

MINUTES OF A MEETING

Thursday, September 23, 2010 – 2:30 p.m.
County Administration Building – Room 200

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CALL TO ORDER

The Citizens Visioning Committee met in regular session on the date and time first shown above, and was called to order by Interim Assistant County Manager Sarah Plinsky. Serving as secretary for the meeting, Melissa D. McChesney. A roster of those Committee Members in attendance is appended hereto as Exhibit 1.

REVIEW AND APPROVAL OF MINUTES – AUGUST 26, 2010

MOTION MADE AND SECONDED TO APPROVE THE MINUTES OF THE MEETING CONDUCTED AUGUST 26, 2010; CARRIED UNANIMOUSLY.

NEW BUSINESS**I. INTRODUCTION TO NEW COMMITTEE APPOINTEES**

Assistant to the Board Josie Stramberg introduced the new members appointed to the committee: Tom Raby, Taxpayers' Association; Tom Saul, Commercial Development; Jack Wagner, Hospitals/Health Care Industry; Megan England, first district; and reintroduced Dr. Grove who is attending for Terry Calaway, Johnson County Community College.

II. PANEL DISCUSSION

The topic of discussion was the economy with the following presenters: Doug Davidson, County Economic Research Institute (CERI); Tim Cowden, Kansas City Area Development Council (KCADC); Tim McKee, Olathe Chamber of Commerce; Scott Neufeld, Budget & Financial Management Director; and Kristy Stallings, Overland Park Interim City Manager.

Mr. Davidson presented a report on the economy from CERI, a not-for-profit organization with self-generated revenue that functioned as a research entity to support economic development and provided services to local government and small businesses. He said the economy over the last 20-30 years was prosperous and dynamic and accounted for over one-half of the population growth in the Kansas City metropolitan area. As the population grew and cities improved infrastructure, the market provided the opportunity for more businesses. Employment grew rapidly in the 1990s. In prior recessions, the growth rate slowed and grew more slowly than expected, which created jobs slower than the labor force. The recession was initiated in the residential real estate market by the mortgage crisis. The economy was expected to improve and Johnson County had assets in place to make it a destination for businesses, jobs, and residences. The county ranked in the top 20 in education, had great infrastructure, and continued to have a population growth of 10 percent annually.

Mr. Cowden presented a report on the economy from the Kansas City Area Development Council. He said the KCADC marketed to 18 counties and looked at several economic issues. Advanced energy, biosciences, wind energy, battery storage front, logistics and manufacturing, and animal health were some of the new markets in which the area could compete for jobs.

Mr. McKee presented a report from the Olathe Chamber of Commerce. The chamber worked to attract businesses to the area. He said the schools were the number one economic development tool. Olathe's population grew by about 3,000 annually, created infrastructure to keep up with the growth through roads, sewers, and water. The chamber created three initiatives toward forward-thinking. The first

growth and promoted interest in southern Olathe due to the intermodal facility in Edgerton. The second initiative was the redevelopment of the downtown area that included the parking garage near the courthouse, raised railroad tracks, a new streetscape from Kansas City Road along Santa Fe Street to the railroad tracks, a quiet zone on the railroad tracks on the west side of downtown, and acquired land for the eventual build-out of a new county courthouse. The third initiative was the bioscience proposal, funded by the research triangle tax, with Kansas State University (K-State), the Kansas Bioscience Park, the city of Olathe, and the Kansas Department of Agriculture (KDA) which was anticipated to open February 2011. Olathe donated 100 acres to the KDA and K-State, with 40 percent of the park being a graduate-level campus for K-State and the other 60 percent for private development centered on food safety and bioscience.

Mr. Neufeld presented a report from the Johnson County Budget & Financial Planning Department. He said the County's largest source of revenue was ad valorem taxes. The County had three taxing districts, was 8.5 mills below other counties, infrastructure was a large revenue source, and it collected a public safety sales tax. Modest growth expenditures were expected over the next five years which was less than seen in the past. In order to meet budget projections, the County would remove an additional \$4 million to \$4.5 million. The County tried to extend its efficiencies and work off attrition and looked at service reductions in 2012 or 2013.

Ms. Stallings presented a report from Overland Park. The city's primary revenue source was sales tax and one-half of every dollar came from some form of sales tax, which was not true for all cities. During the 1990s the city's average growth rate was between six and seven percent, and in the 2000s it was around one percent or less which created various challenges. A growth rate of one-half percent in 2010 over 2009 was anticipated but was not expected to reach the same level as 2006 until 2014 based on the financial forecast due to the dependence on the sales tax revenue. Lower sales numbers impacted the viability of renters and users of commercial property while housing values stabilized and commercial values declined. Financing tools were available as part of the economic development strategy related to public and private partnerships, including tax increment financing and contributed to the growth and economy of the city, community improvement districts, transportation development districts, economic development revenue bonds, and star bonds. Challenges for the city included aging and new infrastructure needs, reinvestments, property values, redevelopment, sales tax fatigue, and evolving demographic trends (aging and diversity).

III. COMMITTEE Q & A

How has the County leveraged its workforce? What advice would you give?

The workforce was critical to the economy. US Bank was in the Kansas City region because of the workforce and Farmers Insurance had four divisions in Olathe because of the commitment to quality education and workforce. The good reputation of the schools in the county created a workforce that employers wanted.

How have we integrated international trade?

Biosciences provided an opportunity to grow the industry in the county. The diversity of the population and its growth provided opportunities for export industries, attracted businesses interested in employing people with international connections, and created a large import center.

How important were arts and cultural amenities to maintain a talented workforce?

Arts and cultural amenities helped recruit young people, provided quality of life amenities for young people, and continued to make the county an attractive place to have a career and raise a family.

How have you balanced the growth in the south to not lose the growth/population in the north?

New growth areas were created around a central core. Olathe actively looked at redevelopment in other areas and constantly looked at redeveloping and re-enhancing older areas.

What mistakes were made and are being made, and what does the future hold?

It was important not to let the schools fall behind and remember new growth and development changes the dynamics in older communities.

What will be the impact in 10-20 years on school closings?

It is important not to squander opportunities, consider the cost of the priorities, reinvest in existing schools, and think about what to give up.

What will the story be in 20 years?

Public safety and quality of life will be important in 20 years. Education and uncertainty are always there, and investment in Johnson County and the Kansas City area should continue.

IV. COMMITTEE DISCUSSION

The committee discussed the presentations and shared its conclusions. The group considered the capability of global, cultural, and language facilities; were on alert for new economic opportunities through schools, the workforce, public safety, and quality of life issues; considered the accountability of elected officials and the value of the community; planned for the future; maintained the building blocks of the county and created new ones; recognized the different workforce levels and how to provide for and integrate the non-professionals; and ensured public safety and promoted it as a benefit.

Some of the challenges introduced were diversity, the central location of the county, an educated workforce, the option of increasing taxes to provide better services, re-evaluating the County's role, consolidation, economics associated with annexations, and consolidation of fire districts in cities and the county.

Other topics discussed were providing college-level education to students in high school to reduce college expenses, restructuring government and providing the same level of services to lower the tax base, reducing the duplication of services, cooperation between Missouri and Kansas in regards to the bi-state tax, the effectiveness of consolidation, increasing taxes to protect the investment made in the county, researching efficiencies in taxes, promoting quality of life for the cities and consider their importance in the county, technology, preserving the community's identity, phasing development for multi-level income, consider younger generations and their lifestyles, branding emerging industries with the lifestyle, leveraging a talented workforce, marketing and strengthening the workforce, and handling pressure from both sides of the state line.

V. FUTURE BUSINESS

The next regular meeting of the Citizens Visioning Committee will be Thursday, October 28, 2010, at 4:30 p.m. at the County Administration Building in Room 200 located at 111 S. Cherry Street, Olathe.

ADJOURNMENT

With no further business to be presented, the meeting was adjourned at 7:31 p.m.

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Respectfully submitted,


MELISSA D. McCHESNEY

Citizens Visioning Committee**Attendance Roster****September 23, 2010****4:30 p.m.**

Gary Anderson
Steve Baru
Dana Grove
Harriet Duff
Megan England
Kevin Fern
Mark Greene
Ellen Hanson
Christopher Iliff
Charles Jean-Baptiste
Merdad Kalantari
Robin Lewis
Larry Meeker
Andrew Nave

Tom Raby
Kurtis Ruf
Carol Sader
Tom Saul
Blake Schreck
Arthur Smith
Mary Tearney
Lee Urban
Joe Waters
Jack Wagner
Ron Wimmer
Esther Valladolid Wolf
Karen Wulfkuhle