

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT COMMITTEE

The meeting was called to order by Chairperson Lana Gordon at 3:30 P.M. on February 10, 2005 in Room 526-S of the Capitol.

All members were present except:
Valdenia Winn- excused

Committee staff present:
Kathie Sparks, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Renaë Jefferies, Revisor of Statutes
Helen Pedigo, Revisor of Statutes
Carlene Maag, Committee Secretary

Conferees appearing before the committee:
Representative Ed O'Malley
John Weher, City Council Member - Mission
Michael Scanlon, City Administrator - Mission
Laura McConwell, Mayor of Mission
Matt Jordan, Dept. Of Commerce
Terry Leatherman, Kansas Chamber of Comm.

Others attending:
See attached list.

HB 2140 - Redevelopment district for financing investigation and remediation of flood-plain conditions; qualifications

Representative O'Malley gave a briefing on **HB 2140**. This bill is a technical clean-up to a piece of TIF legislation passed last year.

Honorable Laura McConwell, Mayor of Mission, gave testimony as a proponent for **HB 2140**. Three years ago when she became Mayor, there was \$2 million worth of commercial property in the flood plain area. Now, there is \$51 million worth of commercial property in the flood plain area. The flood plain runs through the commercial area. Rock Creek is the creek that is creating the problem. Rock Creek is a highly responsive flood plain. When it rains, Rock Creek rises very quickly and then recedes quickly after the rain has passed.

HB 2140 will allow the City of Mission, through redevelopment, to possibly handle some of the costs associated with flood improvements. (Attachment 1)

John Weber, City Council Member and City Council President from the City of Mission gave testimony as a proponent for **HB 2140**. The size of the flood plain in terms of commercial value is equal to all the commercial property in Barton, Cheyenne, Rawlins, Decatur, Norton, Phillips and most of Labette Counties. Combine all of this and you would have what equals the 100-year flood plain of Mission. The 100-year flood plain has grown towards the east and increased in size by over \$35,000,000. Mr. Weber ask the Committee to support **HB 2140** since this bill will create another way the City of Mission might be able to finance this expensive project. (Attachment 2)

Michael Scanlon, City Administrator for Mission spoke in favor of passage of **HB 2140**. Passage of this bill is not a want, but a very necessary need. Without the changes in the flood plain TIF law, our only options in financing this very large stormwater project would be likely to increase property taxes. (Attachment 3)

The Committee was given a handout showing the Rock Creek Project Milestones over the past year. (Attachment 4)

Representative Kuether made a motion to place HB 2140 on the Consent Calendar. Representative Carlin seconded the motion. A vote was taken and motion passed. HB 2140 will be placed on the Consent Calendar.

CONTINUATION SHEET

MINUTES OF THE House Economic Development Committee at 3:30 P.M. on February 10, 2005 in Room 526-S of the Capitol.

Matt Jordan, Department of Commerce gave testimony as a proponent for **HB 2164**. This bill reinstates an economic development tool for rural communities that sunseted on July 1, 2004. This particular Rural Enterprise Zone Incentive allows counties with a population of 10,000 or less to offer sales tax exemptions on retail businesses that locate or expand within their jurisdictions. (Attachment 5)

The Committee was given letters from the Woodson County Chamber of Commerce (Attachment 6) and the Greater Morris County Development Corporation. (Attachment 7)

Terry Leatherman gave testimony as a proponent for **HB 2164** on behalf of the Kansas Economic Development Alliance (KEDA). KEDA's mission is to promote public policy to provide communities with tools to attract and retain business and industry. On behalf of economic development, KEDA would urge you to recommend **HB 2164** for passage. (Attachment 8)

Representative Carlson made a motion to add an amendment to **HB 2164** to change the date to 2010 and make a technical correction. Representative Treaster seconded the motion. A vote was taken and motion passed. **HB 2164** was passed out as favorable.

Representative Loganbill moved **HB 2265** favorable for passage. Rep. Kuether seconded the move **HB 2265** was passed out as favorable.

Representative O'Malley made a sub motion to amend page 3- lines 38-40 which would require that the plant that would be shut down would be in Great Britain, effective on publication in the register. Representative Hill seconded the motion. A vote was take, and motion carried.

Representative Kuether made a motion to pass **HB 2265** favorable for passage as amended. Representative Loganbill seconded the motion. A vote was taken and passed out as amended.

The meeting adjourned at 4:50 p.m. The next meeting is scheduled for February 15, 2005.