considered.

The salary range is \$51,751 - \$84,032 depending upon qualifications and experience.

Please submit application, cover letter, resume, and up to five references to the attention of: The City Clerk at 201 West 4th Street, Pittsburg, Kansas.

Applications will be accepted through May 31st, 2010, and are available at City Hall, 201 W. 4th Street, Pittsburg, Kansas, or online at [www.pittks.org](http://www.pittks.org). EOE

## Executive Director

The Kansas State Board of Emergency Medical Services is seeking applications from interested persons for this lead position with our agency. To apply, please access [www.jobs.ks.gov](http://www.jobs.ks.gov). Refer to Requisition #165503. Applications accepted until close of business on June 3, 2010.

## Human Resources Director

City of Lawton, OK -\$72K-\$119K annually. Performs a variety of complex administrative, technical, and professional work in directing and supervising the personnel and human resource systems including classification, compensation, benefits, recruitment, selection, employee relations, training, and safety. Graduation from an accredited four-year college or university with a degree in Human Resources, Public Administration, or other closely related field and five years of experience in a human resources capacity; or any equivalent combination of experience and training. Prefer PHR or SPHR certification. Initial review of applications begin May 17, 2010. [www.cityof.lawton.ok.us](http://www.cityof.lawton.ok.us)



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## Leave Your Line in the Water



Last weekend I went fishing with two of my favorite people in the world, that being son Seth, and granddaughter Adin. It was a beautiful day and we were fishing for bass, catfish, or whatever else might be willing to bite. As my experience with fishing has shown over the years, a large portion of the experience is simply being with people you like, and relaxing in the great outdoors.

Having nice, warm weather, without heavy wind or rain, is always a plus.

So, we were out fishing on a beautiful Kansas afternoon, and this was the first time granddaughter Adin, age 2, had ever held a fishing pole in her hands. She was fascinated by the entire experience, including the baiting of the hooks, and the various sights and smells that accompany going fishing. At one point, I was attempting to bait a hook with a minnow, and it jumped out of my hand and landed on the deck of the dock. Before I could react, it had promptly flipped once more right between the two-by-sixes into the water. This fascinated Adin, and she continued to look with some concern at the space between the boards on the dock. I believe she was expecting the minnow to come back up at any moment. So our fishing progressed, and we were marginally successful, but most interestingly, Adin had her own technique of approaching the fishing experience.

We were all fishing with open face reels which, if you are not familiar with them, require that you hold the pole with your right hand, and that you turn the crank with your left hand. Adin was immediately very skilled at this, and I noticed that what she seemed to enjoy the most about the fishing experience was reeling in the line. I would watch her, and she would reel a little bit and I would say: "Adin, you have to leave the bait in the water or you won't catch a fish." She would then turn to me, give me her best smile, and stop reeling for a little while. Then, pretty soon I would notice she was reeling the line in again very slowly. So I would turn to her and say again: "Sweetie, you can't catch a fish if you don't have your line in the water." We went along in this fashion for a large part of the afternoon. She had a great time reeling in the line, and I enjoyed just being there with my granddaughter and son. We caught a few fish, but nothing to write home to mom about. The fishing experience with my young granddaughter put me in mind of the fact that while fishing technique is important, the most important thing is that you have to keep your line in the water. Much like many other endeavors, if you are not actively doing something to forward your cause, you are not going to be successful in your endeavor.

Of course this is the case in many activities, but in fishing it is particularly true. You can have the best fishing spot, the best tackle, the fanciest reel, and the best pole, but at the end of the day, if your line isn't in the water, you can't catch any fish.

So what does this have to do with government, process, and being successful as local government officials, you may ask? Well, I think that having the tools, while important, is not the entire ball game. Similarly, having a great plan is important, but will not ultimately be satisfactory if the plan is never put into place. By this I mean that many times we plan for things, we put various pieces of the puzzle together, but we never actually complete the puzzle so that we can be successful in our endeavors.

In fishing, as in business, and government, while being prepared is great, at some point you must actually do what you intend to do and be committed to the undertaking. Now much like fishing, when you throw your line into the water, you really don't know if you are going to catch anything or not. Again, you can have the best of everything, but that still doesn't guarantee that you will catch any fish. What is important is that the attempt is made which gives you the absolute best opportunity to catch fish and be successful.

In government what that means is that we must have planning which makes some sense, and can lead to success, and we must have tools at our disposal, involving personnel, capital, and foresight, which will allow us to be successful when we proceed with the plan and the program.

We cannot allow ourselves to be thwarted by the current economic challenges which face us. We must be willing to spend the time, effort, and resources it will take to allow success. Much like my two-year-old granddaughter, I think sometimes we are reticent about leaving our line in the water long enough to be ultimately successful. We see, from time to time, programs which are not given enough time to be successful or which are underfunded or under supported, and that reduces the chances of success geometrically.

The real key, with fishing and everything else, is having a feel for what to do, and how to do it. Despite the fact that there are calls on all sides for retrenchment and retreat, we must be resolute in finding ways to improve our communities and to improve the lives of our citizens. There have been numerous challenges to the cities and citizens our great State over the almost 150 years of Statehood, and we must not allow the current challenges to thwart our ability to improve and move forward. Fishing is part luck, part technique, and part skill. I think there is a bit of that in governing. We must always be willing to support our convictions to the extent that we have the best possible chance for success. To do that we must be prepared, and we must be willing to leave our line in the water.

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