

Approved: February 7, 2002

MINUTES OF THE HOUSE COMMITTEE ON LOCAL GOVERNMENT.

The meeting was called to order by Chairperson Rep. Gerry Ray at 3:30 p.m. on January 24, 2002 in Room 519 -S of the Capitol.

All members were present except: Rep. Barnes - excused

Committee staff present: Mike Heim - Research Dept.
Theresa Keirnan - Revisor
Kay Dick Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

Ashley Sherard, Intergovernmental Relations Manager for Johnson County Government requested a bill introduction that would revise the Park & Recreation District's land acquisition statute to allow bond propositions submitted to voters to include a more general description of the real estate to be acquired for parkland with bond proceeds. (Attachment 1) Rep. Storm moved that the bill be introduced. Rep. Gilbert seconded the motion. The motion carried with no opposition.

A second request, by Ms. Sherard, was for a bill that would expand the options for disposal of tax delinquent properties that fail to sell at foreclosure auction. (Attachment 2) A motion was made by Rep. Hermes and seconded by Rep. Campbell. Motion was carried.

Don Siefert, City of Olathe, requested an introduction for a bill that would authorize creation of transportation development districts. (Attachment 3) Rep. Hermes made a motion to introduce the bill. Rep. Campbell seconded. There was no opposition to the motion.

Rep. Campbell introduced a bill of an item in article 9 of the uniform commercial code that require cities to do some disclosures and financial statements on bond issues that have not had to before and this would take them back to existing law in article 9. Rep. Gilbert moved to introduce as a bill. Rep. Toplikar seconded. All committee was in favor.

The Chair announced that the hearing on **HB 2655** that was scheduled for Tuesday has been canceled.

Rep. Ray introduced Don Moler, Director, League of Kansas Municipalities. Mr. Moler addressed the committee informing them that "Today was 'City Hall Day at the Capitol' and there roughly 250 city officials around the capitol."

A video on the "40th Anniversary of Home Rule" was shown to the committee by Mr. Moler.

Meeting was adjourned at 4:00 p.m.

HOUSE LOCAL GOVERNMENT COMMITTEE GUEST LIST

DATE: JAN 24, 2002

NAME	REPRESENTING
Randall Allen	Kansas Assoc. of Counties
Don Seifert	City of Olathe
Karen Orr	City of Olathe
Joan Bowman	LKM; CITY OF LENEXA
Don Moler	LKM
Kim Gulley	CKA



Johnson County, Kansas

OFFICE OF THE COUNTY MANAGER

To: The Honorable Gerry Ray, Chair
The Honorable Larry Campbell, Vice Chair
Members, House Local Government Committee

From: Ashley Sherard, Intergovernmental Relations Manager

Date: January 24, 2002

Subject: **Request for Bill Introduction -- Johnson County Park & Recreation District**

On behalf of the Johnson County Park & Recreation District, I would like to request introduction of a bill that would revise the Park & Recreation District's land acquisition statute to allow bond propositions submitted to voters to include a more general description of the real estate to be acquired for parkland with bond proceeds.

K.S.A. 19-2874 – **which applies only to the Johnson County Park & Recreation District** – authorizes the District to issue bonds to acquire real estate, provided that the issuance is first approved by a majority of voters countywide. The statute further requires that the proposition submitted to voters must describe the real estate to be acquired and its location, which has been interpreted by District counsel to essentially mean a legal description.

Market values often increase, however, when the location of property to be acquired is known in advance. Such land speculation creates difficulty and adds expense in acquiring the property, a burden ultimately borne by Johnson County Park & Recreation District taxpayers. By not requiring the exact location to be specified and allowing for a more general description of property to be acquired, the impact of land speculation on negotiations and property values could be reduced or eliminated.

School districts are authorized to acquire land by bond sale anywhere within their district without having to identify specific tracts. The Johnson County Park & Recreation District has approved a comprehensive Master Action Plan (MAP) for parks, which divides the County into six (6) "planning areas" that essentially correspond to school district boundaries within the County.

We would respectfully request introduction of legislation that revises K.S.A. 19-2874 to allow Johnson County Park & Recreation District bond propositions to identify the purpose(s) for which the bonds are being issued and the school district(s) in which the real estate to be acquired is located, providing the Park & Recreation District with authority similar to that currently enjoyed by school districts statewide. The Johnson County Park & Recreation District believes the additional flexibility and efficiency provided by this statutory change would benefit local taxpayers by minimizing the effect of land speculation.

Thank you very much for your time and consideration.

HOUSE LOCAL GOVERNMENT
01/24/02
Attachment 1



Johnson County, Kansas

BOARD OF COUNTY COMMISSIONERS

To: The Honorable Gerry Ray, Chair
The Honorable Larry Campbell, Vice Chair
Members, House Local Government Committee

From: Ashley Sherard, Intergovernmental Relations Manager

Date: January 24, 2002

Subject: **Request for Bill Introduction -- Tax Delinquent Properties**

On behalf of the Johnson County Commission, I would like to request introduction of a bill that would expand the options for disposal of tax delinquent properties that fail to sell at foreclosure auction.

Pursuant to Chapter 79 of the Kansas Statutes, counties may initiate a tax foreclosure suit on all properties that remain delinquent for a statutorily-specified number of years. Once judgment is obtained, the properties are auctioned to the public and the sale price is applied to the county's tax judgment.

Some properties, however, do not sell. Generally these properties have little value due to their size, location, or other potentially undesirable characteristics.

As a result, the county does not collect any of the delinquent taxes on the property. In addition, because state statutes do not provide a method to close the collection process unless the property sells, these properties must continually be carried forward in the county's accounting records. The county must also continue to expend staff time and money trying multiple times to auction it.

The Johnson County Commission would respectfully request introduction of legislation that would expand the options for addressing these properties to allow counties to "group" properties together for auction that didn't sell individually the first time they were offered and to seek authority from the district court to pursue alternate means of disposing of properties that do not sell.

By expanding the options for disposal of tax delinquent properties that fail to sell at foreclosure auction, counties may enhance their revenue collections, save taxpayer money, better utilize staff time, and maintain better accounting records.

Thank you very much for your time and consideration.

HOUSE LOCAL GOVERNMENT

01/24/02

Attachment **1**



TRANSPORTATION DEVELOPMENT DISTRICT

Background: In a continual effort to broaden their tax bases, Kansas cities use a variety of economic development tools to attract new business and encourage expansion of existing businesses. In communities like Olathe, this effort often involves competition with cities in surrounding states, especially Missouri. In general, Kansas has a solid array of economic tools, but there are a number of areas where Kansas is at a competitive disadvantage with the state of Missouri.

One tool available in Missouri, but not in Kansas is the transportation development district. Missouri law allows, with voter approval, creation of a special transportation district that can construct transportation improvements funded by: 1) special assessments; 2) by a property tax up to one mill; or 3) by a sales tax not to exceed one percent. There is no corresponding authority in Kansas.

The city envisions such a tool as a complement to the existing tax increment finance (TIF) statutes at K.S.A. 12-1770 *et seq.* As used in Missouri, this tool is used to finance transportation improvements outside of traditional redevelopment districts created through a TIF district. Examples of projects in Olathe that might benefit from such a tool include improvements to 119th Street near I-35, the 127th Street overpass, commuter rail, and a pedestrian connection across I-35 that are all located outside a formal TIF district.

Position: The city recognizes that the 2001 Legislature completed a comprehensive technical rewrite of the TIF statutes. Committee discussion indicated that TIF policy changes would be considered later. To help level the economic development field with our neighbors, the city supports introduction of legislation that would authorize creation of transportation development districts, either in conjunction with TIF, or as freestanding legislation.

HOUSE LOCAL GOVERNMENT

02/24/02

Attachment 3

HOUSE LOCAL GOVERNMENT

02/24/02

Attachment 3
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