

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Senator Karin Brownlee at 8:15 a.m. on February 22, 2002 in Room 123-S of the Capitol.

All members were present except:

Senator Brungardt (Excused)
Senator Kerr (Excused)

Committee staff present:

April Holman, Legislative Research
Debra Hollon, Legislative Research
Norman Furse, Revisor of Statues
Sherman Parks, Revisor of Statues
Lea Gerard, Committee Secretary

Conferees appearing before the committee:

Steve Rarrick, Deputy Attorney General
Rae Anne Davis, Kansas Department of
Commerce & Housing
Susan Wolf, Chairman Johnson County Commission
Representative John Ballou, District 43
Jack Brier, President of the Kansas Development
Finance Authority
Dave Anderson, Mayor of the City of DeSoto
Kurt Von Achen, K-10 Corridor Assoc.
Don Seifert, City of Olathe
Robert Haggerton
Charles Benjamin, Kansas Chapter of the Sierra Club

Others attending:

See attached list

SB 605--State corporation commission report to the legislature to be published on the internet.

In accordance with KSA 75-3715a the fiscal note for **SB 605** was submitted to committee members.

Senator Wagle moved, seconded by Senator Jordan that **SB 605** be recommended favorably for passage. Motion carried.

SB 565--Expanding the IMPACT act.

Senator Jenkins stated Goodyear has recommended the contents of **HB 2962** be amended in **SB 565**. The amended changes do not have any fiscal impact on the bill. The amended changes would lower the threshold to a \$50 million investment and 250 jobs. The chairman mentioned her efforts to contact the House New Economy committee chair as to whether or not they would be working **HB 2962** and had not yet received a response.

Senator Wagle made the point that the fiscal note would be affected because more companies would qualify for this program with the lower thresholds.

Senator Jenkins moved, seconded by Senator Steineger to amend **HB 2962** into **SB 565**. Motion carried.

Rae Anne Davis, Chief Fiscal Officer, Kansas Department of Commerce and Housing briefed the Committee on the fiscal note submitted by the Budget office for **SB 565** (Attachment 1). She stated the fiscal note is overstated and does not correctly reflect the way the IMPACT program has operated previously. Budget included in the fiscal note for FY2003 the entire amount which would be possible to utilize in this program. Currently, the program is not utilizing its entire capacity.

Senator Jenkins moved, seconded by Senator Barone to move **SB 565** as amended favorably for passage. Motion carried

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE at on February 22, 2002 in Room 123-S of the Capitol.

SB 467—Commercial electronic mail act; protection from deceptive and unwanted “spam”.

Senator Barone moved, seconded by Senator Wagle to adopt the industry draft amendments for **SB 467**. Motion carried

Senator Emler moved, seconded by Senator Jordan to amend **SB 467** by inserting language on Page 3, Line 13 after the word “section”, “including an interactive computer service damaged by a violation”. Motion carried

Senator Jenkins moved, seconded by Senator Steineger to conceptually adopt an amendment on the balloon for **SB 467**, Page 1, Line 27 after KSA 17-1760 to insert the words “or electronic mail messages of less than 500 recipients other than messages of a sexually explicit or otherwise adult oriented nature”. Motion carried

Senator Barone moved, seconded by Senator Emler to make this a Senate Substitute bill for **SB 467** and move out favorable for passage. Motion carried.

Hearings on **SB 611**—Act concerning Johnson County; relating to the redevelopment of the Sunflower Army Ammunition plant.

In accordance with KSA 75-3715a, the fiscal note for **SB 611** was submitted to committee members.

April Holman, Legislative Research explained that **SB 611** deals with the Sunflower Army Ammunition Plant. New Section 1 allows for the establishment of a re-development district in the Sunflower Army Ammunition Plant site. The first step for this to be accomplished would be a resolution of intent and the requirements for the resolution of intent. New Section 2 authorizes Johnson County to request and approve the establishment of a redevelopment district by the KDFFA. New Section 3 provides for creation of the Johnson County redevelopment authority. New Section 4 would govern the redevelopment project plan.

Senator Brownlee asked the Legislative Research Staff to check and see if there was still STAR Bond authority on the property.

Susie Wolf, Chairman Johnson County Commission testified in support of **SB 611** (Attachment 2).

Representative John Ballou testified in support of **SB 611** (Attachment 3) stated that this bill would allow the county to have control over the site for redevelopment.

Jack Brier, President Kansas Development Finance Authority testified in support of **SB 611**. The KDFFA looks forward to the opportunity to work with Johnson County and the re-development advisory board created from this legislation. KDFFA views their role as a facilitator, a coordinator and to some extent a financial advisor working with Johnson County and the re-development board on transactional issues only.

David R. Anderson, Major for the City of DeSoto, testified in support of **SB 611** (Attachment 4).

Kurt von Achen, President K-10 Corridor, testified in support of **SB 611** (Attachment 5).

Donald R. Seifert, Policy Development Leader, testified in support of **SB 611** (Attachment 6).

Charles M. Benjamin, Attorney at Law, testified in opposition to **SB 611** (Attachment 7).

Bob Haggerton, resident of Johnson County, testified in opposition to **SB 611** (Attachment 8).

The Board of Johnson County Commission submitted an amendment for **SB 611** (Attachment 9).

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE at on February 22, 2002 in Room 123-S of the Capitol.

Meeting adjourned at 9:30 a.m.

The next meeting is scheduled Monday, February 25, 2002 at 8:15 a.m.

**SENATE COMMERCE COMMITTEE
GUEST LIST**

DATE: February 22, 2002

NAME	REPRESENTING
DAVID R. ANDERSON	CITY OF DE SOTO
Rich Caplan	K-10 Corridor Assn.
Karl von Achtem	K-10 Corridor Assn
Tony Spaar	U.S. Army
Tim Davis	SPEC PRO INC. SFAAP
DON JARRETT	JOHNSON COUNTY
Jusie Wolf	BOCC JOHNSON CO.
Ashley Sherard	Johnson County
Stephanie Buchanan	DOB
Sue Kelly	KDOCH
Sue Ann Davis	DOCH
Bob Jayson	Comit Kansas
Don Seifert	City of Olathe
Tom Gehles	Experian
Nelson Krueger	Everest Communication
TOM DAY	KCC
Mason Zellner	USD 232
Dick Werth	KIDWP
SUE PETERSON	K-STATE
Jon Josseland	University of Kansas
Charles Benjamin	Sierra Club - KS Chapter
Erik Sartorius	City of Overland Park

MEMO



KANSAS DEPARTMENT of COMMERCE & HOUSING

1000 S.W. Jackson Street, Suite 100
Topeka, Kansas 66612-1354
(785) 296-3481 Fax: (785) 296-5055
TTY (Hearing Impaired): (785) 296-3487
admin@kansascommerce.com
www.kansascommerce.com

DATE: February 21, 2002

TO: The Honorable Senator Karin Brownlee, Chairperson of the Senate Committee on Commerce and members of the Senate Commerce Committee

FROM: Rae Anne Davis, Chief Fiscal Officer, Kansas Department of Commerce and Housing 

REGARDING: Fiscal Note for SB 565

In reviewing the fiscal note from the Division of the Budget for SB 565 the Lt. Governor/Secretary is very disturbed by the Department of Revenue's indication that the bill could reduce State General Fund revenues by a net amount of \$23.3 million in FY 2003. Bond issuance of such a level as to require that amount of debt service would be difficult to imagine and is certainly not in keeping with actual programmatic history.

The Kansas Development Finance Authority estimates FY 2003 debt service for IMPACT at \$10.19 million. That figure, \$10.19 million, represents the total cumulative annual debt service remaining for outstanding bond issuances since the program began nearly 10 years ago. Passage of SB 565 would not result in changes to the estimated debt service - as explained in the testimony from the Department of Commerce and Housing regarding SB 565, we do not anticipate another bond issuance until early FY 2005. Assuming static State withholding revenues of \$1.47 billion, the IMPACT program debt service would be very close to, or at, the statutory 1% cap following such bond issuance in FY 2005. Without an increase in the cap the FY 2005 issue would be the last program funding possible until perhaps FY 2009, leaving a 2 year gap where no additional projects could be assisted.

Further, the information in the fiscal note does not recognize the impact of additional capacity to fund new business expansion, relocations and retraining of existing Kansas jobs. The money spent to repay the bonds would be returned to the state through the additional Kansas withholding taxes paid by jobs created or retained through the program. The information provided to the Committee on Tuesday showed that IMPACT program investment since its inception in 1992 has totaled \$96.4 million, with 35,542 jobs created in 61 projects. From those newly created jobs, we have to-date tracked \$82.4 million in withholding collected. This number significantly understates the total new withholding realized because we do not track project-generated withholding beyond the point where the State's investment has been repaid (typically 3-5 years). Collection of an additional \$44.4 million is projected from existing projects as they reach payoff status.

To illustrate this point we have identified a sample recipient of IMPACT funds and the revenue generated by the jobs created through the program.

The IMPACT program is a valuable tool in the State's ability to recruit business development and job creation providing critical skills training that enable employees to function effectively in an increasingly complex workplace. The Department of Commerce and Housing has requested SB 565 in order to ensure a stable and predictable future for the program.

Senate Commerce Committee
Feb. 22, 2002
Attachment 1-1

Diamant Boart Inc.
IMPACT Performance
Agreement Date April 1, 1997

Performance Projections

Positions Projected	204
Average Wage	\$20.19 per hour
Impact Commitment	\$1,000,000

Actual Performance

Payoff Achieved	2 nd Quarter 2001
Employment Level	193
Average Quarterly Withholding	\$95,000



February 22, 2002

Testimony Before the Senate Commerce Committee
in Support of Senate Bill 611

by

Susie Wolf, Chairman of the Johnson County Commission

Good morning, Madame Chair and members of the committee. My name is Susie Wolf and I am the Johnson County Commissioner for the Second District. It is also my honor to serve as Chairman of the Commission this year. I want to thank you for the opportunity to appear before you today in strong support of Senate Bill 611, which would empower Johnson County to utilize certain economic development tools within the Sunflower Army Ammunition Plant site.

The Sunflower Army Ammunition Plant presents a unique opportunity. The site is comprised of over 9,000 acres located along one of the prime development corridors in the state. Currently it remains the property of the U.S. government, which is in the process of remediating environmental contamination on the site. As such, the site is currently generating no revenues for either the state or local governments. The vision of Senate Bill 611, however, is to work collaboratively at the state and local levels to take control of this unique opportunity and guide the plant's redevelopment back to a high quality, productive property.

Unfortunately, this opportunity may be lost if we don't act in a timely manner. The U.S. General Services Administration (GSA) is actively pursuing its options for disposing of the property. We are concerned that some of these options leave little room, if any, for input by the communities that surround the Sunflower Plant as to the scope and nature of any redevelopment, its timing, or even the level of environmental remediation. We believe that, unless we soon demonstrate to GSA that we are constructing a redevelopment plan and have the necessary tools to implement it, both the state and the local communities will likely forfeit their opportunity to guide the site's redevelopment.

Recognizing the significant but fleeting opportunity the Sunflower Plant represents, the Johnson County Commission is actively working with other stakeholders to consider local options for redeveloping the Sunflower site. Although many details must still be resolved, it is our hope that this collaborative effort will ultimately produce a locally representative process to govern the property's redevelopment -- rather than the federal government.

To that end, we believe the economic development tools provided for in Senate Bill 611 are appropriate and would provide critical flexibility necessary to consider all potential proposals to reclaim the site. Due to the Sunflower Plant's condition and infrastructure needs, we anticipate it may require some incentives in order to remain viable and competitive with other available properties – particularly at the outset of its redevelopment. The availability of the economic development tools contained in Senate Bill 611 would significantly enhance both interest in the property and the quality of the development we are able to attract. Having a number of development options from which to choose will facilitate our ability to negotiate and to craft a critical balance between the use of these economic incentives, taxpayer needs, and the creation of productive, revenue-generating property.

In addition, because we are currently in the beginning stages of developing this opportunity, flexibility is key. We have requested authority to utilize a number of tools because we want to retain the ability to consider all potential proposals to reclaim the property. At this time we simply don't know the type, size or duration of the economic incentives that might be most appropriate or necessary for proposed redevelopment projects. When the time comes, however, Senate Bill 611 does require public disclosure and the opportunity for public comment regarding any proposed financing incentives. We would therefore ask for your respect and support in maintaining this important flexibility.

I anticipate there will be many questions from the committee, so I will conclude my remarks so as to leave adequate time. Again, we strongly believe it is in the best interests of citizens, the local communities, and the state for local stakeholders to guide this redevelopment opportunity, and we would ask you to support this endeavor by recommending Senate Bill 611 favorable for passage.

The Commission's Chief Counsel, Don Jarrett, and I would be happy to answer questions at the appropriate time. Thank you.

REP. JOHN BALLOU
18180 S. WAVERLY
GARDNER, KANSAS 66030
(913) 856-6355

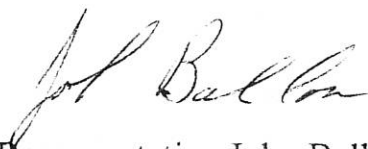


CAPITOL BUILDING
ROOM 180-W
TOPEKA, KANSAS 66612
(785) 296-7696
ballou@house.state.ks.us

HOUSE OF REPRESENTATIVES
43RD DISTRICT
ASSISTANT MAJORITY LEADER

Madam Chairwomen and members of the committee:

I am asking you to support SB 611 this will give Johnson County the ability to take control over all development of the Sunflower ammunition site in Southwest Johnson County. Without the ability to control fiscal incentives for the site it doesn't matter if we control zoning. We need to be able to have full control over what is offered, and how much in incentives is offered, or if any incentives are offered at all. This will allow the elected officials closest to Sunflower ammunition plant to make the decision for what is best for the people of the County instead of the State. Thank you for your consideration of SB 611.


Representative John Ballou 43rd District

Senate Commerce Committee
Feb. 22, 2002
Attachment 3-1



GSA Northwest/Arctic Region

February 20, 2002

The Honorable John Ballou
Kansas State House of Representatives
State Capitol Building
300 SW Kent Street, Rm. 180W
Topeka, KS 66612-1504

RE: Sunflower Army Ammunition Plant disposal

Dear Representative Ballou:

This letter is in response to your request to the General Services Administration to outline the disposal procedural steps remaining before any public benefit conveyance or public sale can take place at the Sunflower Army Ammunition Plant (Sunflower).

As we discussed in our February 16th meeting, the disposal process is currently on hold pending the disposition of the current lawsuit filed against the United States of America by the "Taxpayers Opposed to OZ" (TOTO). As part of this litigation process, GSA must first complete its review of potential historic resources as required by the National Historic Preservation Act (NHPA). GSA has hired an independent contractor to complete the necessary NHPA studies so that GSA may make its final statutorily mandated determinations on the identification and mitigation of potential adverse effects to historic properties. In addition, GSA has asked the U. S. Department of Justice to request an expedited hearing on the lawsuit upon completion of the NHPA Section 106 process. GSA anticipates that the both actions should be completed by the end of October, 2002.

Once the aforementioned issues are resolved, GSA will be in a position to proceed with its proposed disposal process for Sunflower. All previously approved state and local government public benefit conveyances involving environmentally remediated sites will become available for acquisition by the respective governmental authorities. In addition, upon receipt of the necessary Governor approval, GSA may also be in the position under its "Early Transfer Authority" to consider disposal alternatives for the remainder of the plant (i.e. - sites with continuing remediation concerns) under terms similar to the "KSPDC" model. If there is no identified state or local government willing and able to proceed to acquire the remainder of the property as a whole, GSA will subdivide the property in preparation for conveying the property out of Federal ownership utilizing all other disposal-marketing options at its command.

U.S. General Services Administration
400 15th Street, SW
Arlington, VA 22201-6590

As we have previously emphasized to you at our February 16th meeting, it is GSA's duty and responsibility to dispose of surplus real property in such a manner that serves the best interests of all American taxpayers. Keeping these principles in mind, GSA and the Army will be pleased to work with all interested state and local governments in order to dispose of the property in such manner that will balance the regional economic interests of Kansas officials with our federal fiduciary duty to the Congress and the American people.

If you have any other question or if I can be of further assistance please do not hesitate to telephone me at (253) 931-7550.

Sincerely



Blaine Hastings, Project Manager
Real Property Disposal

- Cc George Prochaska, 7PR
- Mark Duffy, 7L
- John Kelly PR
- Bradly Scott 6A

IBH: e-mail blaine.hastings@gsa.gov

U.S. General Services Administration
400 15th Street, SW
Auburn, WA 96001-6500
www.gsa.gov



David R. Anderson
Mayor

2-22-02

Gerald Cooper
City Administrator

Lana R. McPherson, CMC
City Clerk

Patrick G. Reavey
City Attorney

Michael D. Brungardt, P.E.
City Engineer

Honorable Senator Karin Brownlee
Members of Senate Commerce Committee

The history of the property known now as the Sunflower Army Ammunition Plant has always been tied with the City of DeSoto, KS. Many of our residents lived on the property in the 1920's and 1930's.

Our city's growth during the decades of 1940 and 1950 was at times without control. Poor planning, zoning and infrastructure created problems we deal with even today. This is part of the reason we all need to support a total comprehensive vision for the future use of this land. This vision will contain many parts.

I have had many meetings with my local citizens, school officials, county leaders and state representatives discussing my vision and a plan of action. This bill before you is one of the first elements that will be required to build a comprehensive vision for the next several decades.

City Council

Tim Maniez

Brad Seaman

John D. Taylor

Emil Urbaneck

Linda Zindler

David R. Anderson, Mayor
City of DeSoto

Senate Commerce Committee
Feb 22, 2002
Attachment 4.1



ASSOCIATION, INC.

AMERICA'S SMARTCORRIDOR™

The Kansas K-10 Cities

EXECUTIVE COMMITTEE

President, Kurt von Achen
Von Achen Architects, City of Eudora

Vice President, David Dunfield
City of Lawrence Commission

Treasurer, Tony Alotto
SPRINT

Joan Bowman
Mayor, City of Lenexa

Susie Wolf
Johnson County Commission

Charles Sunderland
Cedar Creek Properties

Dr. Robert Barnhill
University of Kansas

Lynn Mitchelson
Johnson County Community College

Dick Stephens
Stephens & Company

Bob Montgomery
Councilmember, City of Olathe

BOARD OF DIRECTORS
Bob Johnson
Commissioner, Douglas County

David Anderson
Mayor, City of DeSoto

Byron Loudon, Councilmember
City of Overland Park

Jim Allen
Mayor, City of Shawnee

Dr. Chuck Carlsen, President
Johnson County Community College

Kent Fry
Kten, Inc., DeSoto

Chris Carroll
Southwestern Bell

Bob Marcusse, President
Kansas City Area Development Council

Al Conyers
Kansas City Power & Light

Mark Schreiber
Westar

Walter Rist
Kessinger Hunter

Mike Maddox
Intrust

Herb Anclaux
John Deere Company

Roger Nash
Greeley Gas

John Pendleton
Pendleton Farms

EXECUTIVE DIRECTOR
Richard Caplan

February 21, 2002

Senator Karin Brownlee
Members of Senate Commerce Committee
State Capitol
Topeka, KS 66612

RE: SB No. 611

Dear Senators:

My name is Kurt von Achen. I am the President of the K-10 Corridor Association, Inc. and Chairman of the City of Eudora Planning Commission.

Since 1991, the K-10 Association, Inc. has served as a successful partnership of seven municipalities, school districts, business and agricultural interests along K-10, America's Smart Corridor. The cleanup, reuse and redevelopment of the former Sunflower Army Ammunition Plant has been a priority since the facilities closure in 1995. Many of our members have played an instrumental role in developing a master land use plan that has recently been adopted by Johnson County. In incorporates a broad range of public and private land uses. The underlying goal of the plan is to attract quality development to Sunflower to complement other development in the communities along K-10. Our role to encourage growth occurs in a thoughtful and quality manner.

We believe that the best method of cleaning up and redeveloping the former Sunflower plant is to leverage the resources of the private sector. This means that in order to attract new private investment and secure the public sector benefits that Sunflower plant offers to the citizens of Kansas including Douglas and Johnson Counties, financial incentives may be needed. Our common objective is to secure local control of the property from the federal government sooner than later. While we recognize the challenge and responsibility of cleaning the property for reuse, recent discussions with state and federal officials may be an important step in establishing a city/county/state partnership to accomplish redevelopment of the plant.

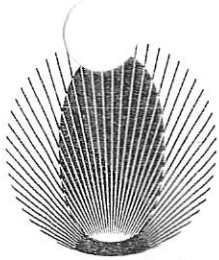
Failure to offer some incentives will only postpone appropriate redevelopment. More importantly, postponing this process leaves a GSA to conclude that local officials have dropped the ball and they are free to pursue alternatives that exclude a state and local voice in what occurs at the vacated plant. Therefore, **we urge you to support SB611 to enable progress to occur on the ultimate redevelopment.**

Thank you very much.

Respectfully,


Kurt von Achen, President

Senate Commerce Committee
Feb. 22, 2002
Attachment 5-1



City of Olathe

MEMORANDUM

TO: Members of the Senate Commerce Committee

FROM: Donald R. Seifert, Policy Development Leader *MS*

SUBJECT: Senate Bill 611; Sunflower Plant Redevelopment

DATE: February 22, 2002

On behalf of the city of Olathe, thank you for the opportunity to appear today and express support for Senate Bill 611. This bill would authorize Johnson County to utilize certain economic development tools in a coordinated effort to promote redevelopment of the Sunflower Army Ammunition Plant. Given the scale of this property, the redevelopment of Sunflower and its return to productive use offers an exciting and strategic opportunity for the future of Johnson County. Although Olathe may not be as directly impacted by Sunflower as other communities, the property does lie within 3 miles of our westernmost border.

The city of Olathe and other public organizations have recently attended informational meetings convened by Representative John Ballou and Mayor David Anderson of DeSoto on the status of the Sunflower property. It is obvious that redevelopment of Sunflower will require a timely and cooperative effort by federal, state, and local government entities. Olathe is pleased to participate in these discussions, and believes this bill will provide tools to assist local and state officials pursue the goal of redeveloping Sunflower to the benefit of both Johnson County and the entire State of Kansas.

Thank you again for the opportunity to support this bill.

Senate Commerce Committee
Feb 22, 2002
Attachment 6-1

Charles M. Benjamin, Ph.D., J.D.
Attorney at Law
P.O. Box 1642
Lawrence, Kansas 66044-8642
(785) 841-5902
(785) 841-5922 fax
cmbenjamin@msn.com

Testimony in Opposition to Senate Bill No. 611
On Behalf of the Kansas Chapter of the Sierra Club
Before the Senate Commerce Committee
February 22, 2002

Madam Chair, members of the Committee, thank you for the opportunity to testify before you this morning on behalf of the Kansas Chapter of the Sierra Club in opposition to SB 611.

The Sierra Club is the largest grass roots environmental organization in the world with over 700,000 members including 4,000 in Kansas. The mission of the Sierra Club is:

To explore, enjoy, and protect the wild places of the earth;

To practice and promote the responsible use of the earth's ecosystems and resources;

To educate and enlist humanity to protect and restore the quality of the natural and human environment; and to use all lawful means to carry out these objectives.

More information about the Sierra Club can be found at the web site of the Kansas Chapter of the Sierra Club at www.kssierra.org and at the national Sierra Club web site at www.sierraclub.org.

The Sierra Club opposes this bill as currently written for several reasons:

First it is premature for Johnson County to make plans for the 9,000 acre Sunflower Army Ammunition Plant (SFAAP) site until such time as the federal government completes the clean up of the site. If Johnson County starts putting together development plans for the site, with assistance by the state, prior to the completion of the clean up of the site, the taxpayers of Kansas and Johnson County may bear a disproportionate burden of the cost of site clean up and run the risk of liability should something go wrong at the site. The taxpayers of Johnson County and the state of Kansas are put at **no risk** for the clean up of the entire SFAAP site if the federal government cleans up the site before it is acquired by the state or Johnson County. Similarly, the taxpayers of Kansas and Johnson County are put at **no risk** for exposure for environmental liability associated with the site if development of the site by the state of Kansas and Johnson County occurs after the completion of the clean up of the entire SFAAP site by the federal government. We believe that the cost of clean up of the site and any exposure for environmental harm associated with that clean up should be borne by all the taxpayers of the nation and no portion of it should be shifted to the taxpayers of Kansas or specifically the taxpayers of Johnson County.

Second, industrial or residential development at the site will exacerbate the chronic problems of air pollution that are besetting the Kansas City metropolitan area. The growth in population and economic activity in the northeast corner of Kansas has

Senate Commerce Committee
Feb. 22, 2002
Attachment 7-1

brought with it increases in air pollution from automobiles and other activities. The Kansas City metropolitan area has been "out of attainment" of federal air pollution standards many times in recent years. The U.S. Environmental Protection Agency is considering including Douglas County in the "attainment region" associated with the Kansas City area because of prevailing southwesterly winds that blow air pollution from Douglas County toward the Kansas City area. Douglas County too has experienced considerable growth in population in recent decades. Should Douglas County be included in the region of attainment of air pollution standards there is a greater likelihood of the Kansas City area not being in attainment of federal air pollution standards. We believe that the creation of a commercial/industrial/residential zone clustered on 9,000 acres in western Johnson County, with westerly winds pushing the resultant air pollution from automobiles and other activities toward the Kansas City area, will only exacerbate the problem of non-attainment of air quality standards in the Kansas City area. If the region continues to be in non-attainment of air pollution standards then certain federal mandates follow that require the state and local governments to take measures to protect the health of people in the region affected. Such measures could include restrictions on driving and mandatory inspections of vehicles. As a resident of Los Angeles in the 1970s I experienced these kinds of measures and they can cause inconvenience and cost to individuals and businesses.

Third, development of the site for industrial, commercial or residential development forecloses the possibility of developing the site as green space and parkland for a growing metropolitan area where such opportunities are rapidly disappearing. We believe that the creation of a 9,000 acre prairie park and parkland will do more to enhance the quality of life and attract jobs to northeast Kansas than the development of another industrial park or residential development along the K-10 Johnson County-Douglas County corridor. National rankings of desirable places to live in the U.S. consistently rank the availability of parks and green space as desirable assets for the location and relocation of business and industry to an area.

In summary, we urge Johnson County government and the Kansas legislature not to rush to judgment about how the 9,000 acre SFAAP site will be used in the future and not to put the taxpayers of Kansas and Johnson County at risk for a disproportionate share of the clean up costs or liability exposure until the site has been completely cleaned up by the federal government – at the expense of all the taxpayers of the nation. What urge the Johnson County Commission and the legislature to develop an initiative to thoroughly evaluate all the potential uses of these 9,000 acres before any legislation is passed that prematurely locks in certain types of development of that site. We therefore respectfully urge you not to pass this bill as presented

Thank you for your time and attention to this testimony.



Welcome to Web Mail, where you can access your mailbox from anywhere in the world just by opening a convenient Web browser.

bob@eramanning.com

Sent message 2 of 10

- [Check Mail](#)
- [Write Mail](#)
- [Log Out](#)

[Reply](#) |
 [Reply all](#) |
 [Forward](#) |
 [Move to](#) [Trash](#) ▾



- [Folders](#)
- [Inbox](#)
- [Sent](#)
- [Trash](#)
- [Filters](#)
- [Addresses](#)
- [Preferences](#)
- [Help](#)
- [Empty Trash](#)

From: "bob haggerton" <bob@eramanning.com>
 Date: Tue Feb 12 12:12:37 2002 (PST)
 To: UTOSI-Hdqrs@kc.rr.com
 Subject: The Real Shame of Oz

[Print View](#)
[Show Headers](#)

In the aftermath of the debacle called the Oz project, the media was quick to jump all over its chairman, Robert Kory - - as well it should. Kory deserves to enter the Johnson County Hall of Shame!!

Editorially, THE STAR went at Kory, saying he not only lacked credibility and the way he misled the public and the county.

But it was Steve Rose in THE SUN who jumped in with both feet, condemning the Oz people for "arrogance, insensitivity, double talk, et." And said Kory was "the real culprit in the tragedy." And on the "Ruckus" TV show, Steve threw everything but expletives at Kory.

But let's get this straight: wasn't it Steve who all along was the chief defender of Oz? And Steve who first wrote of his own (expense-paid) trip to Oz headquarters in California - and how great it all was. Such a creative place to visit, great people and environment at the home of Oz. It wasn't quite the Holy Land, but apparently closer to it than most anything he'd seen, according to Steve. And after spending time with Kory, Steve expressed admiration with what a great guy Kory was.

And later when there was a threat to the project's acceptance, Steve leaped in with another "We Love Kory" column, condemning those who opposed OZ. His editorial power was firmly behind Oz, pushing it forward. And because Steve's long-time leader, head of Bi-State - when he said Oz is great! - It carried enormous weight.

So largely because of Steve and his power with a pen, Oz hung on for many months after it should have been dead. In doing so, it was a dreadful waste of time and money.

But did Steve remember that loyalty to Kory in his recent column? Nope! Did he admit he had been fooled - and therefore misled the county down a dreadful path!? Not what I read or what he said on "Ruckus". And there, host Mike Shanin let him get away with it, without a challenge!

And one other major point: neither Steve, THE STAR (except Jerry Heaster) or any of the media has had the guts to talk about Oz's army of close supporters, that array of top row civic, business and education leaders who served on Kory's advisory board! And according to

Senate Commerce Committee
Feb. 22, 2002
 Attachment 8-1

insiders, they had expected to get something in return - for supporting Oz so blindly! They included: JCCC President Chuck Carlsen, Chancellor Robert Hemenway of KU, attorney Larry Winn, banker Bill Nelson, Nelson Mann, David Wysong, Tom Bash, Rich Bendis, Richard Carothers, Jerry Cook, Bernard Craig, Kent Crippin, Kirby Deeter, Stan Goldberg, Mike Guillon, Joyce Hayhow, Pete Lemke, Pete Levi, Bob Marcusse, Bill Nelson, Tom Robinett, Rep. Barbara Allen, Rep Gerry Ray, Rich Becker, Sen. Nick Jordan, plus many many others! They were members of the Emerald City Advisory Board committee that endorsed Oz and urged the county commissioners and the governor to approve the Oz debacle/plan!

Only Heaster (and Mike Hendricks) had harsh words for them after the news came that the Oz project was down the drain! And he said:

"Its certainly understandable if Taxpayers Opposed to Oz (TOTO) find themselves unable to suppress an urge to say, 'We told you so, to all those who lent their credibility and respectability to Oz.

"By allowing themselves to be played for so long, Johnson County's finest revealed themselves as something less than top-tier players"

As we said, they stood up for a worthless project because of what appears to be their own greed. Each of them now should hang their head, plus give an apology to Johnson Countians for their utter stupidity! As Jerry said, "they may well have hurt their credibility for all time!

The other guilties are two county commissioners , George Gross and Doug Wood, who have behaved like fools when it came to Oz. Or like children hanging on to their favorite toy, even after its been shown its dangerous to their health! For their part in extending the Oz controversy, they shouldn't be elected again - if not subject to recall!

Then, there's the Overland Park Chamber of Commerce and the Kansas City Chamber. Amazingly, both came out in support of Oz. It was a ridiculous move, a terrible mistake and one that their members should rise up and ask for an investigation. Who led the way, who pulled their strings and led the organizations into such an embarrassing endorsement!? Which members were going to benefit financially if Oz was actually built!? There should be a demand for answers!!!!!!

For several years, Steve Rose and I have had a friendly diference of opinion over whether Johnson County has had scandals. He says never has there been one. Well, now, he'll have to admit that the county has had one and one in which he and some others played a part!!!!!!!!!!!!!!

Tom Leathers, The Squire Express

[Reply](#) | [Reply all](#) | [Forward](#)

[Move to Trash](#) | [<](#) | [>](#)

Change message text width in [Settings](#).

8-2

TTERS, FAXES AND E-MAIL

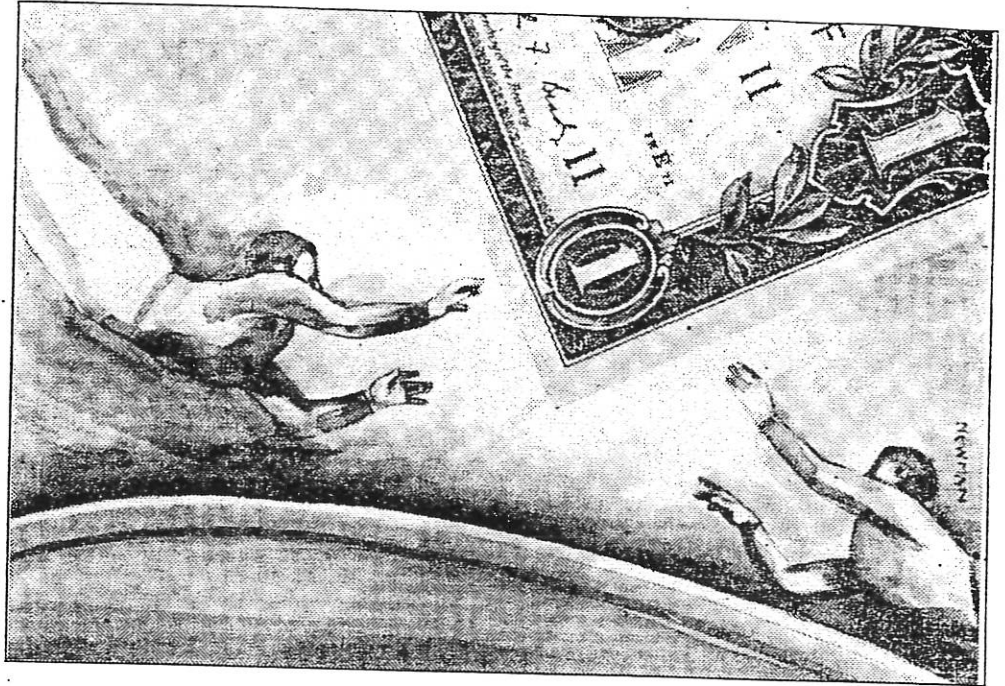
TIF shell game

The situation with the Park Lane Apartments on the Country Club Plaza is a perfect illustration of how ridiculous the tax increment financing program has become. In the name of solving blight, there appears to be some sort of wisdom that goes as follows.

- 1) Look for the strongest area of Kansas City real estate and define it as blighted or in danger of becoming blighted.
- 2) Find a large successful firm that already has offices in a building that is receiving tax breaks (Crown Center).
- 3) Encourage that firm to relocate from the first subsidized area to the newly created subsidized area.

The hoped-for result is that the Plaza is saved. The true result to me seems to be:

- 1) The city still has the same tenant and is left with two subsidized areas.
- 2) Other developers and current real estate owners who pay all of their taxes are left to compete against another subsidized building.
- 3) The tenants of the Park Lane, who also pay taxes, lose their homes.
- 4) As a developer or owner, the choice becomes to either play the system of tax breaks and connections or give up an advantage to



NEWMAN/Los Angeles Times Syndicate

your competition.

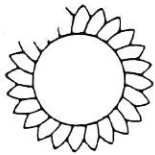
The Bannister Mall/Bass Pro Shops case has been in the news because the Hickman Mills Board of Education has rightly complained of the loss of revenue due to TIF. Have we heard any concern for the retailers in the area who sell similar sporting goods? Are we going to be surprised when those taxpaying businesses are forced out of business by the subsidized business? Are we then going to declare the newly closed buildings a new TIF district?

When many of the businesses on

Noland Road moved out to the newly subsidized area at Missouri 291 and Interstate 70, were we surprised at the decline on Noland? Has Independence gained anything by moving the stores a few miles east? Haven't the businesses on Noland been paying their taxes?

The whole process seems to be a big shell game where developers and tenants hop around collecting tax breaks and leaving newly created problems behind.

John Crowe
Kansas City



BEFORE THE SENATE COMMERCE COMMITTEE

FEB. 22, 2002

REQUEST FOR AMENDMENT TO SENATE BILL 611

**PRESENTED BY THE BOARD OF COUNTY COMMISSIONERS
OF JOHNSON COUNTY**

The Johnson County Board of County Commissioners greatly appreciates the Committee's consideration of Senate Bill 611. The Board would, however, respectfully request that the Committee amend the Bill as presented by adding the attached provision. That provision was included in the proposed draft legislation; it is consistent with language contained in the general Tax Increment Finance Statutes (12-1770); and it is important language that will be used to support the future actions and financing instruments that are authorized under the bill. The Board asks for your favorable consideration.

PROPOSED PROVISION TO BE ADDED TO S.B. 611

It is hereby declared to be the purpose of this Act to promote, stimulate and develop the general and economic welfare of the State of Kansas and its communities and to assist in the development and redevelopment of that property known as the Sunflower Army Ammunition Plant, as that property is described in the land records of Johnson County under ownership of or for the United States Army on the date of adoption of this Act, which is hereby legislatively determined to be a "blighted area" and an "environmentally contaminated area," as those terms have been defined under K.S.A. 2001 Supp. 12-1770a. It is further found and declared that the powers conferred by this Act are for public uses and purposes for which public money may be expended and the power of eminent domain exercised. The statewide importance and the necessity in the public interest for the provisions of this Act are hereby declared as a matter of legislative determination.