

Approved March 27, 1992  
Date

MINUTES OF THE Senate COMMITTEE ON Economic Development

The meeting was called to order by Senator Jerry Moran at  
Vice-Chairperson

8:00 a.m./~~pm~~ on March 24, 1992 in room 123-S of the Capitol.

All members were present except:

Senator Ken Francisco (Excused)  
Senator Dave Kerr (Excused)

Committee staff present:

Lynne Holt, Legislative Research Department  
Bill Edds, Revisor of Statutes' Office  
LaVonne Mumert, Committee Secretary

Conferees appearing before the committee:

Representative Jack Wempe  
Representative Bill Wisdom  
David Ross, Department of Commerce  
Lou Atherton, Ottawa/Franklin County Economic Development, Inc.  
Bud Grant, Kansas Chamber of Commerce and Industry  
Judy Katz, Mayor, City of Roeland Park

Substitute for HB 2681 - Kansas enterprise zone act, tax incentives for  
businesses, nonmetropolitan regions

Representative Jack Wempe explained the bill (Attachment 1). His testimony described the differences between current law and the bill. Under the bill, tax benefits would be available to qualified businesses anywhere in the state and enhanced benefits would be available to qualified businesses located in nonmetropolitan regions. Representative Wempe pointed out that the current law providing for \$100 per employee credit and \$100 per \$100,000 investment credit would continue to apply to retail businesses under this bill and suggested the Committee might wish to review that as a policy question. Responding to questions from Senator Salisbury, Representative Wempe said the rationale behind the bill is that the state needs to direct its limited resources to more basic enterprise and that retail basically follows economic development except perhaps in very small communities.

Representative Bill Wisdom testified that he favors the bill but would propose certain amendments (Attachment 2). His amendments would allow credits of \$2,500 for each employee and \$1,500 for each \$100,000 investment for cities whose average rate of unemployment is 1 1/2 times the statewide average.

David Ross spoke in support of Substitute for HB 2681 and requested that two amendments be considered by the Committee (Attachment 3). He suggested that the population limit for retail businesses be raised from 2,000 to 2,500 and that the population limit for regional participation be changed from 2,000 to 1,500. Senator Salisbury asked if these amendments were proposed to the House Committee, and Mr. Ross said they were.

Lou Atherton testified in favor of the bill and urged that the amendment be retained which removed the requirement for approval of regional development plans by the Secretary of Commerce (Attachment 4).

Bud Grant testified in favor of the bill (Attachment 5). Mr. Grant stressed that the bill reduces the incentive package from that contained in current law and also expressed concern about the difference between incentives for metropolitan and nonmetropolitan areas. Mr. Grant urged that the maximum population figure of 2,000 be raised to 5,000 and that the concept of enterprise zones be retained.

Judy Katz spoke in opposition to the bill (Attachment 6). She explained the potential impact of the bill on Roeland Park and urged that the

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Economic Development,  
room 123-S, Statehouse, at 8:00 a.m.~~pm~~ on March 24, 1992

legislation be amended to hold harmless redevelopment districts created prior to the effective date of the bill.

The meeting was adjourned at 9:00. The next meeting of the Committee will be Wednesday, March 25, 1992.





J. R. (JACK) WEMPE  
REPRESENTATIVE, ONE HUNDRED THIRTEENTH DISTRICT  
BARTON & RICE COUNTIES  
895 MAIN, P O BOX 187  
LITTLE RIVER, KANSAS 67457



COMMITTEE ASSIGNMENTS  
MEMBER: AGRICULTURE  
ECONOMIC DEVELOPMENT  
LOCAL GOVERNMENT  
JOINT COMMITTEE ON ECONOMIC  
DEVELOPMENT

TOPEKA

HOUSE OF  
REPRESENTATIVES

TESTIMONY FOR THE SENATE ECONOMIC DEVELOPMENT COMMITTEE

March 24, 1992

The sub-committee which produced HB 26<sup>5</sup>~~5~~1 began its work with several long-term concerns about the current program and a rationale for how the new program should look. Long term concerns included the involved, administratively complex system for forming zones, the proliferation of zones throughout the state and the failure of the program to concentrate on basic enterprise.

The rationale included a premise that limited resources should be directed to enterprises which produced the most positive economic benefit, the idea that a job located anywhere in Kansas is of benefit to us all, and a determination that the program must be streamlined and simplified administratively.

The existing program provided that three benefits would apply to any industry if located within a zone. The benefit included exemption from sales tax for buildings and equipment, a \$350.00 per year tax credit for ten years for each employee added, and a \$350.00 tax credit for ten years for each \$100,000.00 of investment. Qualification is the addition of two employees. Certification is required each year of the maintenance of the two jobs.

The proposed program simply looks at the entire state as a zone. The games of adjusting zones and drawing maps is eliminated. The fiction of proving population loss is ended. The rationale is that job creation anywhere in Kansas enhances all of us and a job lost or a business failed anywhere in Kansas diminishes all of us.

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The only retail business which can participate is that in a community of 2,000 population or less and then only in the sales tax exemption portion of the program. The remainder of the program attempts to target basic industry as follows: Any new or expanding non-retail business anywhere in the state can access the incentives. A manufacturing business, SIC codes 20 to 39, must demonstrate two added employees. Any other non-retail business must demonstrate five added employees. The incentives will include sales tax exemption for buildings and equipment, a one-time \$1,000.00 credit for each added employee, and a one-time \$1,000.00 credit for each \$100,000.00 of investment. In both cases, the income tax credits may be carried forward and both are subject to the 50% of tax liability provision.

Beyond the basic program another factor was considered. This body has developed a strategic planning program, now in operation, which has attempted to encourage non-metropolitan areas to organize for the purpose of economic development. Using the same definition of non-metropolitan, the proposed enterprise program offers those areas an opportunity for enhanced benefit provided they meet certain specific criteria. The enhanced benefit is an additional \$1,000.00 tax credit for the job creation portion of the incentive. This would provide that a business location in a designated non-metropolitan area would receive the sales tax exemption, a \$2,000.00 job credit, and a \$1,000.00 per \$100,000.00 investment credit. This extra incentive is designed to relate to existing policy and to encourage non-metropolitan areas to take steps to help themselves.

It should be pointed out that the old original 100/100 basic incentive is still in the bill. Since this will now apply only to retail, it would seem the committee might want to examine that as a policy question and determine whether it fits with the philosophy of the new measures.

Thank you.

3/24/92  
1-2

## PROPOSED AMENDMENTS TO Substitute for HOUSE BILL NO. 2681

As Amended by House Committee of the Whole

Be amended:

On page 1, in line 18, by striking "10" and inserting in lieu thereof "11";

On page 6, in line 24, after the period, by inserting "No taxpayer shall be allowed a credit for investment in a qualified business facility under this section if such taxpayer is allowed a credit for such investment under section 10 and amendments thereto."; in line 25, by striking "section 9" and inserting in lieu thereof "sections 9 and 10"; preceding line 28, by inserting the following section to read as follows:

"New Sec. 9. (a) Any taxpayer who shall invest in a qualified business facility, as defined in subsection (b) of K.S.A. 79-32,154, and amendments thereto, within a designated economically distressed area determined under subsection (c), and also meets the definition of a business in subsection (a) of section 2 and amendments thereto, shall be allowed a credit for such investment, in an amount determined under subsection (b), against the tax imposed by the Kansas income tax act for the taxable year during which commencement of commercial operations, as defined in subsection (f) of K.S.A. 79-32,154, and amendments thereto, occurs at such qualified business facility. In the case of a taxpayer who meets the definition of a manufacturing business in subsection (c) of section 2 and amendments thereto, no credit shall be allowed under this section unless the number of qualified business facility employees, as determined under subsection (d) of K.S.A. 79-32,154, and amendments thereto, engaged or maintained in employment at the qualified business facility as a direct result of the investment by the taxpayer for the taxable year for which the credit is claimed equals or exceeds two. In the case of a taxpayer who meets the definition of a nonmanufacturing business in subsection (e) of section 2 and amendments thereto, no credit shall be allowed under this section

unless the number of qualified business facility employees, as determined under subsection (d) of K.S.A. 79-32,154, and amendments thereto, engaged or maintained in employment at the qualified business facility as a direct result of the investment by the taxpayer for the taxable year for which the credit is claimed equals or exceeds five.

(b) The credit allowed by subsection (a) for any taxpayer who invests in a qualified business facility which is located in a designated economically distressed area determined under subsection (c), on or after the effective date of this act, shall be a portion of the income tax, but not in excess of 50% of such tax, otherwise imposed by the Kansas income tax act on the taxpayer's qualified business facility income, as defined in subsection (g) of K.S.A. 79-32,154, and amendments thereto, for the taxable year for which such credit is allowed. Such portion shall be an amount equal to the sum of the following:

(1) Two thousand five hundred dollars for each qualified business facility employee determined under K.S.A. 79-32,154, and amendments thereto; plus

(2) one thousand five hundred dollars for each \$100,000, or major fraction thereof, which shall be deemed to be 51% or more, in qualified business facility investment, as determined under K.S.A. 79-32,154, and amendments thereto.

(c) The governing body of any city located in a metropolitan county, as defined by subsection (d) of section 2 and amendments thereto, may designate all or part of the city as an economically distressed area if the governing body determines that (1) it is necessary to provide enhanced tax incentives under this section to provide economic development and recovery within the economically distressed area and (2) the average rate of unemployment in the economically distressed area for the most recent 18-month period for which data is available was at least 1 1/2 times the average statewide rate of unemployment for such 18-month period. The governing body shall certify such designation to the secretary of revenue.

(d) The credit allowed by subsection (a) for each qualified

business facility employee or qualified business facility investment shall be a one-time credit. If the amount of the credit allowed under subsection (a) exceeds the amount of the income tax liability, the amount thereof which exceeds such tax liability may be carried over for credit in the succeeding taxable years until the total amount of such credit is used, except that, before the credit is allowed, a taxpayer, who meets the definition of a manufacturing business in subsection (c) of section 2 and amendments thereto, shall recertify annually that the net increase of a minimum of two qualified business facility employees has continued to be maintained and a taxpayer, who meets the definition of a nonmanufacturing business in subsection (e) of section 2 and amendments thereto, shall recertify annually that the net increase of a minimum of five qualified business employees has continued to be maintained.";

And by renumbering sections accordingly;

And the substitute bill be passed as amended.



KANSAS DEPARTMENT OF COMMERCE  
Testimony on Substitute H.B. No. 2681  
Senate Economic Development Committee  
Tuesday, March 24, 1992

Page 1

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The Department of Commerce is pleased to have this opportunity to present testimony on Substitute H.B. No. 2681. We have worked closely with the Joint Committee on Economic Development during the interim session and the House Committee on Economic Development. We support the legislation and recommend passage of the bill.

The bill provides for a marketable "competitive product" of incentives for economic development. We feel that the level of incentives should be carefully monitored over time and adjusted as the economic necessity and capabilities dictate.

The bill provides incentives to both the metropolitan and non-metropolitan areas of the State and will promote the location of new businesses and expansion of existing businesses in all areas. The added incentive to locate or expand in designated non-metropolitan regions will assist our rural areas and will help promote a quality of life in these areas that will slow potential erosion and promote their growth and development.

The bill promotes the local design, implementation, and maintenance of long-range strategic planning efforts. The bill provides the mechanism for the Department to review and monitor local plans to encourage that the tax dollars being used through the various exemptions and credits are being used effectively and efficiently.

The bill meets the original intent of change in current legislation, in that it:

- reduces, according to the Department of Revenue, the fiscal impact of the program while maintaining a reasonable level of credits and incentives, by eliminating participation of retail businesses, except in communities under 2,000 in population, and targeting industries by SIC codes;
- eliminates the inequities created by inconsistent designation criteria in the current enterprise zone program;
- simplifies and standardizes the criteria and required documentation for participation in the program;
- requires incentives which are regional in nature, exact local support, and will complement the State sponsored exemptions and credits;
- acknowledges the program as a marketing and recruitment tool rather than a program to "eliminate blighted areas";
- provides enhanced credits to manufacturing businesses which are more likely to contribute to the long-term economic growth and prosperity of a community or region;

*Attachment 3  
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Testimony on Substitute H.B. No. 2681  
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- encourages cities and counties throughout the State to cooperate on a regionalized basis to enhance the identity, development, and progress of areas of common interests.

We recommend the population limit for retail participation [§3(c)(2), page 3, line 14] changed from 2,000 to 2,500. This would provide for participation by retail businesses in 23 additional communities as indicated on Attachment 1.

In addition, we recommend that the population limit for regional participation by written consent [§4(a)(2), page 3, line 25] be changed from 2,000 to 1,500. This would provide for written commitment by 28 additional communities, as indicated in Attachment 2, and in some potential regions assure that at least one community in the county would have to agree to participation within a designated region.

KANSAS COMMUNITIES  
with  
2,000 ≤ Population ≤ 2,500  
According to 1990 Census

<u>City Name</u>	<u>Population</u>	<u>County</u>	<u>County Seat</u>	<u>Largest City?</u>	<u>City EZ</u> Exp	<u>County EZ</u>
Caney	2062	MG			Exp	✓
Cherryvale	2464	MG			✓	✓
Council Grove	2228	MR	✓		✓	✓
DeSoto	2291	JO			✓	
Elkhart	2318	MT	✓			
Ellinwood	2329	BT			✓	✓
Ellsworth	2294	EW	✓	✓	✓	✓
Halstead	2015	HV			✓	✓
Humboldt	2178	AL				✓
Lakin	2060	KE	✓			
Medicine Lodge	2453	BA	✓		✓	
Oakley	2045	LG	✓		✓	✓
Oberlin	2197	DC	✓		✓	✓
Plainville	2173	RO		✓	✓	✓
Rose Hill	2399	BU			Exp	✓
Sabetha	2341	NM		✓	✓	
Seneca	2027	NM	✓		✓	
Smith Center	2016	SM	✓	✓	✓	✓
South Hutchinson	2444	RN			✓	✓
Spring Hill	2155	JO			✓	
Sterling	2115	RC			✓	✓
Tonganoxie	2347	DG			✓	
WaKeeney	2161	TR	✓	✓	✓	✓

KANSAS COMMUNITIES  
with  
1,500 ≤ Population ≤ 2,000  
According to 1990 Census

<u>City Name</u>	<u>Population</u>	<u>County</u>	<u>County Seat</u>	<u>Largest City?</u>	<u>City EZ</u>	<u>County EZ</u>
Basehor	1591	LV			✓	✓
Belle Plaine	1649	SU				✓
Carbondale	1526	OS				
Cheney	1560	SG			✓	✓
Cimarron	1626	GY	✓	✓		
Clearwater	1875	SG			✓	✓
Douglass	1722	BU				✓
Ellis	1814	EL			✓	✓
Goddard	1804	SG			✓	✓
Greensburg	1792	KW	✓	✓		
Harper	1735	HP			✓	✓
Hill City	1835	GH	✓	✓	✓	✓
Horton	1885	BR			✓	
Kingsley	1875	ED	✓	✓	✓	✓
Leoti	1738	WH	✓	✓	✓	✓
Louisburg	1964	MI				
Maize	1520	SG			✓	✓
Marion	1906	MN	✓	✓	✓	
Minneapolis	1983	OT	✓	✓	✓	✓
Moundridge	1531	MP			✓	✓
Ness City	1724	NS	✓	✓	✓	
Osborne	1778	OB	✓	✓	✓	✓
Oswego	1870	LB	✓		✓	✓
Saint Mary's	1791	PT				✓

<u>City Name</u>	<u>Population</u>	<u>County</u>	<u>County Seat</u>	<u>Largest City?</u>	<u>City EZ</u>	<u>County EZ</u>
Stockton	1507	RO	✓		✓	✓
Syracuse	1606	HM	✓	✓		
Wellsville	1563	FR			✓	✓
Yates Center	1815	WO	✓	✓		



*Our Future Is Building.*

OTTAWA/FRANKLIN COUNTY ECONOMIC DEVELOPMENT, INC.

TESTIMONY OF  
LOUIS J. ATHERTON  
SECRETARY/TREASURER  
OTTAWA/FRANKLIN COUNTY ECONOMIC DEVELOPMENT, INC.

PRESENTED TO  
SENATE ECONOMIC DEVELOPMENT COMMITTEE  
MARCH 24, 1992

**MEMO**

March 24, 1992

To: Senate Economic Development Committee Members

From: Lou Atherton

Re: Substitute for House Bill 2681

The subject bill carries amended language on page 3, lines 39-43 and page 4, lines 4 and 5, which removes the requirement that the Secretary of Commerce approve regional development organizations and strategic plans as conditions for the designation of a non-metropolitan region.

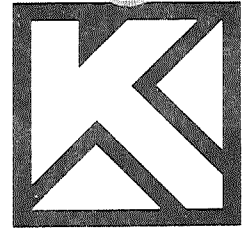
I request that the Committee retain this amendment.

Our organization is privately funded and has been able to act on behalf of the community very effectively without an official state blessing. We are continuing to elect board members representing other cities within Franklin County, promoting available sites and buildings throughout the county and financing a major portion of the matching funds for the county's strategy plan.

For whatever reason intended by the original bill, state approval (control) adds nothing to the effectiveness of O/FCED. I do not wish to have my volunteers feel that their organization cannot continue to be a viable one without the official seal of state approval.

# LEGISLATIVE TESTIMONY

## Kansas Chamber of Commerce and Industry



500 Bank IV Tower One Townsite Plaza Topeka, KS 66603-3460 (913) 357-6321

A consolidation of the  
Kansas State Chamber  
of Commerce,  
Associated Industries  
of Kansas,  
Kansas Retail Council

Sub. HB 2681

March 24, 1992

KANSAS CHAMBER OF COMMERCE AND INDUSTRY  
Testimony Before the  
Senate Committee on Economic Development  
by  
Bud Grant  
Vice President and General Manager

Mr. Chairman and members of the Committee:

My name is Bud Grant. I am here representing the Kansas Chamber of Commerce and Industry and I appreciate the opportunity to visit with you this morning about this very important bill.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

Before specific comments I want to commend the hard work of the interim committee that developed many of the concepts contained in HB 2681, and the House Committee on Economic Development, who further refined those concepts. I know that all of you on this

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committee remember the work of the subcommittee, and of this committee, on SB 29, which dealt with the same subject. The issue has now come full circle.

The Chamber supports the direction that Sub. HB 2681 takes in moving away from the proliferation of enterprise zones and towards a more consistent statewide program. As you are aware, one of the areas with which we have always expressed concern is that we cannot ignore the merchant and the impact the merchant has in a small community. We support the treatment of merchants in Sub. HB 2681. I have only one additional comment about that treatment which I will make in a moment.

Now let me raise a few red flags. During the work of last year's subcommittee, there was talk, and I felt general agreement, that if Kansas was to remain competitive with what our neighboring states are doing in this area, our package of incentives should be increased. You need to recognize that the proposal before you goes the opposite direction and significantly reduces the incentive package.

Red flag number 2. The significant difference between the incentive package for metropolitan and non-metropolitan areas works to the detriment of economic development in Kansas. While we need to do all we can to assist rural Kansas develop, the fact remains that most development will take place largely in urban areas. Wichita doesn't compete with Colby or Phillipsburg for development, it competes with Tulsa and Oklahoma City and Amarillo. We should not be diluting the ability of metropolitan areas to compete. The road to success in job creation is much tougher and much longer than the road to the final four.

Two more brief observations. The bill extends the sales tax exemption provisions to retailers located in communities of 2,000 or less. That does recognize that it is important to occasionally assist a retailer in a small community. A very unscientific count reveals 507 Kansas communities would have this exemption available. However, some major metropolitan communities such as Cherryvale, Frontenac, and Girard would be excluded. I recognize the problems that arise when limits are established at any level, but if there is to be one in this area, I urge the Committee to consider increasing the 2,000 maximum to at least 5,000.

Finally, Mr. Chairman, Sub. HB 2681 establishes the Kansas Enterprise Zone Act, but eliminates enterprise zones. I recommend that the Committee consider retaining enterprise zones, but strictly defined and controlled. The concept of enterprise zones to assist blighted areas remains a good concept. There are surely areas within the state that would benefit significantly from a program that would offer enhanced benefits to develop an area which is not contributing to a community's growth in culture or commerce.

Thank you and I would be pleased to attempt to answer any questions.

## MEMORANDUM

TO: Senate Economic Development Committee

FROM: Judy Katz, Mayor, City of Roeland Park

DATE: March 24, 1992

RE: Substitute for House Bill 2681

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On behalf of the City of Roeland Park, I speak in opposition to Substitute for House Bill 2681. In order to fully explain Roeland Park's opposition to this bill, let me first provide some factual information.

Roeland Park is a city of the second class located within Johnson County and has a population of approximately 7,700 people. The city presently has an enterprise zone which was approved by the Department of Commerce several years ago. Roeland Park's enterprise zone consists of the central business district of the city and surrounding areas. Thus, our enterprise zone covers the heart of the city, not some outlying area. For a number of years, our central business district, which consisted primarily of a shopping center and associated retail businesses, together with several public institutions such as city hall and a branch of the county library, was declining. For several years now, the City has been doing everything it could to promote the economic revitalization of the central business district. Designation of the enterprise zone was a part of that strategy. Within the last year, the city has also created two redevelopment districts and a self-supported municipal improvement district to further the redevelopment objectives. In one of the redevelopment districts, a redevelopment plan was approved and blighted, deteriorating buildings were removed and replaced with a new 108,000 square foot Pace Membership Warehouse store as an anchor and related small retail spaces in a strip center configuration. As a result of those efforts, Roeland Park has received a much-needed facelift. We are attempting to further the revitalization through negotiations with property owners and potential developers of portions of the second redevelopment district. Substitute for

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House Bill 2681 will bring all of these efforts to a grinding halt.

First, let me talk about what I presume are the intended consequences of the bill and its effect on Roeland Park. First, all enterprise zones will be history, as will the laudable legislative objectives of providing tax incentives for business expansion in targeted areas experiencing poverty, unemployment, and economic distress. Thus, although Roeland Park's central business district met the characteristics necessary for enterprise zone designation, incentives for business expansion within that area will be sharply curtailed if this bill is approved. Roeland Park's central business district is relatively small and is surrounded by low-density residential development. Thus, the existing land use pattern dictates that any prospect for economic revitalization of the area will necessarily be tied to small-scale commercial development which is compatible with those surrounding residential uses, not large-scale industrial development. As I understand it, however, this bill would adversely affect Roeland Park's ability to attract new business to the area by eliminating the enhanced job and investment tax credit presently available for retail businesses within the enterprise zone, substituting reduced credits, and eliminate the sales tax exemption for retail businesses since the population of the City is over 2,000. Thus, the elimination of enterprise zones and the modification of the structure for tax credits and sales tax exemptions will work to the disadvantage of Roeland Park's revitalization efforts.

To add insult to injury, however, the bill as drafted will create some consequences for Roeland Park which I hope were unintended. As I mentioned previously, the City has created two separate redevelopment districts. The premise for creation of both of those districts was the fact that the area was located within an enterprise zone, as permitted under current statutes. In the first redevelopment district, the City has not only created the redevelopment district, but has approved a redevelopment plan, issued temporary notes to pay for the construction of public improvements and anticipates issuing full faith and credit tax increment financing bonds when the improvements are completed. The second redevelopment district has been created, but no redevelopment plan will be prepared until negotiations are complete with potential property owners/developers. Since the existence of the enterprise zone formed the premise for the creation of the second

redevelopment district, it is the opinion of both our City Attorney, Neil Shortlidge, and our bond counsel, Norman Gaar, that the amendments in Sections 11 and 12 of the bill will prevent the City from moving forward. For Redevelopment District No. 2, the City would be forced to start all over again, a time-consuming and expensive proposition, and would be put to the additional expense of having a blight study prepared. In addition, some question may be raised as to the effect of the amendments on the marketability of any full faith and credit tax increment financing bonds to be issued for the project in Redevelopment District No. 1.

It is bad enough that substitute for House Bill 2681 will prospectively deny potential Roeland Park businesses the economic advantages which they would have under the present enterprise zone legislation. Of course, that also affects all of the citizens of Roeland Park as well. However, the existing bill would also retroactively jeopardize the City's redevelopment districts, and could conceivably prevent the City from issuing the tax increment bonds to retire the temporary notes which are outstanding. For this reason, I implore you that whatever decision is made as to the intended purposes of the bill, please do not permit the unintended consequences to follow. At a minimum, the legislature should hold harmless those redevelopment districts which were created prior to the effective date of this new legislation, where the premise for the creation of such district was its location within an enterprise zone. This would allow redevelopment projects in previously-created districts to move forward. This type of hold harmless amendment would have very limited application since there are only a few cities in the state that have created redevelopment districts. In fact, Roeland Park's redevelopment districts may be the only ones in the state which were premised upon the enterprise zone designation and which are presently in the middle of the redevelopment procedures. Please don't punish Roeland Park for attempting to revitalize its central business in accordance with current state law.

#8522