

February 7, 2022
SB 375
Proponent
Written Testimony Only
Mr. Dennis J Riordan
Solomon State Bank



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Dear Senate Fed & State Committee

Please accept the following testimony on behalf of Senate Bill 375. First allow me to explain Solomon State Bank's involvement in providing housing for the Solomon community in recent years. It seems that for a small town to survive, a 3-part plan is needed:

1. Acquire and demolish homes that have outlived their usefulness.
2. Build new homes where the previous homes existed.
3. Rehab existing housing.

Like many small towns in Kansas, Solomon was at one time primarily an agricultural community. Approximately 30 years ago, we came to the conclusion that if the community of Solomon was to survive, good quality, low to moderate entry level housing was a necessity. Unfortunately, it is impossible for a home to be built in Solomon and sold for a profit.

Approximately 5 years ago, we reached an agreement with a Builder out of Salina that if he would build a home in Solomon, we would assure him a \$13,500.00 profit. Since that time, each home this Builder has constructed in Solomon has resulted in an approximate \$25,000.00 loss. The Bank has either issued a check directly to the Builder, or we have purchased materials in terms of lumber, concrete, plumbing, HVAC to the tune of around \$25,000.00 for each property and have expensed the funds as "Solomon Community Development".

The Bank has budgeted \$25,000.00 per year for Solomon Community Development in the hopes of building one home per year. The cost of acquisition and demolition of the prior structures obviously adds to our expense.

We have attached pictures of the homes that have been constructed or are currently under construction with a brief description under each picture. As you can see from the attached, there has been significant progress with the addition of new homes for the City of Solomon.

Solomon State Bank fully supports Senate Bill 375 and If passage of this Bill is truly a possibility, the Bank feels they would be able to build more homes in Solomon. Thank you for your consideration.

Respectfully,

A handwritten signature in blue ink that reads "Dennis J. Riordan".

Dennis J. Riordan,
Vice President

Dennis J. Riordan NMLS 707749 • Kirk W. Berneking NMLS 696972
Kyle D. McCook NMLS 697026 • Kathleen M. Crichton NMLS 797029 • Nathan D. Kroeker NMLS 1760405

Member FDIC

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115 W. Fourth, Solomon, Kansas
3 bedroom, 2 bath home on slab.
Constructed & sold for approximate \$22,750.00 loss.



508 W. Sixth, Solomon, Kansas
3 bedroom, 2 bath, 3-car attached garage on slab
under construction
There were originally 3 40-year old mobile homes
on the property
Anticipate a \$27,500.00 loss



433 W. Fourth, Solomon, Kansas
3 bedroom, 2 bath home, 3-car attached garage on
slab.
Dilapidated structure & numerous trees removed, dirt
hailed in for "pad", electricity brought in to lot
Constructed & sold for approximate \$32,500.00 loss.



512 W. Sixth, Solomon, Kansas
3 bedroom, 2 bath, 2-car attached garage
on slab under construction
There were originally 3 40-year old mobile homes
on the property
Anticipate a \$25,000.00 loss



325 W. Fifth, Solomon, Kansas
3 bedroom, 2 bath, 3-car attached garage on slab.
Numerous Trees removed, fill brought in to raise the
property above the Zone A Flood Plain Level
Constructed & sold for approximate \$31,000.00 loss.



313 W. Sixth Street, Solomon, Kansas
Mobile home removed, fill brought in to
prepare for concrete pad.
Intend to construct a 1,500 square foot, 3 bedroom, 2
bath, 3-car attached garage on slab.
Anticipate a \$30,000.00 loss