STATE OF KANSAS)
WYANDOTTE COUNTY)) SS SPECIAL SESSION, THURSDAY, DECEMBER 10, 2015
CITY OF KANSAS CITY, KS)

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in special session, Thursday, December 10, 2015, with ten members present: Bynum, Commissioner At-Large First District; Walker, Commissioner At-Large Second District; Townsend, Commissioner First District; Murguia, Commissioner Third District; Johnson, Commissioner Fourth District; Kane, Commissioner Fifth District; Markley, Commissioner Sixth District; Walters, Commissioner Seventh District; Philbrook, Commissioner Eighth District; and Holland, Mayor/CEO; presiding. McKiernan, Commissioner Second District; was absent. The following officials were also in attendance: Doug Bach, County Administrator; Bridgette Cobbins, Unified Government Clerk; Gordon Criswell, Asst. County Administrator; Joe Connor, Asst. County Administrator; Ken Moore, Chief Legal Counsel; Lew Levin, Chief Financial Officer; Phil Lockman, Director of Community Corrections; Mike Taylor; Public Relations Director; Lindsay Behgam, Executive Coordinator to the Mayor; and John Turner, Sergeant-at-Arms.

Members present from the Wyandotte County Delegation for dinner only: Representative Valdenia Winn and Representative Pam Curtis.

Members present from the Wyandotte County Delegation for the meeting: Senator Steve Fitzgerald, Senator Pat Pettey, Representative Louis Ruiz, Representative Kathy Wolfe Moore, Representative Tom Burroughs, and Senator David Haley (arrived at 5:40 p.m.)

MAYOR HOLLAND called the meeting to order.

ROLL CALL: Johnson, Kane, Markley, Walters, Philbrook, Bynum, Walker, Townsend, Murguia, Holland.

NOTICE OF SPECIAL MEETING of the Unified Government of Wyandotte County/Kansas City, Kansas, to be held Thursday, December 10, 2015, at 4:00 p.m. in the 9th floor conference

room of the Municipal Office Building for a dinner with the Wyandotte County Delegation. Immediately following will be a discussion with the Wyandotte County Delegation in the 5th floor conference.

CONSENT TO MEETING of the governing body of Wyandotte County/Kansas City, Kansas, accepting service of the foregoing notice, waiving all and any irregularities in such service and in such notice, and consent and agree that we, the governing body, shall meet at the time and place therein specified and for the purpose therein stated.

Mayor Holland said this is a special session that I intend to do every year. Last year was our first year but was very successful. Every year the Unified Government publishes our Legislative Agenda for the State House and it's clear that in order to do that we need to get feedback from the folks who represent Wyandotte County in Topeka and so last year we started this. We had a dinner earlier and now we have an opportunity to look at our Legislative Agenda to talk it through as commissioners and as Representatives and Senators to talk about how we can best approach some of the challenging issues we face at the state.

What I would like to do to facilitate that is I'm just going to ask us—we called roll for the commissioners, but I think it would be helpful if we just went around the table and have each person introduce yourself and your role so that the folks watching will be able to see who you are.

Mike Kane, Commissioner District 5; Gayle Townsend, Commissioner District 1; Jim Walters, Commissioner District 7; Kathy Wolfe Moore, Legislator from the 36th District which is western Wyandotte County; Melissa Bynum, Commissioner At-Large District 1; Representative Louis Ruiz, representing the 31st District and also the Asst. Minority Leader of the Kansas House; Angela Markley, Commissioner District 6 which includes Turner and Argentine; Representative Tom Burroughs, Democratic Leader 33rd District which includes Bonner Springs, Edwardsville and the southern part of KCK; Doug Bach, County Administrator for the Unified Government; Mark Holland, Mayor for the Unified Government; Senator Pat Pettey, representing the Sixth District and it goes all the way from Schlitterbahn to 7th & Central and then all the south side and then out by Providence and I don't cross State until I think it's 90th and so I have all the south side, Argentine, Armourdale, Rosedale, Turner, a little bit of

Edwardsville and a small portion of Johnson County as well; Commissioner Philbrook, District 8; and Representative Stan Frownfelter is not here yet, he is running a little late and he is my Representative; Hal Walker, Commissioner At-Large District 2; Steve Fitzgerald, Kansas Senate District 5 which is essentially west of 435; Ann Murguia, Commissioner District 3 and that includes half of Argentine and all of Rosedale; Harold Johnson, Commissioner District 4.

Mayor Holland said I appreciate everyone being here and I appreciate all the work that the Wyandotte Legislators do on our behalf in Topeka. It's a very difficult environment right now. The Unified Government has been hurt badly by many of the policies in Topeka as has our school districts and we appreciate our delegation working for us and for our citizens to counter some of these negative proposals.

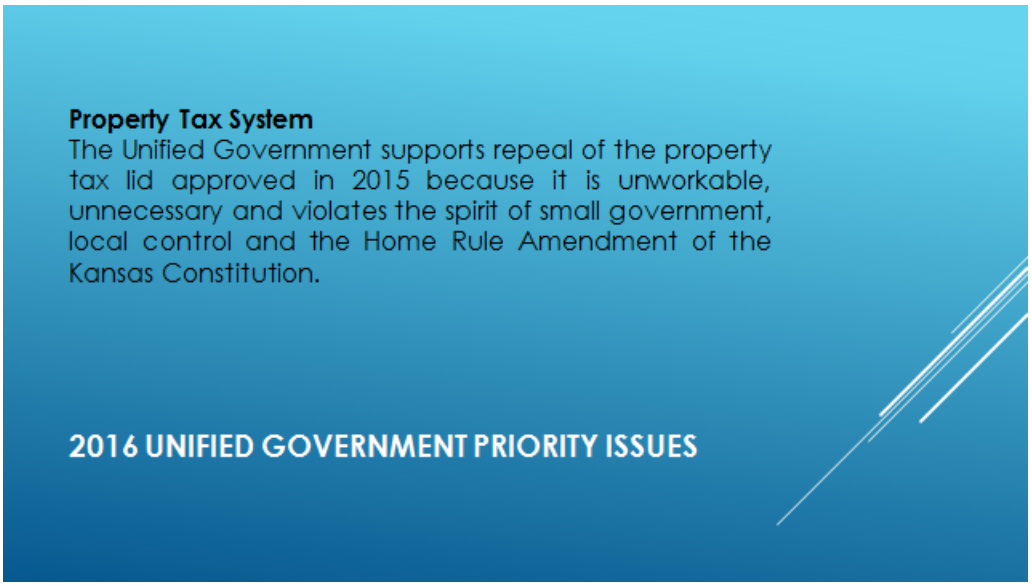
I also might note that we have both the Minority Leader and the Assistant Minority Leader on our delegation and so clearly folks across Kansas when looking for a moderate voice are looking to Wyandotte County for leadership and so we very much appreciate, Burroughs, yours work and, Ruiz, your work as well. We are very blessed to have the two of you in leadership positions in the house and working on our behalf.

What I do want to ask now is for Mike Taylor who is our representative that goes to Topeka on our behalf. He lobby's on behalf of the Unified Government and has a great perspective, has years of experience and does the initial draft of our Legislative Agenda. What we're going to do tonight is he is going to present the highlights of that and then I believe next week we will adopt it as our own, but we didn't want to adopt it until we got feedback from our representatives tonight. That's the point of tonight's meeting is to walk through our Legislative Agenda and go from there.

Mike Taylor, Public Relations Director, said it's good to see all of you legislators. Probably by April you will be tired of seeing me so I will say hi while we're in a cordial environment here. It gets to be a long session and I think it will be a difficult session. The state is facing continued financial issues which tend to trickle down to local government and have and we will talk some about that.

What I'm going to do is go through our priority issues for the session and then talk about some of the new issues that have cropped up since last year. A lot of our Legislative

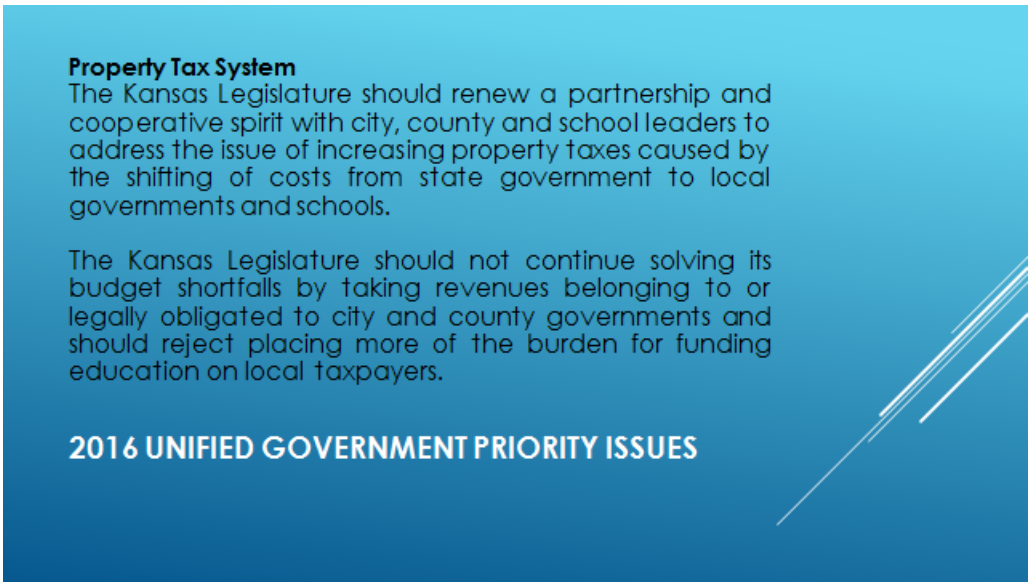
Programs that you have copies of and copies for the public and it will be posted on the website for everyone to see and a lot of those are the same sort of basic platform issues from year to year so I'm not going to take our time to talk about those, but to talk about some of the new issues.



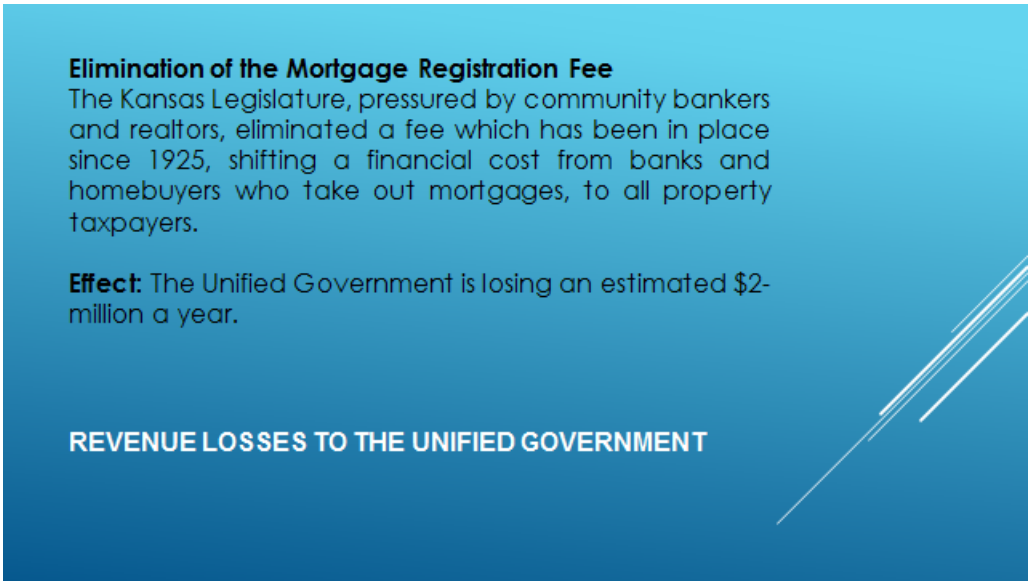
The number one issue for us this year is calling for a repeal of the property tax lid that was approved very late in the session in 2015. Our view is it's unworkable because of the election schedules that are required. It's unnecessary because despite what some of the supporters of this would say local governments have not run wild with raising property taxes and we believe it violates the spirit of small government, local control, and the Home Rule Amendment of the Kansas Constitution. Our view is that local elected officials, you the Commission, were elected to decide what our budget should be, what the level of services should be and how that should be paid for and we don't necessarily need Topeka as sort of big brother government telling us how to do that. We're going to be working very hard for repeal of that and the League of Kansas Municipalities, the Association of Counties, the Greater Kansas City Chamber of Commerce, and the KCK Chamber of Commerce all support that position. It will be an interesting discussion and fight. I know that there is a bill being prefiled by a Senator that would call for repeal and so we're going to be supporting that.

Mayor Holland asked is it your intention to talk about each one as you go. How many total are you going to highlight? **Mr. Taylor** said there are several and I'm going to go to the next. What

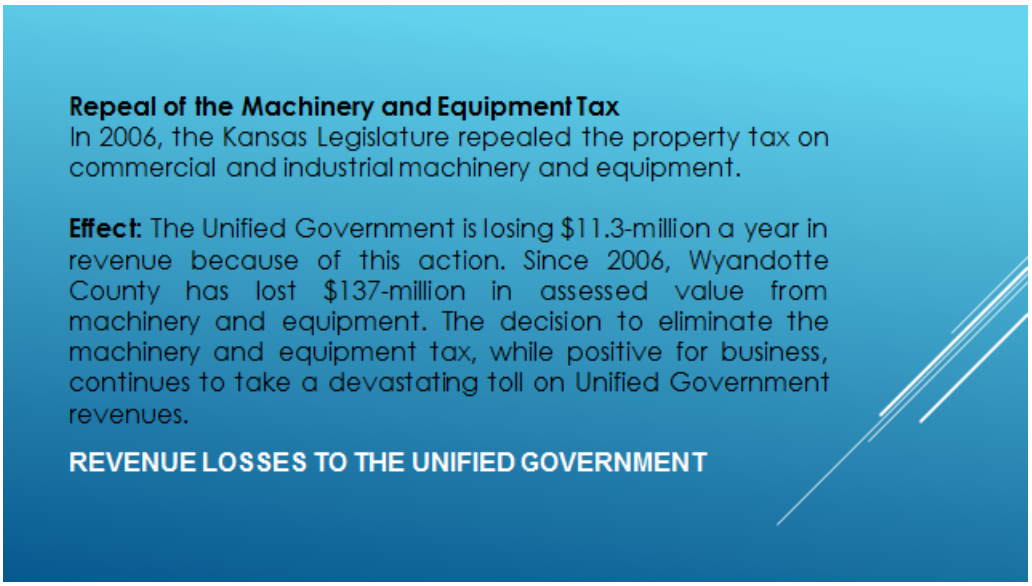
I was thinking we could do is I could kind of run through these and if you would note questions or comments, then maybe we can kind of do it then so we can flow through because some of these may not bring up that much discussion.



A number two priority and this is a broad base platform but I feel a need for it because in the past several years the relationship between the Legislature and local governments has deteriorated significantly. So what we would ask for is renewing a partnership of cooperative spirit between the state government and local levels of government and to address the issue of increasing property taxes which is caused in a large part by shifting costs from state government to local governments. We're asking the legislature to not continue solving its budget shortfalls by taking revenues that belong to or are legally obligated to city and county governments.

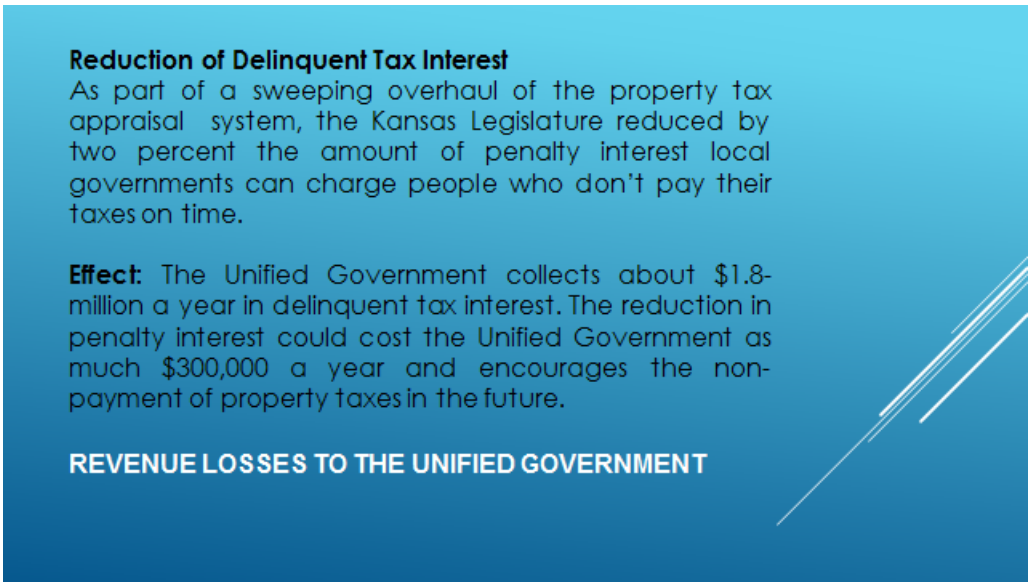


I will give you a quick little sidetrack here and show you what some of that has done to us. Elimination of the Mortgage Registration Fee two years, that was pushed by the bankers and the realtors, it was approved and it is now costing the Unified Government an estimated $2M a year in lost revenue. An interesting note, the Mortgage Registration Fee had been a fairly stable fund for local governments since the year 1925 and it was pushed through and approved and taken away from us so it's costing us $2M a year.

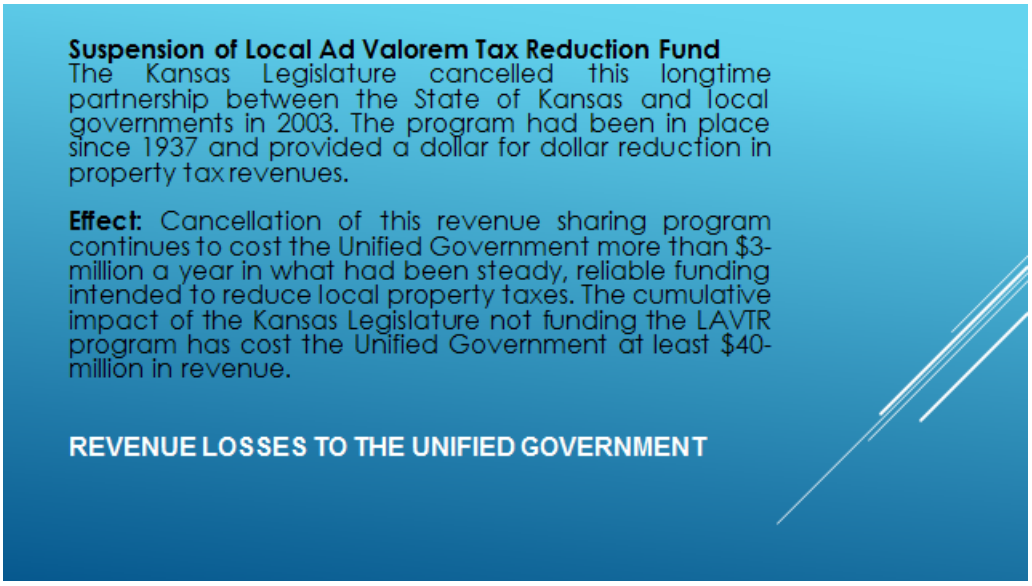


The Repeal of the Machinery and Equipment Tax in 2006, since that happened the Unified Government is now losing $11.3M a year in actual dollars. Our assessed value for the county,

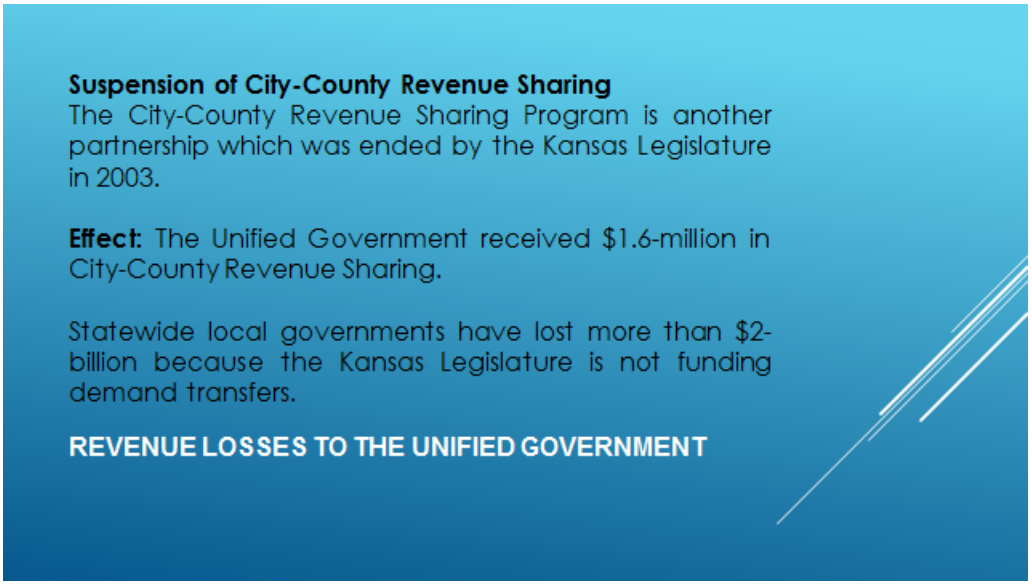
because we're so heavily industrial, has declined by $137M. The decision to eliminate that tax on machinery and equipment was very positive for business and I will admit it has helped us attract some industry to Wyandotte County. The problem is those revenues have not been replaced in terms of our treasury.



Reduction of the Delinquent Tax Interest Rate was part of the sweeping overhaul of the property tax appraisal system two years ago. It didn't get a whole lot of discussion, but it reduced the penalty for people who are deadbeats and don't pay their taxes by two percent. That's costing the UG somewhere around $300K to $500K a year in lost revenues from people that have not paid their taxes and we believe, as a number of other cities do, that it encourages the non-payment of property taxes in the future. It's cheaper to not pay your taxes then it is to go to the bank and get a loan.



Suspension of the Ad Valorem Tax Reduction Fund, I know this one we keep talking about and it went away in 2003. It had been around since the late 30's, but in the late 1970s city governments agreed in a contract with the state to give up a lot of local taxing authority. We had the ability until that time to impose a local gasoline tax, a local cigarette taxes, and other excise taxes. In order to streamline the sales tax system cities agreed to give up that authority in exchange for the state doing that and then sharing back that revenue with us. The state in 2003 broke that contract and they've stopped sending that money. The Unified Government being a city and county was collecting, depending on the given year, around $3M to $4M a year so the accumulative impact of that since 2003 has been about $40M in lost revenue that had been, again, dependable revenue.

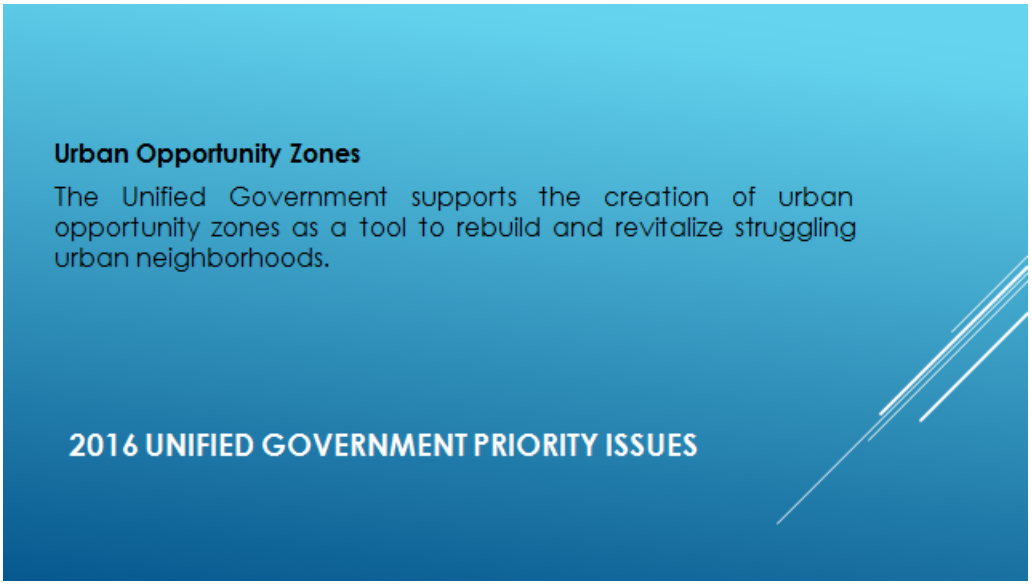


The Suspension of the City-County Revenue Sharing Program happened at the same time. The last payment we got we were receiving $1.6M a year in those dollars so statewide local governments, city and county governments, since 2003 because of these changes have lost more than $2B in revenue that we used to receive and that is still statutorily legally on the books in the state of Kansas and should be paid. It's just that the legislature has chosen not to appropriate that money year by year.

So, what's that add up to? Our total annual revenue lost is $18.2M. That's direct dollars that was coming to the Unified Government that are now not because of actions by the Kansas

Legislature. Our platform to work in a more partnership cooperative way with the legislature is really driven by this number and to try to figure out a way that the legislature because of their budget issues don't take our money and then we're forced to maybe to raise property taxes which we get blamed for as well.

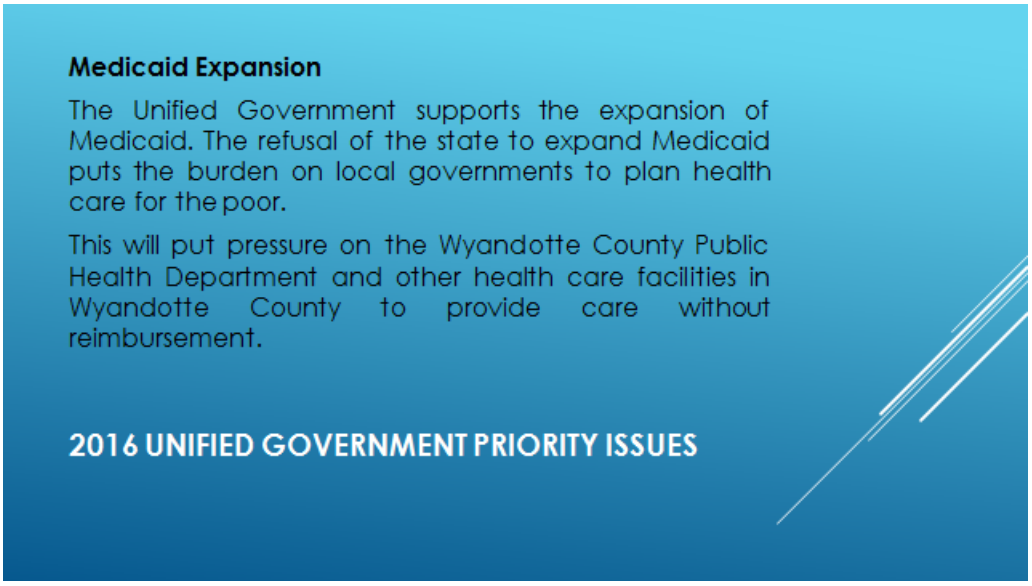
One of our big issues and it's one I wish Representative Frownfelter were here right now because this is an issue that he brought to the forefront a few years ago and we've worked diligently on. We got it past the Senate Committee last year and it's sitting on the senate calendar. We've worked closely with the city of Topeka, city of Wichita, and interestingly as we explored this issue more we found that cities of a thousand population have the same problem we do, maybe not quite the scale, but it's a problem statewide with houses that are abandoned. People have walked away from them and now are boarded up, they're not usable and we talked to some smaller cities and said we've got a housing shortage. One city of less than 1K residents had 38 abandoned houses in their town and they said we're dying for people to live in. This is meant to help expedite the process and streamline the process of how we can deal with that growing blight of abandoned nuisance and foreclosed housing. It has very strong support and we're tweaking the bill again this year with some changes that we think may actually get it passed this year.



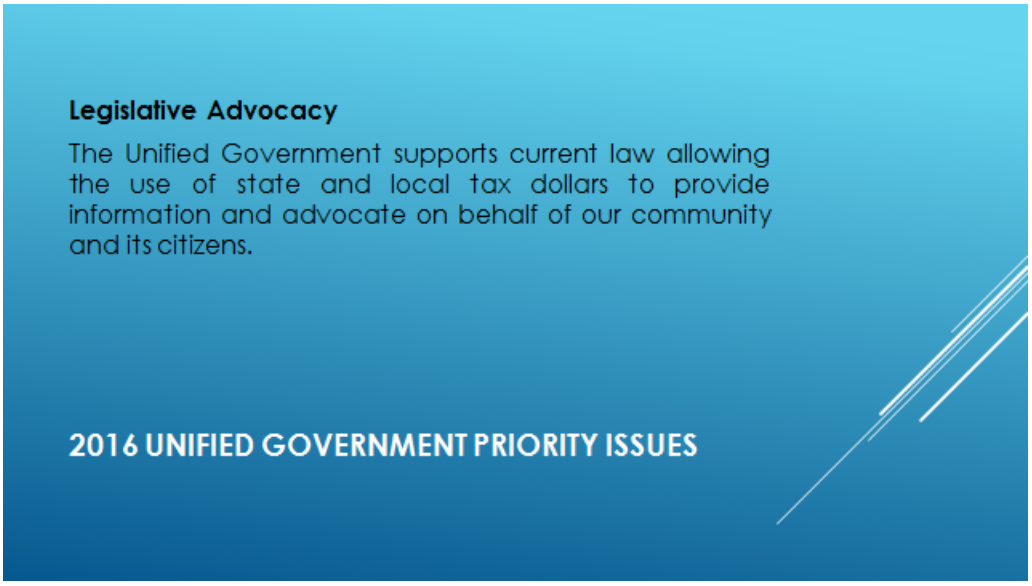
Kind of in the same fold two years ago Governor Brownback proposed Urban Opportunity Zones sort of modeled after the Rural Opportunities and legislation that he proposed in his first term. It would allow incentives to help attract businesses or help existing businesses in urban areas, again, working with a coalition of Wichita, Topeka, KCK and economic development folks we're crafting a bill that we're hoping we'll get the Department of Commerce to sign off on and get prefiled before the session starts that will offer a number of tools from TIF to other kinds of tools that might help us attract small businesses into urban areas. I'll give a local example of something we did locally with a small business gap funded that County Administrator Doug Bach recommended. To help fill those gaps we brought two new businesses into urban areas of KCK, one just a block over, it's The Kansas City Cupcake Company is moving into a building just east of City Hall and a landscape company is coming into Minnesota Avenue and we were able to use some local funds. Not a lot of money, $10K, just to help close a gap there that attracted those businesses into our intercity. We want to use those sorts of tools on a broader statewide level to help attract businesses and as I said the governor is supportive of this and so we've been talking all summer about what kind of tools do we need in this bill and that bill, hopefully, will be introduced before the session starts.

City Elections, as you know those were moved from the spring of odd number years to the fall. There was a strong push at one point to make them partisan and tie them with the presidential, gubernatorial, congressional elections. We were able to, through compromises, stop that but I think that is the end game ultimately by some folks and so we're going to continue to watch that. Our position is that city elections should remain non-partisan and be separate from state and national elections. The whole goal of that is promoted by the people that support it was to increase voter turnout and admittedly the voter turnout in municipal elections is not very good. Sometimes it's in the single digits, 4%, 9%. The last election when we had a municipal election we had over a 20% turnout in Wyandotte County and KCK and so we kind of bucked that trend some, but that is still a very low turnout. We're hoping that this will help increase turnout, but we want to be watchful that the move to make them partisan and move them to those other years doesn't happen.

This is a bill that we introduced last year. We got it through the House Fit and State Affairs Committee. It's on the calendar in the House. It's supported by all of the law enforcement agencies in the metropolitan area. The Leavenworth County Sheriff, the Wyandotte County Sheriff, the Miami County Sheriff; there is only one sheriff who opposes it and that's Sheriff Denning of Johnson County. All the Police Chief's support it and Missouri has already passed this law but it can't really work until Kansas passes it. I will give you an example. What it would do is allow law in a critical incident, it would allow law enforcement folks from either side of the state line to cross state lines and be able to respond. Sort of the poster child example of this, if you remember a few years ago when there was an active shooter at the Ward Parkway Mall, the first police officers to respond to that were from the city of Leawood. They had no authority to do anything. They had to wait for Missouri police officers to show up before they could do anything. Meanwhile the shooter continued shooting. This would have allowed those Leawood police officers to actually take action and maybe take out that active shooter. Now they don't have the authority to do it so that's what this legislation does. We're hoping we can get it passed this year.



The Unified Government supports the expansion of Medicaid. The refusal of the state to expand Medicaid puts more of a burden on local governments and our Health Department and in Wyandotte County our Public Health Department is for many of our citizens' frontline medical care from prenatal clinic to other kinds of services that we offer. Bringing that money in would help people get insurance who now don't have it. KU Hospital last year wrote off close to $40M in uncompensated care. It would help address that issue. I'm sure Providence is in a similar situation and so we believe that it would be beneficial to the state and we think that we can craft a Kansas solution as it has been called. A number of Republican states, Arkansas and others have approached the federal government and rather than just taking what the federal government said you have to do, they have crafted their own specific programs for their state and we are encouraged that we think maybe we can make this happen. The call for this is growing and I think it will be another discussion this year and so Wyandotte County is on that long list of people that support Medicaid Expansion.

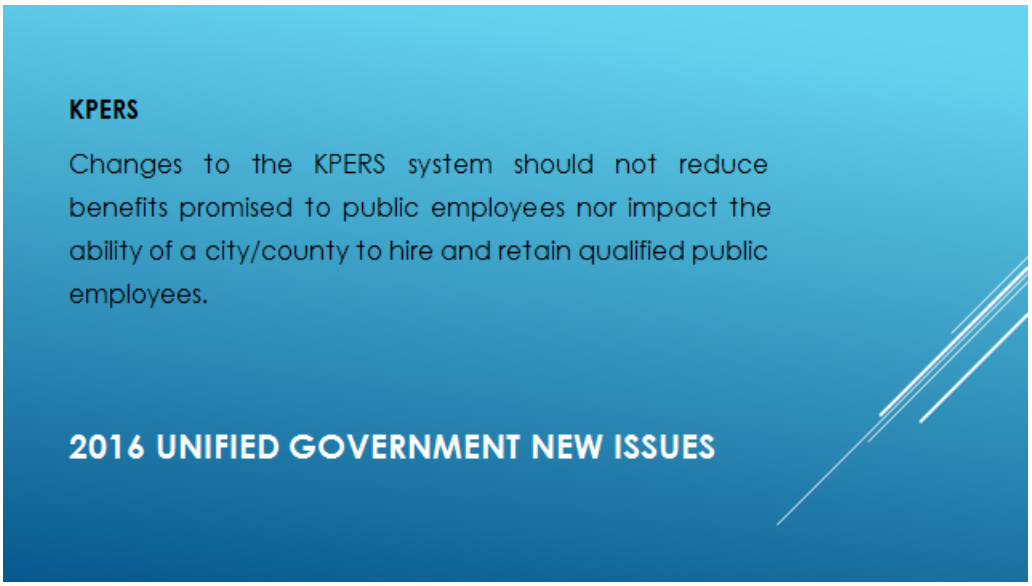


This quite honestly shouldn't even have to be on a Legislative Agenda, but there have been some pretty strong efforts by some legislators to prohibit taxpayer funded lobbyist. That would be my job. They don't believe that cities and counties should be able to have lobbyist in the State House advocating for their local communities and we think that's just totally wrong and so we are putting in our platform that all of you think I should have the right to go there and represent our community on important issues.

I put this on the priority agenda because of the deterioration we've seen in that kind of cooperation, but we support the ability of local elected officials to make decisions for their

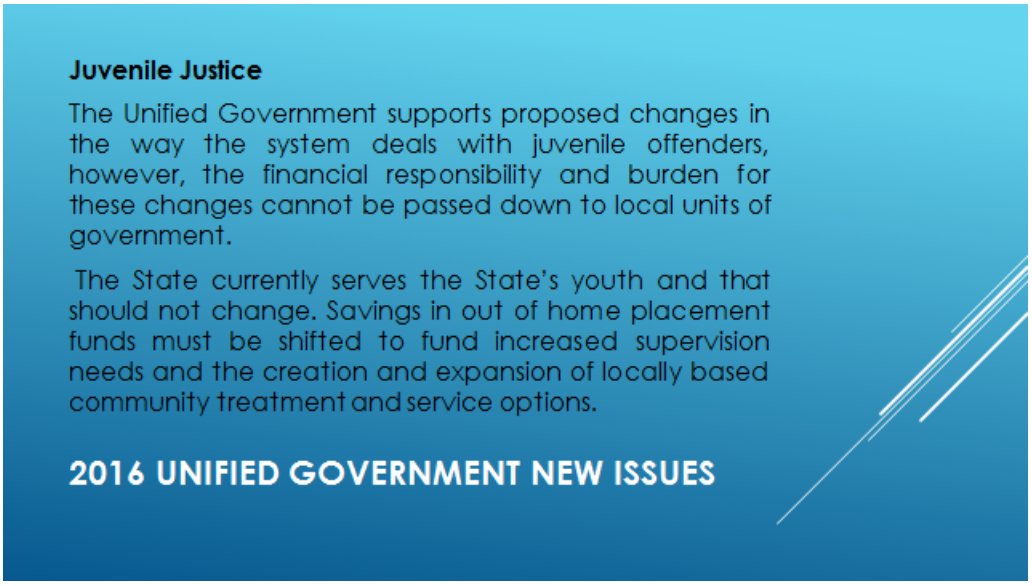
community's particularly local tax and revenue decisions as is called for by the Home Rule Amendment of the Kansas Constitution that was approved by voters in 1960. That Home Rule Amendment has been challenged on a number of times with mandates coming down from the state. We urge the legislature to respect the philosophy of local control and honor the Home Rule Amendment. There are many legislators in Topeka who rail against the federal government putting any kind of a mandate on them whether it's EPA rules or Medicaid or gun laws or prairie chickens, the state resists that; but yet they turnaround and repeatedly intrude on local control and meddle in the business of local communities. It's unfortunate, but that's kind of where we've come so this is on our priority agenda.

Some other new issues that are not priorities but are very important and I'm pointing these out.



Changes to the KPERS system should not reduce benefits promised to public employees nor impact the ability of a city/county to hire and retain a qualified public employee workforce. There was a bill introduced last year that would have taken away—it would have capped the amount of vacation that local governments can offer their workers, it would have restricted benefits that have been promised for decades to employees. We had over 100 Unified Government employees who were going to walk out the door July 1st had that bill passed. It's very detrimental to our workforce, very detrimental to the institutional knowledge and experience. We just think that whatever the legislature needs to do with the KPERS Retirement

System they should not infringe on promises that were made in some cases decades ago to workers who have spent their whole career here.



There is pending legislation that's fairly sweeping in its reforms of the way our system deals with juvenile offenders and we think many of those changes could well be good, but we're very cautious about the financial responsibility and burden for those changes not being passed down to local units of government. I've invited Phil Lockman who is our Director of Community Corrections to join me for just a couple of minutes to talk a little more in detail about that because he knows far more about it than I do.

Phil Lockman, Director of Community Corrections, said just in brief I want to say this hasn't been turned into legislative documents yet by the reviser of the statutes, but it's very large and sweeping changes to the Criminal Justice System and how we deal with juveniles in our communities. The prime mover is that it's going to completely eliminate the use of group homes for children placed out of the home which in affect will mean that we will have about 100 to 125 of these youth back in the community. Immediately that saves the State of Kansas about $32M to $35M a year. My main point is that I philosophically agree with almost every point and every change that they're promoting because best practices and commonsense will tell you as well as the research that these group homes are not effective and that sometimes we make kids worse and that those kids could be better handled in the community. The question is will those funds

stay with those youth when they return to our community so that we can effectively manage them in the community, not only for improving their outcomes, but keeping our community safe and working with these families. These 100 to 120 families are some of the most high need families that you can imagine and that's not just in Wyandotte County, that's across the state of Kansas and so that's probably if I was to say anything, that's the main thing is that the funding follows but that we take a very careful look at the approach we take to implement these changes because I think the Pew Foundation has done a great deal of work on these. They are good recommendations, but a great deal of thought needs to be given to the implementation and the timing of these events so that local communities with some of that money, if not all of the money, transferring from the state down to local governments or through contractual agreements can put in place the magnesium through metal health and the social service agency so we can effectively manage those cases and those kids for better outcomes.

Mr. Taylor said I think before we move on there is one last issue that we will talk about, but I think it might be good to pause at this point before I move on to that issue because I think it will take a significant amount of discussion, to see if there are any questions or comments on any of the other issues that we've talked about.

Mayor Holland asked can you backup to the first slide and maybe we will just go through your slides again and make sure we comment on them and then move through. Let's start with the Tax Lid. I think you're absolutely right that the state that rails against the federal government for putting limitations on it is doing the same thing to the local governments. The mythology of course is that the counties are spending too much. I just want to point out that one mill in Wyandotte County is valued at $1M and one mill in Johnson County is valued at $8M. We actually spend half in Wyandotte County what Johnson County does per capita on our citizens on our county side of our budget. We're very frugal. We have to be because of the valuation that we have in our community we have to be very frugal; very efficient and very frugal. This rhetoric that comes out that somehow counties and cities are spending these outlandish amounts of money is simple a fallacy and we need to combat that fallacy and we need to push back and suggest that there already has been a public vote about how to set the mill levy and the commissioners were voted to do that and if we break faith with the community, then the

community will vote for someone else to be in here and we're all very aware of that. I think this Tax Lid issue is a high priority to get taken off because it impedes our ability to run this government.

The other thing it does we have a STAR Bond payoff coming back, $12M in 2017. One of the hopes for that has always been is to reduce our property taxes. The state has just disincentivized us from lowering our property taxes because as soon as we lower it we can never raise it again and so the idea that we have an opportunity, a real opportunity to lower our property taxes, and we can't. The other piece is its anti-growth. Say when the Healthy Campus comes to pass in downtown Kansas City, Kansas and it raises the property values of the properties around it, we can't capture that value increase to provide the basic services for the new people living there. It disincentivizes communities from investing because we can't—if we can't capture the growth of value, which is exactly what we should be doing, the state needs Wyandotte County to continue to grow. When we produce 30% of all new jobs in the state last year the state desperately needs Wyandotte County to continue to grow and when the state says you can grow but you can't provide police and fire services, you can't provide sewer services, you can't provide the basic amenities to support that growth, it tells communities don't grow. It is as backwards thinking a piece of legislation as you can imagine and passed, I might add, without a single hearing, passed without a single thought, very marginal legislation pushed by a very marginal group of people in our state who have this fallacy that somehow local governments are out spending crazy amounts of money. I wish, we just don't have crazy amounts of money to spend. We're pinching nickels every year and cutting back and being efficient and this policy is probably as toxic and hurtful a policy as we have in terms of how we're going to be able to move forward. It's a high imperative that we get this repealed.

Representative Kathy Wolfe Moore said thank you, Mayor, for your remarks about that. I absolutely agree. We elect you in Wyandotte County to make those decisions. Those are decisions that should be made here. They are not decisions that should be made in Topeka and the process was the most disappointing part because in the waning days of the session that was literally thrown out on the Senate floor. As the Mayor said there wasn't one hearing, there wasn't an opportunity for any of you to come forward or any other local communities to come forward and point out the problems that this would cause for you. It was unbelievable the

process that occurred to bring this piece of legislation to you and I have to tell you I just heard the other day that although there is legislation that's going to be offered that would repeal this, there is also going to be an effort to move it forward a year and take away some of the exceptions that we got put in the legislation. It's very possible that this bad piece of legislation could get much worse. I would never support it and I can't imagine most of my fellow Wyandotte County legislators would support this, but it's bad on so many levels.

Mayor Holland said I think that's the issue is just due process in terms of giving people an opportunity to have hearings on it to see what the impact would be. The other hypocrisy of it is the state raised sales tax significantly in that budget. Did they impose a requirement of a state election in order to raise that sales tax? I mean to require something on the local level that hypocritically the state refuses to implement on itself is inexcusable. I mean it's a double standard that should not be tolerated and so I think that's just another level of hypocrisy in this legislation.

Mr. Taylor said I would point out, Mayor, that just a little more fact to back this up and we talked about this a few weeks ago, but you know 1.5 mills of every property tax bill the citizens pay goes to the State of Kansas. The State of Kansas did not place themselves under this bill so if assessed value grows in KCK or Bonner Springs or Wichita or Topeka, the state is going to reap that windfall and not put themselves under this Tax Lid provision. From 1998 to 2013 the property taxes collected from that 1.5 mills by the state increased 67%. Property taxes collected by the 25 largest cities in Kansas increased three percent.

Senator Pat Pettey said I just want to say sadly Representative Moore and I were at an event earlier this week and listened to the Chair of Tax in the House and the Vice-Chair of Ways and Means in the Senate both say that they don't see any repeal of this Tax Lid and as Representative Moore said the issue of moving up the date is probably going to move forward as fast as having the repeal. I'm not saying that I don't believe that cities and counties should move forward because I've now listened to the county—Johnson County makes a similar presentation since I do have a portion of Johnson County, so you are absolutely right. You know I sat in the Senate when this was introduced as an amendment and unbeknownst to anyone on either side of the

aisle at the time it was introduced. I unfortunately think this piece of bad legislation, unless there is some really, really large move across the state is not going to go away.

Mr. Taylor said, Senator, I agree. We're pushing for the repeal. We also have a Plan B which in case it can't be repealed is to at least make it workable. Even the proponents of this bill admit that it can't be implemented because of the requirement for a public vote and the way it doesn't mesh with our budget cycles for cities and counties. Those budgets—we would have to have if we collected more revenue than we did the previous year, we would be forced to rollback our mill levy or else put it to a public vote. Our budgets aren't even certified until August 25th. How do you have an August 1st election? You can't so that means a November 1st election. The Election Commissioner needs at least 60 days to get a ballot question prepared and federal law requires that those ballots be received to overseas military personnel 45 days before an election so it doesn't take a math whiz to look at the calendar and figure out this bill is totally unworkable. The reason it's totally unworkable is there was no bill, there were no hearings, it wasn't vetted, it was thrown out as an amendment on the floor at 2:00 on Sunday afternoon after the hundredth day of a 90 day session and by 4:00 it was passed by the Senate. I think the process that was used was horrendous, undemocratic and it's totally unworkable so even if it does advance, it has to be fixed somehow because it can't be implemented.

Mayor Holland said if sales go up in the state of Kansas and sales tax revenue goes up, can the State of Kansas capture that additional revenue for themselves or do they need to roll back the sales tax? **Mr. Taylor** said no, they can collect that. In fact that's what they're praying for is that it does go up and they can collect that revenue. **Mayor Holland** said so they're hoping that their revenues go up and everyone else's go down. Is that right?

Commissioner Walters said I have a question to follow-up on what you mentioned Senator Pettey. You said without some pretty wide response to this legislation it will probably go forward. We're opposing it. I know the Kansas Association of Counties it's their number one agenda item so they're opposing it. What kind of widespread message would you think be effective if the League of Cities opposes it, the Kansas Counties oppose it, little cities like us oppose it; so what kind of message do you think would register? **Senator Pettey** said I think what Mike alluded to was this respectful relationship between state government and local government is necessary and at this point and time, I made this comment just the other day, I'm

just finishing up my first term in the Senate and I have to say that I—and I was there in the House in the 90s, a vast difference in that relationship and that respect for local government. When you see that the Association of Counties and the Kansas League of Municipalities unanimously oppose and have this as their number one priority I would agree. I don't know what that effort would be except that I was just saying to you here we have two people that are in powerful positions, the session has not even started, and they are already in a sense reflecting a closedminded approach to a piece of legislation that, as Mike said, it was never vetted, was not in bill form. Even if it had been in bill form and not had a hearing you at least would have had the opportunity for those that lobby for cities and counties to have had conversations with legislators about it even if it hadn't had a hearing. In this case no bill, no hearing; it's kind of like being on a black night and there is no light there and suddenly there is and you're being blinded by the whole thing. I wish I could tell you what that change would be. I'm just sharing that I don't see it as a feasible change with the climate at the legislature we have now.

Mayor Holland said I would like to ask Mr. Bach, what percentage increase has the health insurance and pension in our personnel gone up in the last couple of years. Can you give us a ballpark on that? It has exceeded the rate of inflation dramatically. **Doug Bach, County Administrator,** said I want to say it's around seven to eight percent. **Mayor Holland** said seven to eight percent a year and so what's going to happen, let's be clear, 80% of our costs are personnel, our health insurance goes up seven to eight percent again, pension continues to go up, the cost of doing business goes up and we can't capture the growth in our own community; we're going to be laying off police officers and firefighters just to keep up and my hope is that our legislative delegation will step up to the plate and vote to keep our public safety on the ground where they belong and not push people out of their positions based on this arbitrary notion that the state without evaluating any local issues should take control of this. The risks are real for our community. I think the risks are real all over our community and I'm imploring our delegation, and I know most of you are there, to continue to fight against this kind nonsense.

Mr. Taylor said as we wrap-up on this I point out that we do have a number and I think there will be more Chambers of Commerce that oppose this because they realize it's not positive for economic development and building quality communities. Nobody wants to pay high property

taxes but on the other hand are you going to sell homes or bring your business to a community with crumbling streets and high crime where you don't have enough police and fire.

Mr. Taylor said this one, again, is more of a general statement. Again, it's just asking for a renewed partnership and cooperative spirit with the state government.

Mr. Taylor said okay those were the issues of money that we've lost and as you saw it's now costing us $18.2M in lost revenue that we used to receive. **Mayor Holland** said that would represent 20% of our mill rate in lost revenue. **Mr. Taylor** said and I know many legislators don't like this when I've talked to members of the Tax Committee and present company included, but I told some of them that we're pushing the property tax and I said the largest reason for high property taxes in Kansas is the Kansas Legislature. **Mayor Holland** said that's right.

Mr. Taylor said the Abandoned Housing issue, this one we've talked about and talked about over years and years and I give Representative Frownfelter immense credit because he has continued to push and dog this issue despite being rejected year after year. We finally are starting to make some headway with it and it picked up a lot of support along the way and I think even people like the senate president who initially opposed this are now starting to come onboard and support it as a way to deal with this. Once they learned that it's in every city in Kansas and so hopefully we can get it passed this year.

Mr. Taylor said the Urban Opportunity Zones, again, another great opportunity to give communities like ours, Wichita, Topeka, others—originally the governor proposed a pilot program and it just affected Wichita, Topeka and Kansas City, Kansas. When I talked about this in front of the League of Municipalities and got them to put this in to their platform the Mayor of Garden City, KS said well it sounds great but you know I've got some blocks in my city that we could use this. We decided let's not limit it to just these three cities and open it up based on criteria you could designate an area and then put these different tools to use in those areas to try to recruit those businesses.

Mr. Taylor said City Elections, I don't think we need to talk anymore about that, but I will predict within a couple of years—the first elections in the fall are 2017, I will predict the turnout won't greatly increase and the next move will be to make them partisan.

Mr. Taylor said the Mutual Aid bill we've talked about that.

Mr. Taylor said the Medicaid Expansion, I don't know, Mayor, if you want to address that but you've got some interesting statistics. **Mayor Holland** said Wyandotte County has five percent of the state's population and ten percent of the state's uninsured and through the Affordable Care Act we were able to enroll—take the uninsured in Wyandotte County down from 26% to 18% so nearly one-third of the people who are eligible who did not have any health insurance before have it now under the Affordable Care Act. The expansion of Medicaid would cut that number in half again. There are people in our community who are too poor to qualify for the Affordable Care Act and the refusal to expand Medicaid is a direct attack on our poor seeking medical care. I will give you this example. We are number one in the state of Kansas in the diagnosis of stage four cancer. This past January our police got a 911 call, an older woman called frantic, delusional, thought she had been shot; the police came, she was bleeding from her chest. They called an ambulance and the ambulance took her to KU Med, KU diagnosed her with stage four breast cancer that was bleeding through her shirt. There was no screening for stage one, there was no doctor's visit for stage two, there was no visit for stage three; the woman is dead. This is a first world country and we refuse to expand Medicaid for the poor so that basic God fearing people can go to a doctor and find out what's wrong and the refusal by this state to deny our poor—the poor in New York and in California they get that doctor's visit. The poor in Kansas do not and Plan B by our state legislature is zero, forget it, we don't care. We don't care that that money is coming in; the State of Kansas accepts $4B a year into our state budget from federal aid for transportation, education, all kinds of things and for health care. The additional $500M Expansion of Medicaid would be a drop in the bucket to what the state is already taking from the federal government and would help the poor and it would help those of us who do have insurance because KU Med and Providence are bleeding money right now from unreimbursed care that's eligible under Medicaid Expansion. The State of Kansas choosing—you know they take $4B in federal money. If we called it Obama Culture, would they stop taking the agriculture

subsidies? I doubt it. People are taking federal money for other things, but they're not taking it to help the poor and we have too many people in Wyandotte County who desperately need this care and we desperately need the State of Kansas to step up and do the right thing.

Mr. Taylor said there is no need to talk anymore about that one.

Mr. Taylor said I think protecting Home Rule and local control—again, this goes back to trying to repair the relationship with the legislature and realizing—getting them to realize that we're really at the local level are partners or should be partners in government providing public services; we're not enemies.

Mr. Taylor said the KPERS issue, that's going to continue to be talked about and changed, but again; we should not strip away benefits for lifetime employees who have been promised those for decades and the year before they're supposed to retire we suddenly strip those away.

Mr. Taylor said the Juvenile Justice issue we've talked about. **Commissioner Pettey** said I did serve on the work group with the Pew Foundation. Actually we attended meetings all summer long on the Juvenile Justice issue and Phil you know brought up the point of the fact that there isn't a piece of legislation yet. I will say that from that group perspective, because it was well represented by the courts and by court officers and the judicial system and the legislature that from the committee's perspective it was very much the fact that we absolutely agree that it won't work if the funding doesn't stay within the system because you can't—all the stats say that going into group homes is not reducing recidivism within the judicial system, but that community based programs are the better answer. At that being said I would say that we absolutely agree and that was the overriding conversation all along that the money has to stay within the system and go back to communities. As we all know if that happens or not, but I will tell you from that committee perspective, that was definitely what we all felt within that and the Chairs, were both Chairs of Corrections and Juvenile Justice with the House and Senate side.

Mayor Holland said another key piece to this, we have in District 500 alone in Kansas City, Kansas we have 1,400 homeless children. The fastest path to homelessness for children is aging out of the foster care system or teen parents without support. We need to—and if we have

another 100 plus kids coming back from group homes without the support of the state that it needs, we're going to have more homeless youth, we're going to have more problems. One of the other issues we run into in our court system, not just for adults, but also for youth; you have to put them in jail. You can only do house arrest for people who have a house. If you have no address, you cannot be put on house arrest. The only alternative is jail and so we have an issue with making sure that we're addressing the issues of poverty with our children and not just—a lot of kids who end up in the system end up there de facto because they're poor and we need to make sure that it's not a crime to be poor and that we provide the adequate resources for people to find a home and a stable environment where they can be successful.

Mr. Taylor said I saved perhaps what would be the best or at least probably the hottest issue of this session for last.

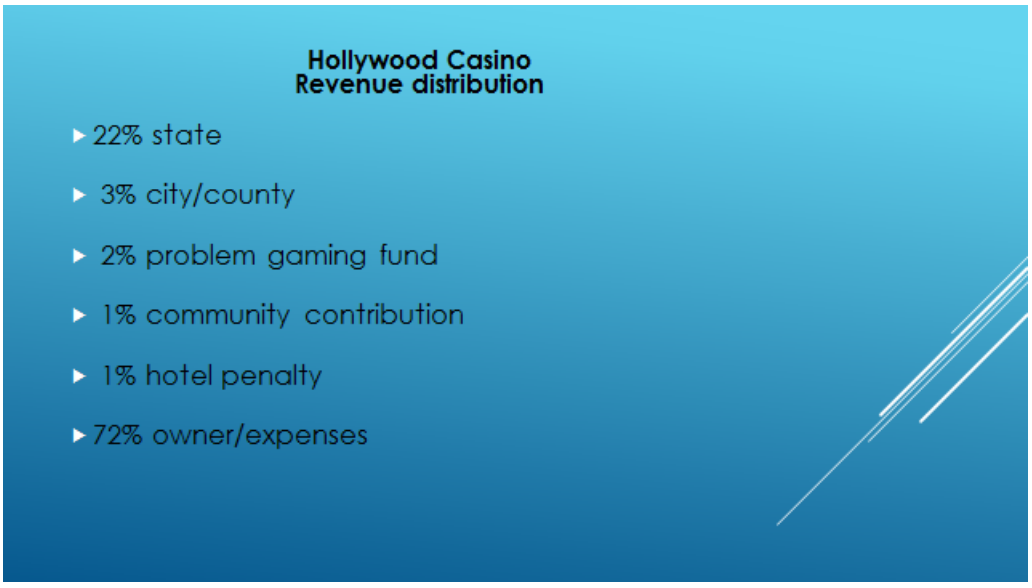
There is a lot of movement surrounding Casino Gaming and the gaming legislation that's on the books. For a number of years the Unified Government had taken the position in our legislative program that we supported the Woodlands reopening with racing and slots under the current law that was passed back in 2007. There is a bill that passed the Senate last year that would change the financial landscape of the gaming laws and we've had some discussion about that and how it would affect the Woodlands and the Hollywood Casino. This is proposed language based on conversations—if you remember, we did a special session on gaming legislation a few weeks

ago. I will review a little bit of that just to bring everybody back up to speed. The proposed language for the 2016 UG Legislative Program would say "the Unified Government supports legislative measures which assist the Woodlands in reopening as a gaming facility so long as the Woodlands provides benefits to the local community which are on par with the benefits provided by the Hollywood Casino at Kansas Speedway." It goes on to say acknowledge that the Hollywood Casino is a significant tourism and economic community partner with Wyandotte County and that we would oppose any changes in state law which put the Hollywood Casino at a competitive disadvantage with Kansas City area casinos and gaming facilities. We will talk in a minute about the financial structures, but one of the first things that come to my mind on that is the smoking bans. Under Kansas law smoking is allowed in a very tightly defined definition of casino gaming floor. There have been attempts in the past to ban smoking at the casino and I'm not going to argue the merit to the evils of smoking, but the fact is if Hollywood Casino can't allow smoking on the gaming floor, it would put that facility at a huge disadvantage to the Missouri side casinos which do allow it so that's one of the things that particular paragraph is addressing.

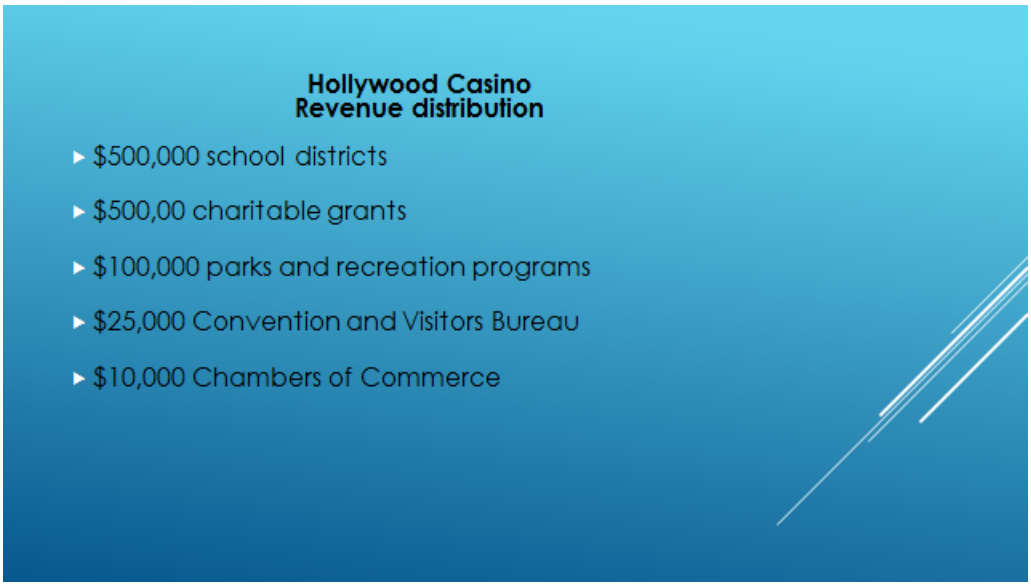
As far as the top one I think there will be a lot of discussion on that tonight, but I will quickly review so it's fresh in all your minds the way the current law works and what's proposed.

Under Senate Bill 66 which was passed in 2007 and you know we had seven different companies that were bidding to build a casino here in Wyandotte County.

The requirements in state law for the casino were a $225M minimum investment. They had to pay a $25M privilege fee. They guaranteed to bring a second Sprint Cup Race to Kansas Speedway and that through independent economic study say is worth $100M for that one weekend to the larger Kansas City metro. They agreed to build a sports car road course in the infield of the Speedway. They agreed to the construction of a hotel and they provide a free Village West shuttle that tool around Village West and move people around. Those were all promises that were made that they had to agree to in order to be considered and get our endorsement and then the state.

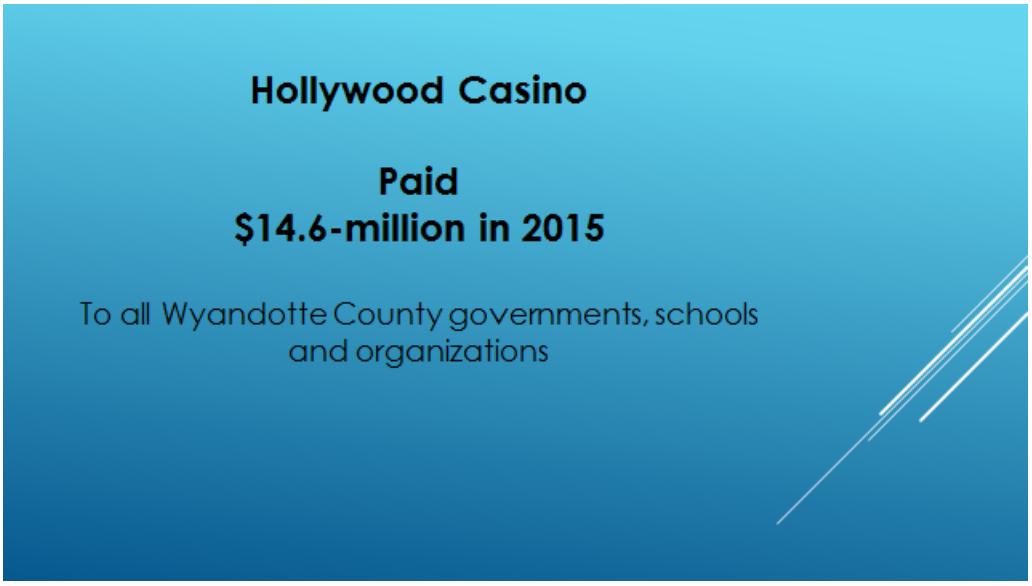


The revenue distribution under the current law the state gets 22%, the city and county gets 3%, 2% goes to the Problem Gaming Fund, the casino agreed through a developer agreement with us to give an addition 1% community contribution, they agreed to pay a 1% penalty if they didn't build the hotel within a certain timeframe. That's not happened yet so they are paying that penalty which this year totaled $1.4M. Basically they keep just a little under 73% for expenses and profit.

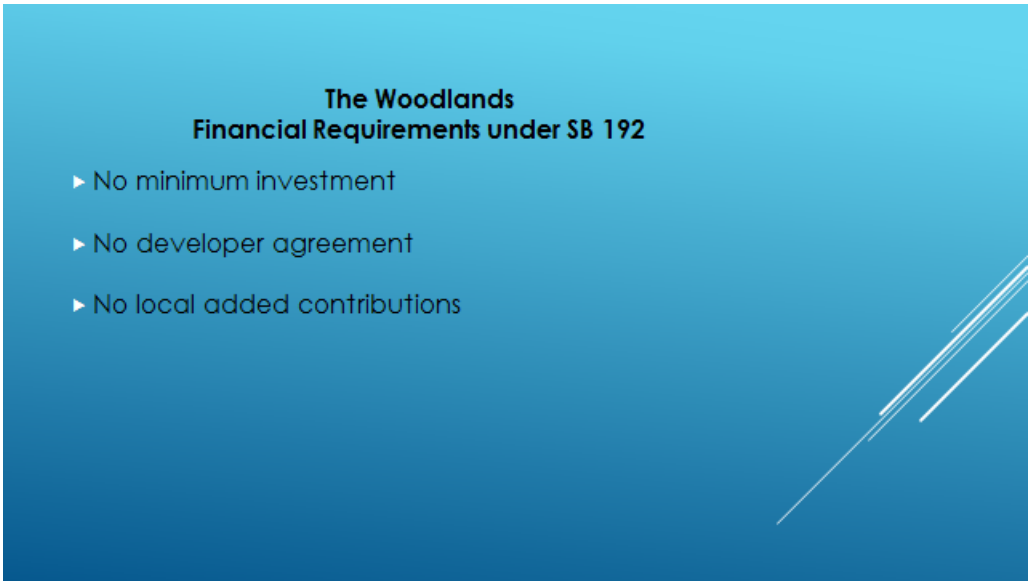


They also agreed to pay $500K a year to non-host school districts, they provide $500K in charitable grants, and they're providing $100K to our Parks and Rec Department for programs, $25K to the Convention and Visitors Bureau and $10K to a number of Chambers of Commerce.

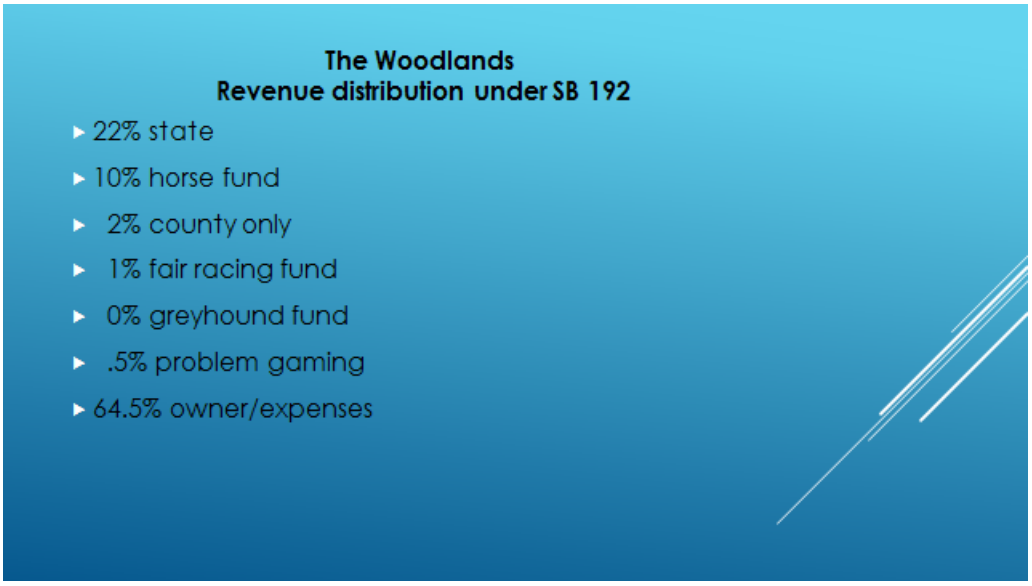
Those are the things that were agreed to and that the Hollywood Casino is committed to provide.



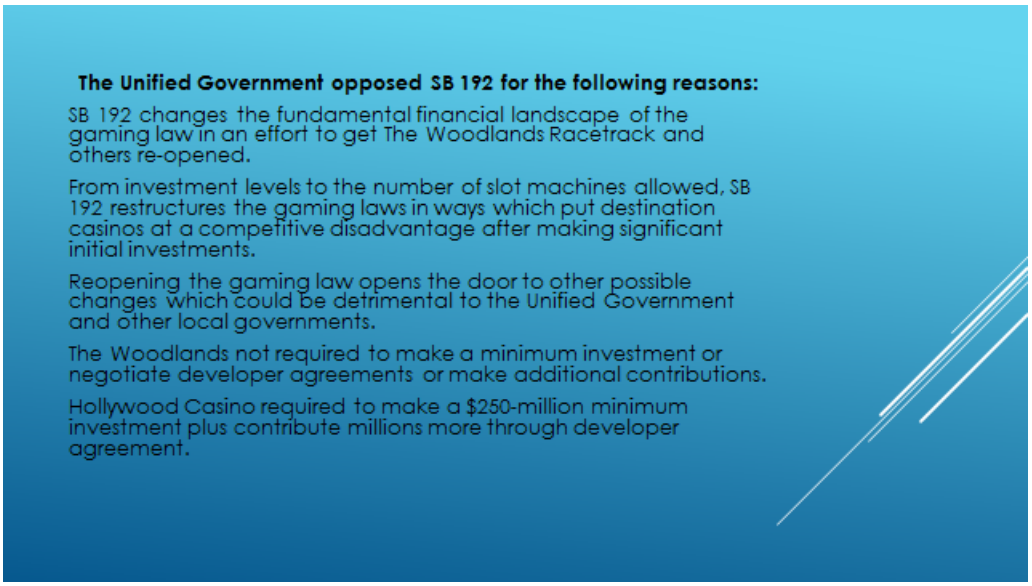
In 2015 the Hollywood Casino has paid to Wyandotte County governments, schools and organizations $14.6M. That's in property taxes, all those contributions that I just talked about.



Now, under what's been proposed under Senate Bill 192 which passed the Senate last year, the Woodlands could reopen with 2,800 slot machines, horseracing and simulcast betting. They would have to make no minimum investment, they would not be required to negotiate a developer agreement with the Unified Government and they would have to add no local added contributions.



The distribution under the new bill would be 22% to the state, 10% to the horse fund, 2% to the county only and I will note that the Hollywood Casino pays 3%, 1.5% to the city and 1.5% to the county. Under this bill they would pay 2% to the county side only, 1% for the racing fund, nothing to the Greyhound Fund, .5% to the Problem Gaming Fund whereas the casino is paying 2% to the Gaming Fund and then the owners would be able to keep 64.5% of the profits and expenses in those early years.



We opposed Senate Bill 192 last year and the reason was it changes the fundamental financial landscape of the gaming law in an effort to the get the Woodlands and other tracks in the state

reopened. But from the investment levels to the number of slot machines allowed Senate Bill 192 restructures the gaming laws in a way which we felt put the Destination Casinos at a competitive disadvantage. Reopening the gaming laws now also, and this is something I've been weary of for years, we reopen the gaming law; the way things work in Topeka is the bill may say that this is about reopening the Woodlands, any possible amendment that could come up could come up and one of the things that has worried me is perhaps a smoking ban amendment, perhaps the state being a little short on cash themselves might say you know since we've got this thing open that 3% that goes to the local government maybe just 1%, we're going to keep that other 2%. Any and all of it could be reopened for discussion. The Woodlands would not be required to make any kind of minimum investment, negotiate a developer agreement or make additional contributions and one of the things that has been discussed is that we need to level the playing field. The language that we're proposing for you to consider is let's do that, let's level the playing field for the local community which means Woodlands and new owners provide us with the same kind of benefits the casino has to. Let's talk about developer agreements, minimum investments, community contributions above and beyond what the state law says and that's what that first paragraph of our language is suggesting. Let's sit down with the new owner of the Woodlands and discuss those kinds of things and see if he is amenable to do that. That would level the playing field for the local community in terms of the benefits that could provide.

As we talked about in the previous session the reason there is a difference in the tax structure from what the casino pays to the state and what the track would have to pay the tracks were not required to put any kind of minimum investment into it. No $225M minimum, no $25M privilege fee, so yes the track would have to pay more to the state but they weren't required to put up any money upfront basically and so that's the reason that law was crafted the way it was. As we talked about back in 2007 Governor Sebelius came to the Woodlands and they had a huge party when they signed that bill and the Woodlands was cheering passage of that legislation and said that within six months they would have slot machines at the Woodlands. The Woodlands have been closed since 2008 so we're faced with a different scenario now in terms of the legislation and from discussion I've heard from some of you commissioners that's why this is proposed language that would say yes, we will support the Woodlands reopening but there has to be some conditions that go with that that would level the playing field as far as the local community is concerned.

Commissioner Kane said before I get started you guys in Topeka, those are long days, long nights and I beat myself in the head watching you guys work because I don't think I have the patience to perform at that level. I would probably get up and walk out more than stay in. I have been told before I make this statement that if I make this statement then they are going to campaign against me and get me beat because when Pat was on the Commission, the Mayor was on the Commission, Ann was on the Commission; we negotiated with the folks out there saying if you do this, this and that; in return you will get this, this and that. When we give our word our word is supposed to mean something and my word still means that. They can open it under the current conditions, we've said that all along and they haven't built the hotel but they did give us the money they said they would if they didn't and the reason they're not building the hotel is they are worried about what's going to happen with the Woodlands. You've got to remember I'm the one that lived out there before the Woodlands was out there and we were told it would be the saving grace and it went under pretty quick, but what the casino has done has sustain and gotten better and better and better and they have been a really good community group of people. When I'm looking at this I gave my word way back when that this is the way it would be and I will not change my word.

Mayor Holland said, commissioner, the Woodlands is in your district, is that right? **Commissioner Kane** said correct. **Mayor Holland** asked did anyone related to Senate Bill 192 reach out to you or anyone else you know in terms of the county to talk to you about that. **Commissioner Kane** said the only one I've talked to is Representative Burroughs, but here's what's funny; the people have reached out. The one that you're talking about 73%, the people that have come to me it's more than 73% and say leave it alone. The ones that are for it they are very loud and even louder than the group that I'm talking about, but no I was not reached out to and it's frustrating because I've been by that building for the fair. It's terrible on the inside so there would have to be some sort of capital improvement and nobody is saying they can't do it, you just have to follow along with the rules and like Mike said, and Mike does a great job up there, he has a lot more patience than I do; but when you reopen something what are you reopening? How far does it go, how far does it dig in and then what do we—we've already been told you can't do this from Topeka, not necessarily the folks in this room, we've already been told you can't do that, we don't have Home Rule, they have taken prevailing wage away from us and so there are multiple things that are happening to us that has specifically hurt Wyandotte

County. When the people are coming to me saying, Kane, this is what I want you to do I'm real good about doing it, but we have to look at the big picture not the small picture and the guy that purchased the property was one of the guys that encouraged everybody. He had his lobbyist go up there and say we want this language written there now. Well now that he has purchased something else I'm changing my mind because now I've got this and I want it to go that way so when we look at things we have to look at what's best for the community, not what's just best for a few people. As we turn it around and everybody is going well I wish we did this or wish we did that but we made a great big wish and we were handed it to us and there is an opportunity for another one as long as they follow the guidelines that were originally put in there.

Mayor Holland asked does anyone else want to weigh in on this. I mean I think part of the discussion for what stance we take as the Unified Government hinges on this. It has been previously, we support no changes to the gaming legislation; we do not support the reopening of it of the legislation, not the Woodlands. That the legislation in place already allows the Woodlands to open and we support that legislation and not the new piece that has come forward. The question is one of our experiences, and I think some of our legislators have the same experience, is sometimes things happen to us that we're not very excited about.

The Commission's decision that we need to talk about tonight is do we want to modify our statement from no way do we want to see it open under any circumstances or if this moves forward, it needs to follow these guidelines. The risk is if we can't stop it entirely, do we just get hit with whatever—I mean the bill that was written cuts in half the local support so we still pay all the police and fire support, we still pay all the infrastructure support, all the roads, all the sewers, we pay all the expenses for them and if you ask our Chief of Police if opening another gaming institution is going to increase calls for service, he would tell you yes and all of our Police Department is paid out of the city side. There is not a nickel for the city in Senate Bill 192. There's not a nickel for the city, but we're going to be providing all that police coverage so I want to make sure that we—the decision we need to make is do we say leave it alone and we're not doing anything and risk it happening and us not having our voice at the table or do we say the statement that Mike has made, we don't want anything detrimental to Hollywood Casino. They have been a great partner in our community and it needs to be a level playing field in terms of the local support should something change. That's kind of where we're at.

Commissioner Walker said I've been curious and we've not, at least I don't know of anyone that has addressed it, whether the current bill—is this really a question about whether a horse track owner makes any money or is it about whether he makes money, but just not enough money? I think it was noted that they were quite pleased with the original legislation and it was only sometime after that that we began hearing that they couldn't make any money doing it this way. To me money—that's really what this is all about. We have a wasting asset, a piece of property that we cannot get control of, we can't condemn it for a public purpose because the state has blocked us protecting the rights of the individual to own his property. We have to have an act of the legislature which I can imagine would be a hoot trying to get that through Topeka and so we've got this asset out there that is wasting. Surely the legislation could provide, I don't know exactly how to phrase it, you know everybody wants a piece of this action and I'm for protecting the existing casino but there must be a percentage of—I'm just saying what if the tracks had to pay a percentage perhaps decreasing over the years, perhaps increasing depending on the gross to the Hollywood Casino as a compensation for whatever they gave up. It's kind of money washes it all. I don't know that there is a number that Hollywood or Penn National would step up and say well yes if we got 5% a year of their gross revenues we would be fine, we would be happy, we'll compete with them. Just a thought, but we're in conundrum about this property because we're not ever going to be able to get ahold of it and it's a prime piece of real estate that could be developed into a lot of different potential things, but essentially I'm not for changing the bill unless there is a meeting of the minds with the existing casino operators in this state as to how they might be compensated or share in a revenue that would take away the pain of whatever the betrayal or the broken promise or whatever you want to call it. If that's not occurring, leave the bill exactly like it is and do nothing.

Commissioner Markley said I think what I hear Commissioner Walker saying is I hear the attorney in him coming out and the contract negotiator and I think the difficult part of this for us is that really this legislation is a development agreement of sorts and it's going to get negotiated in Topeka without us at the table. It's frustrating to know that's going to happen to our community one way or the other. It's not the kind of development agreement that's coming out of our office that our Administrator is involved in. It's going to happen as a piece of legislation

and so this today is our opportunity to discuss with you all what we would like to see, but the difficulty is as you all know as these things get negotiated, there are all these little nitty-gritty details that we may not be able to be involved in and so what we have to send you with is a vague statement that says sort of what we hope might happen up there. I guess I'm just really expressing my frustration in that sense that I think what Hal and I see as attorney's is well yes we could reach a deal here somehow, but we're not going to be there when the deal is happening. We need you all to go in with the spirit of what we're hoping for and that's the best we can do is send you forward with sort of an idea and hope that whatever nitty-gritty details happen might come out okay. I see what the Mayor is saying, there is a danger in saying, as Commissioner Kane said, we don't want to change anything because that takes us further away from having any seat at the table and then if something moves forward we've given you nothing to work with. We're hoping in a vague statement we can give you something to work with, but the bottom line is if language starts moving forward all those details are going to be out of our hands.

Representative Tom Burroughs said I think that was very well stated. I think what's missing in this dialogue is the question has the local unit of government met with the property owner to determine what kind of project could go in in addition to the development of the facility. I know there are needs and wants for economic prosperity and opportunity in this community and as legislators we're quite proud of the fact that we've seen the development such as western Wyandotte County known as the Legend's and the partners that we've created through the Kansas Motor Speedway and Hollywood Casino. However, we do have a large chunk of ground that has been bought by an investor and just a little bit of the political aspect, Senate Bill 192 has been moved to Calendar and Printing which is basically a nail in the coffin for a bill unless there is a procedural move on the floor to advance it out and move it forward. That bill is, I don't want to say it's dead, but it's very difficult to say that bill will be moving forward. I anticipate another bill coming forward and I'm hearing discussion of another bill coming forward and I would strongly encourage as much as I possibly can to be as attentive on both sides as we possibly can. This delegation wants the best for our community. We have fought hard, we have a tremendous amount invested in the development out in western Wyandotte County and I have clearly stated as the democratic leader that the revenue sharing aspect and the ownership that our local government and our local community has in any development is first and foremost in my

mind and my priorities that we have local leaders that should be at the table and they should be engaged in any decisions moving forward when it comes to any kind of development let alone one that deals with casino gambling.

I will state there are a number of projects that would fit on that piece of property. I know I have taken it upon myself to reach out and try to get as much information as I possibly can so that I can come back and share it with my local leaders, my delegation, and my caucus members because I truly believe this will be an issue that will be moving forward in what language, commissioner, you stated it very well. I would like to see us have some say should this thing advance and advance in an expedited manner, but I stand ready to do our part in what's necessary to insure we protect the interest of our community. I think we're being very shortsighted if we don't engage in some kind of conversation with the previous owner or the prior owner as well as the present owner and determine what's best for the property.

Commissioner Philbrook said thank you for that lead in. I'm going to get down into the weeds and say I want to know what kind of monies we're talking that the present or the owner that is looking, the new owner, is looking to make and what shortfall they're feeling there is that they need to have this change in the law. I mean straight down until I know what kind of things they really need, not what they say they need because that's what they want, but what will really work and what kind of deal we can make. You know, let's make a deal. I think everybody can come out of this. I don't see why everybody has to stick their heals in the sand and the sand gets drug back and forth with all this stuff unless everybody likes the politics of it. I personally don't like the politics of it. I would rather we work together and came out with an answer so I would like to see them come and talk to the city seriously about what they want to see us do, how we can help, but on the other hand without slitting the throats of our present partners.

Mayor Holland said I would like to say this is one of the challenges of absentee landlords. We've had a number of development opportunities on these 400 acres that we have taken to the Grace family. I have personally spoken to the Grace family, I have personally sit down in the same room with the Grace family pitching development opportunities for them to sell their land at top dollar and they have refused to do that. They have said "you know we don't need the money. The $20M for the property we don't need it so we're willing to sit on it." The dilemma

of an absentee landlord of not being willing to let us move forward, we could have had a couple of different development offers. Greg Kindle could tell you the amount of work he has done to put that into play and we had opportunities.

One of my concerns and I think this is real, dog racing in America, I mean I think we just need to look at the numbers; I don't think dog racing in America is coming back. Dog racing is on its last leg, if you will. I don't know where dog racing goes from here and if you look at the numbers—the other thing is horseracing. Horseracing makes the news twice a year and if you look at the sports that are growing in America, soccer, we made a major investment in soccer. NASCAR, we made a major investment in NASCAR. We've been willing to be very proactive and very thoughtful in growing enterprises in the community. I don't know what the future of horseracing is. I know it benefits some very wealthy breeders in our state. I don't know in terms of the growth of how fast horseracing is growing, if at all and I would be interested in looking at the demographic of people who are going to horse races. One of the things that Sporting Kansas City talts is they have the youngest demographic of any major sport younger than baseball, younger than football, younger than hockey, younger than NBA and I think if you look at all of those sports and then added horseracing, I would be interested to see where demographically that falls in our country as to who is going to horseraces. I asked all my friends if you're going out of town to travel and you want to do something fun with your family, well you can't go with your family so forget that, if you're going with your spouse or friend is horseracing something you're looking to do with your travel dollar. It's never occurred to me but maybe it has occurred to other people so I just want to make sure that we don't end up with a smoke filed slot machine, slot parlor that's not a world-class destination. Our Hollywood Casino is a world-class casino destination. It's a full service casino. It had a minimum investment that it made; it has a first-class look and feel to it. There is no reason that anything else that's built in our city would be to a lower standard than that and the reason it's at that high standard is because of the development agreement they signed with our Unified Government. Without a development agreement and they can just come in and this can be hoisted upon our community without a development agreement from the local community and then one day the horseracing goes away and then which may be where it's headed and then we just have slot machines there. That's not a benefit to our community and the casino that it will hit the hardest of the ones in the metro area is the Hollywood Casino. It's the closest and it's the one that's going to take the

biggest hit. One of the worse things that could happen in this city and to the State of Kansas is for Hollywood Casino not to be viable. We lose Hollywood Casino and we lose a lot of money and the State of Kansas loses a lot of money and people ought to be as concerned about that as they are about reopening the Woodlands. I think that's the balance we're trying to strike. I don't know the answer to that, but it's a puzzle. It's a real puzzle in terms of how we handle this.

I would like to ask, Senator Fitzgerald, I believe you offered Senate Bill 192. Would you like to talk to us a little bit about what your hopes are?

Senator Steve Fitzgerald said I appreciate all of the comments. Mike, you obviously have some serious concerns about what could happen if there is a new bill that comes in and it seems to me when you were saying that your concerns were more about what could happen than what is actually in the bill. Am I correct in that? **Mr. Taylor** said I think you're accurate in that. I'm concerned about what type of amendments could surface or as a new bill is being structured and particularly on the percentages that are now in the current bill that would affect the local government. **Senator Fitzgerald** said so if you wanted to take the least risk alternative, it would be to pass this bill and avoid all possible changes to it that bring out all the fears that I don't think are unfounded at all. I think you're a very seasoned person in the legislature, you understand the risks that are involved there as do many if not all of us. I don't think passing the bill as it stands by the House, the Leader Burroughs has accurately portrayed it as being, well not quite in the morgue, but very close but it's dead and then there is almost dead and so in this case it's almost dead. Yet I don't think it's necessarily the worst thing that could happen is to revive it and pass it. That might not be the worst thing that could happen so I just want to put that there.

The quick history, we've had a little bit of history here and I'm not deep into the history here, but I do know a little bit about it. I don't believe that the Woodlands was ever considered to be a self-standard eyesore while it was operating. It was actually well thought of, it was a bragging point, it was a lot of economic development, a lot of jobs, it had the largest restaurant in the state of Kansas and everybody liked it and families did go there in the sunshine outside watching horseracing.

I don't want to say anything bad about Hollywood Casino, and please I wouldn't want any of my remarks to be construed that way, but it's a very nice large box smoke filled gambling casino. We don't want to do away with the smoking, as Mike pointed out, for whatever reasons.

What happened to the Woodlands? The first thing that happened to the Woodlands was Missouri allowed the boats and among others the Argosy Casino set up shop and you got into some of the problems that you're discussing now and it became a tougher industry, a little bit harder to do.

The push for gaming, expanded gaming, was largely to put slots into the Woodlands. That's what people had in mind. They were trying to put slots into the Woodlands to save the Woodlands. I wasn't at the table, and I understand it was a few people at the table standing around when they finally got this Senate Bill 66 iced down, and I don't know who had what celebrations and who was weeping but the net result of the thing was it killed the Woodlands. It went out of business because of Senate Bill 66. It was teetering because of the problem that I mentioned but they had hoped to move up instead it died. That death was not a good thing for Wyandotte County. It was not a good thing for Kansas. Why didn't the Woodlands have to put up all this good faith money and these privilege fees and so forth which was used to insure that the investors coming in were in fact going to do what they were going to do, said they were going to do because they put up earnest money, they put up good faith money that they would in fact make those investments. The Woodlands had already made those investments and far beyond those investments. Millions and millions of dollars were already there. It was standing, it was working. They didn't need to write a check and put it in escrow in order to have good faith that they were going to do it, they had already done it. They had already paid enormous amounts of taxes over the years. They were already a contributing factor to the economy. They didn't need the promise that they would do stuff. Now, the casino did promise and they have lived up to them, and like I said I don't want any of my comments to reflect badly on the casino, they are doing a good job as mentioned; but I think the Woodlands has been painted inappropriately as being a drug on the economy and a potential blight on stuff and so forth and so on. I don't think their side of it has been fully appreciated.

Mayor Holland asked would you be willing to work with us in terms of making sure there is a development agreement and making sure that there is adequate local funding that the casino is making now in any bill that you support. I mean would you be willing to work with the local community because it's in Wyandotte County and I think folks in Wyandotte County should have some say as to what that bill looks like rather than not and so would you be willing to work with us in terms of the items that have been lifted up? **Senator Fitzgerald** said first off

if it hadn't gotten killed in the first place we would have never had any of those things, but you would have had and would still have an economically contributing entity out there that would be providing a lot of those benefits already. That's just background comment on my part. I'm open to talk to anybody. I called the Hollywood Casino when I first got to Topeka to talk about the possibility of doing some of these things. The Governor's office has called and talked to Penn Gaming. We weren't able to get anywhere with any of that. I wouldn't put anything aside. You know my model is never say never because things can always get better or worse. You have to make a decision as to whether you want to avoid the risk and possibly get this bill out and done or whether you want to shoot for more on a new bill which may not get through the Senate this time. I mean we could wind up with dragging this on the same way as it has been the last seven years. Yes, I'm willing to talk, I'm willing to listen, I'm willing to entertain, I welcome that but I just want to make sure we all understand what we're all looking for is better economic development in the area.

Mayor Holland said I would suggest that I think we would agree that the Senate Bill 192 as written we absolutely don't support and so it would be better for us for that to be killed. If there is a better bill, we would like to be a part of articulating what that says.

Commissioner Markley said I was just going to say as far as the economic development side if there is one thing I think we do well as a government is development agreements and with every one we improve and we learn lessons and we're good at those agreements and I think what we've learned, and I haven't been here as long as some of you, but what I think we've learned in all these lessons is that the way to not be disappointed or not have a bad development is to be involved in the frontend and to have an agreement where the two parties put out front this is what we expect out of each other. Our success I think is evident in our Village West development, in our developments in the urban core, all of our developments that have these agreements have been successful and I think it's because we spent that time on the frontend with both parties saying listen the way for us not to be disappointed with each other is to sit down and talk about what we want this development to look like before it starts. I think we all agree that we would love to see the Woodlands be an economic factor in our county again. What I think we want to see is that discussion on the frontend saying okay what is it that we actually want to see so that we're not on the backend going this isn't what we wanted at all, this is bad for our community,

it's not what we wanted to have happen. It's not that we're saying no Woodland's, we don't want them at all, they're going to be terrible; it's that we're saying we want to have a discussion to make sure that we know what we're getting and that it is going to be a contributing factor to our economy.

Senator Fitzgerald said I understand that and I appreciate your comments and the earlier comments you made, commissioner, I would just like to clear up because you seem to have an assumption in there at least as a listener I heard an assumption. **Commissioner Philbrook** said an assumption I'm relaying from my constituents. **Senator Fitzgerald** said well the assumption I thought I heard was that the bill was written to accommodate the buyer of the Woodlands. I will tell you that bill was written and that buyer was not in mind, no buyer was in mind and there were several other potential buyers that I had thought would probably come forward. It was the bill that caused the buyer to come forward and not the other way around. **Mayor Holland** said I just wish we had been included in the discussion for the drafting of that bill.

Senator David Haley said just to weigh briefly in I appreciate this discussion. I have been and continue to be a supporter of the reopening of the Woodlands. When you look at what has happened historically with it I know that Senator Fitzgerald could speak to it, a previous Commissioner Kultala who then became a Senator did not weigh in as strongly for the redevelopment of the Woodlands as many of us felt that she could have or should have and I think that was to the benefit of now Senator Fitzgerald. I'm looking at the additional information that you provided this evening from Cole Hargrave and the new polling as to where people stand. I think we've all been provided that and I just want to say that when Commissioner Philbrook speaks of her constituency I want to be unequivocally clear that my constituents want to see something happen with the Woodlands. Maybe it's a branding issue; they would like to see it open. They have said as they gradually learn more and more of what the state legislature does or can do that whatever it takes and second to that I should share with the Commission there is some concern about the underutilization of other spaces in my district like Indian Springs and as asbestos removal is coming and as the ATA center was put in place, there is still that desire to see that which we have had that has been beneficial and the names that have been attached be it Woodlands, Indian Springs; that we make better use of prime property and prime ground. Now,

if there is a rebranding effort maybe the Woodlands isn't called the Woodlands anymore, perhaps some of my advocacy for seeing it reopened would change, but it's a very strong issue among many of us, many constituencies; not just in the area where former Senator Kultala is but certainly in the northeast area where I am as well.

Commissioner Murguia said I just want to say that I understand when people are passionate about issues and feeling left out or feeling like they have been done wrong, that they—I don't know if angry is the right word, but frustrated or disappointed by that and some of the things we've talked about including this particular issue that involves the state tonight I agree I'm mutually disappointed. I don't think what is helpful is to come across as attacking or belittling to our state legislature. It just seems very old school politics to me. The reality is this, the State of Kansas, the voters in the state of Kansas have elected who they have elected and those people that they have elected are in their mind trying to do the very best that they can do for the State of Kansas, I believe that. We local people may not like that but I think the focus should be on figuring out how to get something instead of nothing and so I go back to what Commissioner Markley and, Commissioner Philbrook, you alluded to this that I want the State to know this development matters to me and how it comes out matters to me and I stand ready, me personally, I stand ready to work with the state any way possible to come up with a win-win agreement. I want to see Hollywood Casino continue to be very successful, I'm a customer and I have a great time when I go there and I love it. I also want to see new development come to our community and be prosperous and do well also. I want to see all of those great things for Wyandotte County. The reality though is that the state elected officials get to decide so I don't want to be part of discussions that are belittling decisions that are made. I don't think that puts us in a good position to negotiate. I think we have a very highly respected County Administrator at the state level from both political parties. I think if we were to do as Markley suggest and come up with a development agreement based on what the proposal is right now that we could live with, that we think would benefit our county and we all got on the same page with that and promoted it in a positive way at the state level I believe that would get us a lot further than talking about how terrible the state is to us. I think that's very counterproductive.

Representative Louis Ruiz said it's sad that the anticipation of discussion is that the state is bad to local governments. Facts are facts. We can have opinions on why those things happen but facts are facts. You can see about the gaming, the gun control, education, and health care, all of these. As far as the Woodlands I enjoyed the Woodlands when they first opened up. When my daughter turned 18 we went out there and let her place a few bets. I did not know that Senate Bill 192 was exclusive of not including the Unified Government since it was in Wyandotte County. This is the first I've heard about it and I knew that Senator Fitzgerald was the author of the bill. I didn't know what perimeters he established and what partners he brought in. I know we have industry people here tonight listening to this debate or to this discussion and I would suggest and I know the delegation mostly reflects we want growth in Wyandotte County because what's good for Wyandotte County is good for the citizens and is good for all of us. Right now from being from Wyandotte County, a native Wyandotte Countian, as we have been in Topeka and being labeled as a substandard or a subculture of the state and even as recently we had a dark cloud over us because we were Wyandotte County and so they were praying for us down at the state level. To me that was kind of funny and we prayed for them as well. I would just kind of like to recommend, and maybe be part of the discussion and Minority Leader Burroughs I'm sure would go along with this, if Senate Bill 192 happens to face a demise in the legislature and another bill surfaces that parties be involved to discuss the UG, the delegation, and whomever wants to be involved so we can see if whatever is good in industry. We could include industry partners. Open communication is always good and that way nobody gets offended, nobody feels left out and all partners who are stakeholders as we all reflect constituencies of Wyandotte County Kansas City, Kansas, Edwardsville and Bonner Springs; and we feel good about what's happening instead of being a result of what's happening and that's my two cents.

Senator Pettey said I'm just going to go back to your original question and about the fact if there was discussion about a different bill what would be what you want to hear from us is what should be in the bill. I've been on both sides. I was here as a commissioner when Senate Bill 66 passed and was part to make decisions with the development agreement and now I'm in the Kansas Senate. I was in the House when gaming was moving along and we know it took probably from 1990 when gaming first became, maybe it was about 1992 somewhere in that range, until legislation was finally passed. That didn't happen quickly but it seems to me that

there are a couple of things. One, a comment was made about economic development. We have economic development going on so we're not talking about—we are talking about an impact but this would be in addition to not lessening what has already happened because of the Hollywood Casino. I think there are two aspects. There should be in any bill that was moving forward there should be a development agreement that has to be brought forward and includes the local units of government. That happened with Senate Bill 66 and that's why the Unified Government was able to be at the table to make some decisions before it ever moved on to the state. This has no piece in it for that to happen and so if in fact there was going to be discussion about a new bill, that certainly should have to be a piece of it and it should include all the pieces that were there before as far as percentages and what kind of investment because we're really not talking about—we're talking about something that's going to have to be totally rebuilt so we might as well be saying it. We're talking about a new piece, a totally new business because anyone who looks at the Woodlands now knows it's not going to just open their doors because it's going to be just what you said. It's going to be shotty, it's not going to be worthwhile, it's not going to be contributing and it is just going to be a slot parlor. That's all it's going to be but I don't know that that's what the owner or the maker of this bill wants to see happening, but what was the goal initially in 1998 when we first started acquiring property and the Speedway came, or we started negotiations with the Speedway, it was that it would be outstanding and be quality and that the Unified Government would have the ability to move forward and that you wouldn't have shotty development and you have been successful with that and that's the model that you want to continue to see happen. There should be a development agreement and there should be discussion about job growth impact because we have jobs now at the Hollywood Casino. Any change should have a positive job growth, not a negative job growth so it seems to me those are two pieces that are very important to look at with any future legislation that we're definitely missing in this legislation.

Mayor Holland said let me see if I can summarize. I've heard from a lot of commissioners and from Mike Taylor I think what I'm hearing is that we want to work with, Senator Fitzgerald, we would like to work with you, we would like to work with the owner, we would like to work with the industry representatives and we would like to sit down at the table and talk about what a bill might look like that we could be excited about and supportive. Does that accurately represent,

commissioners, where we're at or am I misstating that? I think we also would say in lieu of being able to sit down and be a partner at the table we were a partner on Senate Bill 66, we would be supportive of that staying in place; we were not a partner in Senate Bill 192 and we just soon that not go forward, we might be a partner in a new bill but we would like to be at the table to help negotiate that and make it something that would be great for all of Wyandotte County. Does that sound accurate?

Commissioner Walker said maybe I didn't hear it, a partner in that discussion, I hope you're implying needs to be Penn National. **Mayor Holland** said yes, as a stakeholder in the community. **Commissioner Walker** said and it might be that the answer they give us is no, hell no under any circumstances, but I think they need to be part of the dialogue as to what options could exist. Again, I go back to the idea that perhaps there is some compensatory contribution that would sooth their idea of breach of contract. Maybe not, you know I don't deal with big money; $100 is a lot of money to me so maybe there is nothing, but I think they have to be at the table as part of the discussion.

Commissioner Philbrook said I want to apologize, Senator Fitzgerald, if you thought that I was thinking that particular bill was written for them. I'm sorry if you thought that because I did not mean to imply that. What I mean to say very directly is I want them to play well together and I want us all to come to the table. That's all, that's it.

Mr. Taylor said in conclusion I will say and this is the caveat I always give, and I know you commissioners understand this and I think the legislative delegation does as well, for the citizens that might be watching; this Legislative Program this is proposed language put together based on my recommendations from what I've heard from all of you. It is your Legislative Program and I will go to Topeka and carryout whatever the directives are in this. This is my guidebook during the session. I mean if you said we want a platform in there that said go convince people that the sky is green and grass is blue, I would go over and do my best to sell that argument. This is your program so any language that you want in there and if this reflects what you've said, if not, we've got a week to tweak it. My intention is to bring it back to the Commission agenda for the December 17th meeting for formal adoption and that way we can publicize it and our citizens and

everyone else will know these are going to be our positions and our platform for the 2016 session.

Mayor Holland said I'm going to make this request of all of our commissioners and all of the representatives and senators who are here. I'm going to ask everyone to review this for the next week, make any notations. Those of you in Topeka you may read something and say boy if you worded it this way, that would be a big help to get it moving forward. You know you have that insight so we would count on your insight in terms of working with us in the language. If there is an issue that's not on the agenda that we're missing to raise that up, that would be a big help. Commissioners, we would like you to review it as well and if there are changes or additions or subtractions, we will vote on adopting it December 17th and then it will move forward as the platform. Now, we can make a change in decision January, February, and March while the session is in place. As issues move Mike brings up legislative updates all the time and if there is a new issue coming up that we need to take a stance on, we can certainly do that and give Mike direction so it's not the last bite of the apple, but certainly we want to wrap this up next week.

We appreciate those of you in Topeka to review it and to give us your feedback on it and I just can't reiterate enough my appreciation to our state delegation for all that you do for us and it's not just during the session, you have a lot of meetings particularly when you're in leadership you have a lot of meetings throughout the year so we just appreciate you working with our community and the work that you do. We have the same constituents and we appreciate the opportunity to work together.

Representative Wolfe Moore said I would like to make a couple of quick announcements. The first is our delegation yearly forum is going to be January 5th at 6:30 p.m. at the West Branch Wyandotte Library so we invite all of you to attend that. The second announcement is about Medicaid Expansion. There was a very successful forum, legislative panel and forum, in Wichita a few months ago and they are replicating that here in Kansas City. It is January 5th also during the day and I think the time is either 11:00 or 11:30 when it begins, but I can get you that. There will be a legislative panel, there will also be a business panel and once again this is going to be sponsored by the Hospital Association, the hospitals, many of the foundations in the area, many of the Chambers and so the support is really growing for this issue. If you or anyone you

know would like to come to that event that would be fabulous to show support. **Commissioner Pettey** said its 11:00 a.m. to 2:00 p.m.

Mayor Holland said I would ask Representative Burroughs as the Minority Leader, would you like to make any closing comments. **Representative Burroughs** said I want to compliment the local leaders on reaching out to your delegation. I think it's extremely important as we try to move our community forward and make the advancements that we all anticipate we can make collectively and that we continue to have this dialogue. Some of it may be tough but we all have the same end game and that is to make our community a better place not only to live and play, but also work and we stand ready to do our part and I just want to say thank you for the opportunity to hear your concerns this evening and whatever we can do to partner moving forward. My last comment would be Merry Christmas.

Mayor Holland said it's going to take us about 15 minutes to reset our technology downstairs so we will start at about 7:05 p.m. in the Commission Chambers.

MAYOR HOLLAND ADJOURNED THE MEETING AT 6:49 P.M.

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Bridgette Cobbins
Unified Government Clerk

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