

19  
Approved March 22, 1988

Date

MINUTES OF THE Senate COMMITTEE ON Local Government

The meeting was called to order by Senator Don Montgomery at  
Chairperson

9:12 a.m./p.~~XX~~ on March 16, 1988 in room 531-N of the Capitol.

All members were present except:

Committee staff present: Mike Heim, Theresa Kiernan and Lila McClaflin

Conferees appearing before the committee:

Representative Rick Bowden  
Representative Elizabeth Baker  
Terry Humphrey, Kansas Manufactured Housing Association  
Marla Howard, city of Wichita  
Ernie Mosher, the League of Kansas Municipalities  
Senator Paul "Bud" Burke

The hearing on H.B. 2664 concerning Cheney recreation commission was opened by the Chairman. He called on Rep. Rick Bowden.

Representative Bowden testified in support of the bill, this bill would validate the legal existence of the Cheney Recreation Commission, which was formed several years ago, when the city and school joined together to form the recreation district.

Representative Elizabeth Baker supported the bill she had been contacted by Don Wells of U.S.D. 268, because of the work she had done in codifying the recreation statutes. She stated the A. G.'s office had told her the legislation was necessary to validate the existence of this particular recreation commission.

Senator Gaines moved to pass the bill and place it on the consent calendar. The motion was seconded by Senator Allen. Motion carried.

The Chairman called on Terry Humphrey to give a progress report on S.B. 314 concerning manufactured homes.

Terry Humphrey presented written testimony stating the dialogue between her organization and the League of Kansas Municipalities, they have agreed that something needs to be done to increase the understanding and acceptance of manufactured housing by local governments. She invited the committee to inspect a display home that will be brought to the capitol grounds on March 21-22 (Attachment I).

In response to a question, Ms. Humphrey stated they are cooperating with the municipalities and the manufactured home association, they are working on education of the public and hope this can be done by local communities.

The hearing on S.B. 715 concerning the annexation of land was opened. The Chairman called on Senator Bud Burke.

Senator Burke stated this legislation was precipitated because of a recent annexation by Overland Park, Kansas. The bill would allow any city whose growth and development is affected adversely by annexation to file for manifest injury. He thought perhaps this legislation might give the cities involved in this annexation some time to resolve the situation.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Local Government,  
room 531-N, Statehouse, at 9:12 a.m./p.m. on March 16, 1988.

Marla Howard, representing the city of Wichita, stated they oppose any further limitations on cities' annexation powers (Attachment II).

Ernie Mosher, the League of Kansas Municipalities, stated the Governing Body of the League, at its meeting on March 11, 1988, took a position in opposition to S.B. 715 (Attachment III).

Senator Bogina stated a petition for annexation of the area had been received by the city of Overland Park.

The Chairman closed the hearing.

Staff distributed an amendment requested on S.B. 709, the amendment would give Big Hill Public Wholesale Water Supply District #4 the power to levy tax (Attachment IV). Also, attached is a fiscal note on S.B. 709 (Attachment V).

Senator Gaines moved to adopt the proposed amendment to S.B. 709. Senator Mulich seconded the motion. Motion carried.

Senator Gaines moved to pass S.B. 709 as amended. Senator Bogina seconded the motion. Motion carried.

The next meeting will be on March 17, 1988. The Chairman adjourned the committee at 9:52 a.m.

  
Chairman, Senator Don Montgomery



# KANSAS MANUFACTURED HOUSING ASSOCIATION

## TESTIMONY BEFORE THE SENATE

### LOCAL GOVERNMENT

### COMMITTEE

TO: Senator Don Montgomery, Chairman  
and Members of the Committee

FROM: Terry Humphrey, Executive Director  
Kansas Manufactured Housing Association

DATE: March 16, 1988

Today, 84% of American families are priced out of the average new site built home which costs about \$127,000. In addition, it is likely that this situation will not change since building cost have increased about 7.5% per year. According to the U.S. Department of Commerce, in 1986 there were only 87,000 new homes built in the United States under \$60,000. Unfortunately, this means that for low and middle income families, housing is a serious concern.

Despite this situation, there are affordable housing alternatives like manufactured homes. However, these homes are not readily available because they are not accepted by many local governments.

Manufactured housing has changed dramatically since it's beginning in the late 1950's. Today, manufactured housing offers value, quality and style; and is suited for single family residential placement. Yet, even with more then 30 years of advancement, out dated attitudes prejudice local zoning decisions.

During the 1987 Legislative Session, Senate Bill 314, which prohibits exclusionary treatment of manufactured housing by local governments, received a public hearing before this Committee. Fortunately that discussion started an important dialogue between our organization and the League of Kansas Municipalities. As a result, both associations agreed that something needs to be done to increase the understanding and acceptance of manufactured housing by local governments. Therefore, in the next several months our two associations, along with other interested parties will cooperate on a publication for local governments explaining the issues.

To demonstrate affordable housing, KMHA will display a residential design manufactured home on the South lawn of the State Capitol Building on March 21 - 22, for your inspection. The display home is

(Attachment I) Local Go 3/16/88

built by KIT Manufacturing Company, in McPherson, Kansas. The 1,600 square foot home includes: living room, dining room, fully equipped kitchen, three bedrooms, two full baths, utility room, and front porch. The cost of the home is approximately \$26 per square foot and has an energy package of R33 in the ceiling, R19 in the walls, and R11 in the floors. Also, the house features 2 X 6 wall construction, drywall, textured ceiling, oak cabinets, composition shingled roof, and vinyl lap siding.

The tremendous advantage of manufactured housing is cost and at retail, manufactured housing cost less than half as much per square foot as site built homes - \$22 verses \$49 in 1986.

In closing, I would like to share some quotes from recent publications with you.

"Even with good pay, many Americans are unable to buy a home. Percentage of owners drops for first time since '30's as prices outpace salaries" -- Page 1, Wall Street Journal, Feb. 5, 1988

"A single-family, one-to-six room home that cost \$84,600 in 1985 is projected to cost \$217,600 in 2000" -- Recent National Association of Realtors' housing forecast

"By 2003, the gap between the total low-rent housing supply...and households needing such housing is projected to grow to 7.8 million units. Based on the national average household size, this gap represents the loss of affordable housing for over 18.7 million Americans" -- 1987 Neighborhood Reinvestment Corporation report

A crisis of monumental proportions is looming as low and middle income Americans alike find the housing they need and want unattainable. The nation's young adults are being priced out of the neighborhoods in which they grew up. Affordable housing needs to be a priority of public policy makers at all levels. And through cooperative efforts the dream of home ownership can be fulfilled.

Thank you for letting me update you on our progress.

TH:mn

# THE CITY OF WICHITA



## OFFICE OF THE CITY MANAGER

CITY HALL — THIRTEENTH FLOOR  
455 NORTH MAIN STREET  
WICHITA, KANSAS 67202  
(316) 268-4351

TO: Chairman Montgomery and Members of  
the Senate Local Government Committee

FROM: Marla J. Howard, Public Affairs Officer

DATE: March 16, 1988

RE: SB 715, Annexation Powers of Cities

Mr. Chairman and Members of the Committee:

I am Marla Howard and, on behalf of the City of Wichita, I appreciate this opportunity to appear before you in opposition to Senate Bill 715.

The City of Wichita is naturally concerned with any further limitations or erosions of local annexation powers. As you know, legislative amendments passed last year after hearings and much review and discussion have had little opportunity to be tested. These amendments already restrict Wichita's ability to grow and expand, particularly on the east side where several improvement districts exist.

The City of Wichita is surrounded by nine smaller communities: Andover, Bel Aire, Kechi, Park City, Valley Center, Maize, Goddard, Haysville, and Derby. Under SB 715, as proposed, the county commission would be given quasi-judicial responsibility to determine to some extent which of these cities will expand and grow in certain areas. Is it appropriate for a political body such as a county commission to be placed in the position of determining and deciding between two cities within their jurisdiction? If such determination is required by a "higher court", then perhaps it should be made by an impartial court of law.

(Attachment II) Local Go 3/16/88

In addition, does this legislation really solve the problem of landlocking cities? When cities are located near each other, if one is developing faster than another, then their boundaries will eventually meet. Which city actually annexes the last few remaining tracts of land between them will not change the fact that neither can grow further in that particular area.

One additional concern we have is that SB 715 does not address the question of annexation by petition. The City of Wichita has long been of the understanding that the citizens' rights to speak and choose were of paramount importance. However, SB 715 would allow citizens who have petitioned for annexation by one city to be overruled.

Further, we have concerns about legislation with retroactive effect and the impact that legislation has on local units of government that have acted in good faith under Kansas laws in existence at that time.

The City of Wichita respectfully requests your opposition to further limitations on cities' annexation powers as contained in SB 715.

Thank you.



## League of Kansas Municipalities

**PUBLISHERS OF KANSAS GOVERNMENT JOURNAL/112 WEST SEVENTH ST., TOPEKA, KANSAS 66603/AREA 913-354-9565**

RE: SB 715--Annexation of Land Adjacent to Two or More Cities  
TO: Senate Committee on Local Government  
FROM: E.A. Mosher, Executive Director  
DATE: March 16, 1988

The Governing Body of the League, at its meeting on March 11, took a position in opposition to SB 715, as written, based on three primary reasons: (1) a general opposition to changes to the annexation laws passed in 1987 until cities, counties and property owners have more experience with these laws; (2) a fundamental opposition to retroactive legislation; and (3) the uncertain workability of new subsection (f) on page 2. We are aware, however, of the concerns about "competitive" annexations, and will later offer some suggested responses.

It should be noted that the issue which precipitated SB 715, involving the cities of Leawood and Overland Park, relate to land where 100% of the land owners filed a formal petition for unilateral annexation by Overland Park per K.S.A. 12-520. Legislative concerns with competitive annexations in the past have primarily involved proposed large annexations submitted to the board of county commissioners under the bilateral procedure (K.S.A. 12-521). I do not recall any past major issues where the conflict between two cities has been primarily related to 100% petitioned-for annexations.

It might also be noted that major concerns about competitive annexations in the past have been confined to the Kansas City metropolitan area and, in a few instances, to the Wichita metropolitan area. Because of the demographics involved, the issue is primarily confined to these areas of urban growth where cities exist in close proximity to each other.

The problem with the wording of subsection (f) is that it could lead to some strange results. As we read the bill, it would be possible, for example, for Overland Park to have accepted petitions for annexation for all the area requested, except for a strip of one lot width that separates the two cities. Put another way, one city could effectively "permanently preclude the growth" of another city, but meet the legal provisions of SB 715, provided the city leaves some unincorporated area between the two cities.

If this Committee believes that some legislation in response to this unique situation is necessary, we think the provisions of HB 3048, as amended by the House Committee on Local Government (re-referred to H, LG from H, FSA), is more workable than SB 715. The effect of HB 3048 is that when one city proposes an annexation of land which lies within one mile of another city, that city may file a protest with the board of county commissioners. The protest method to trigger county review of contested annexations appears more appropriate than the mandatory county review of all such annexations

(Attachment III) Local Go 3/16/88

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that is required by SB 715.

While the triggering method in HB 3048, as amended, appears preferable to SB 715, both bills, it seems to us, have the same fundamental flaw. This flaw is the required complete substitution of the county board procedure for the unilateral procedure. This seems especially inappropriate when the land involved is being annexed under the 100% petition requirement. We question whether this complete replacement procedure is necessary in all, or even in most, fact situations. A protest filed by the second city may or may not be reasonable and justified. It seems to us that an alternative procedure--alternative to the existing county board procedure--should be provided for in the case of competition between cities resulting from unilateral annexations.

Notwithstanding the proposed amendments to the K.S.A. 12-521 county board procedure, that statute is still primarily designed to protect the interests of private property owners as to whether any annexation should be approved. In the case of competitive unilateral annexations, the issue is not whether the property should be annexed, but by which city! This question requires the county board to consider different factors than would be considered in the usual case, as outlined in the existing law. For example, the emphasis and interest of the county board might be primarily on the growth and development of the larger urban area, rather than the growth of any one city. Superimposing a competitive annexation review on a law which was designed for other purposes will create some problems. If we are to have a county review of city-contested annexations, we suggest it should be under a procedure designed for this purpose.

Proposed Amendment to SB 709

On page 1, in line 43, by striking "In addition, the" and inserting "The";

On page 2, following line 70, by inserting:

"(c) The governing body of public wholesale water supply district No. 4 shall have the power to levy a tax against all taxable, tangible property in the district for the purpose of paying any bonds, and the interest thereon, issued pursuant to this section. Any bonds issued pursuant to this section shall not be included in computing the total bonded indebtedness of any city or county located within such water supply district."

(Attachment IV) Local Go 3/16/88

The Honorable Don Montgomery, Chairperson  
Committee on Local Government  
Senate Chamber  
Third Floor, Statehouse


Dear Senator Montgomery:

SUBJECT: Fiscal Note for Senate Bill No. 709 by Committee on Ways and Means

In accordance with K.S.A. 75-3715a, the following fiscal note concerning Senate Bill No. 709 is respectfully submitted to your committee.

Senate Bill No. 709 would allow the governing body of public wholesale water supply district No. 4 to issue general obligation bonds to be used to refund any previous issue of outstanding revenue bonds. The resolution authorizing the issue must be published in the official newspaper of each district and is subject to a protest petition. This act shall be in effect from and after publication in the Kansas Register.

This act represents local permissive legislation that will allow a single local water district to issue general obligation bonds to refund previously issued revenue bonds. No accurate fiscal impact can be developed due to the availability of only speculative information regarding the amount to be bonded and the differential in interest rates between the existing and proposed issue.

  
Michael F. O'Keefe  
Director of the Budget

MFO:KS:pks  
cc: Kansas Association of Counties  
League of Municipalities

2952

(Attachment V) Local Go 3/16/88

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