

City of Shawnee Council Committee MEMORANDUM

TO: Paul Kramer - City Manager

FROM: Colin Duffy - Deputy City Manager

DATE: November 25, 2024

SUBJECT: 2025 State and Federal Legislative Priorities

BACKGROUND:

Each year, the Governing Body conducts an annual review of Federal and State Legislative Priorities to serve as a guiding document and help frame the City's position on important policy matters that may be presented during the legislative session. The Legislative Priorities serves as the basis for any testimony submitted by the City on proposed legislation and is a useful guide for Legislators to understand the positions and interests of the City.

DISCUSSION:

Dick Carter, the City's State lobbyist, of the Carter Group will present a 2024 recap and an overview of topics leading into the 2025 legislative session. Staff will then present and facilitate discussion on the proposed 2025 state and federal legislative priorities. During the discussion, staff requests additional input and revisions from the Committee.

FINANCIAL INFORMATION:

Each issue may have different financial impacts.

RESULTS:

The City has established key <u>Results</u> or goals to achieve on behalf of its citizens. This item contributes to the Result(s) of Good Governance.

IMAGINE SHAWNEE PRIORITY PILLARS:

The City has established five pillars as part of the Imagine Shawnee Strategic Plan. These pillars are the foundation of the vision for Shawnee and are utilized as a guide by staff and the Governing Body. This item supports the following Pillar(s):

• Provide exceptional city services and infrastructure

RECOMMENDATION:

Staff is seeking feedback on this item and recommends forwarding the Committee's recommendations to the December 9, 2024 City Council meeting for approval.

ATTACHMENTS:

2025 Federal Legislative Priorities 2025 State Legislative Priorities

2025 FEDERAL LEGISLATIVE PRIORITIES

This document outlines the priorities of the Governing Body for the 2025 Federal legislative session.

Community Development Block Grant (CDBG) Funding

The availability of CDBG funds is critical to the City's ongoing efforts to meet the needs of low-to moderate-income people and families, to stabilize older neighborhoods, and to support and encourage economic development and business growth. The City of Shawnee supports full funding of CDBG, commensurate with national needs. CDBG should be maintained as a separate and distinct block grant program with direct funding to cities with populations greater than 50,000; allowing maximum flexibility and local autonomy in using grant funds. Associated key policies and resources should be streamlined and reduce barriers which advance affordability, availability, quality, and access to economic and social opportunities.

Postal Facilities

The City of Shawnee and private developers want to partner with the United States Postal Service to redevelop a 1.5-acre USPS distribution facility in the City of Shawnee's revitalized downtown. This Post Office was built in 1969 and has not been maintained or upgraded in any significant way since construction. The Shawnee Post Office has and continues to generate numerous complaints due to building aesthetics, degraded and failing infrastructure, poor facility traffic circulation, and poor hours of service. This Post Office is no longer the best use for this area and does not fit Shawnee's downtown vision. In fact, it's located within a federally designated Economic Opportunity Zone created to stimulate economic reinvestment. Without any planned maintenance or upgrades to the facility, it will continue to negatively impact future growth and prosperity within downtown Shawnee.

In July of 2024, the Olathe Post Office, located at 110 N. Chestnut St. Olathe, KS, announced plans to relocate from downtown Olathe. The move was publicized as a collaborative effort between the United States Postal Service and the City of Olathe. The City of Shawnee would like to pursue a similar collaborative partnership with the USPS.

Taxable Debt Issues

The City strongly opposes any legislation that removes the tax-exempt interest status of municipal securities or any impairment in the value of the tax-exemption to investors. Removing the tax-exempt status of municipal bonds or impairing their value to investors would make issuing debt for capital projects costlier for cities.

The City also respectfully requests Congress restore issuers' pre-2018 rights to one tax-exempt advance refunding in the life of each municipal bond. Advance refunds are an important tool for issuer flexibility and to lower the overall borrowing costs for local taxpayers.

Railroad Crossing Assistance

The City of Shawnee urges Congress to reexamine the Train Horn Rule with the Federal Railroad Administration. Rules for implementing quiet zones should be less burdensome and allow for differences in community circumstances while continuing to protect public safety. The City also requests Congress provide federal funds for establishing quiet zones and consider new technology which may enhance the safety of quiet zones while minimizing or eliminating train horn noise.

The City of Shawnee requests federal funding assistance in establishing Quiet Zones and that the FRA become involved with private crossing issues.

Support Reauthorization and Full Funding of the Federal Transportation Program

Shawnee supports the continued funding of federal transportation programs in a manner that ensures dependable and strategic investment in transportation infrastructure, such as the Federal Highway Administration's Every Day Counts, Surface Transportation Reauthorization Act of 2024, and Congress's Infrastructure Investment and Jobs Act (IIJA). Programs like these provide significant investments in the nation's transportation infrastructure, specifically highway, transit and safety programs, and enhanced safety and mobility. Shawnee also supports federal funding for multi-modal transportation projects through discretionary programs and believes local governments should be eligible as sole applicants for these programs.

Rail Service

The City of Shawnee supports existing and enhanced passenger and freight rail services in Kansas. The City seeks support for the development of Amtrak's Heartland Flyer Extension and a potential passenger rail station in Shawnee. In many cases, this service is the only affordable alternative to highway transportation in communities. Changes to Amtrak service should not sacrifice this alternative nor the investments in the service.

Mental Health Funding

Mental health is a critical component of the public safety and health of the residents of Shawnee and the State of Kansas. The City supports allocating additional resources and community funding grants for mental health programs, to include support for co-responder programs. The City of Shawnee requests that public safety funding opportunities, such as the Edward Byrne Memorial Justice Assistance Grant (JAG) program and the DOJ's COPS grant, allow for spending on co-responder programs. Additionally, funds should be allocated for community mental health centers and additional bed space for patients with mental health issues.

2025 STATE LEGISLATIVE PRIORITIES

This document outlines the priorities of the Governing Body for the 2025 State legislative session.

Local Control

Home Rule Authority and Local Control

The City of Shawnee supports the retention of the Kansas' constitutional provision of local home rule authority to allow locally elected officials to conduct the business of their jurisdiction in a manner that best reflects the desires of their constituents and results in maximum benefit to that community. The City also opposes mandated responsibilities from the state without being fully funded. The closest level of government to Kansans is their local government. Preserving Home Rule and local control correctly protects the right of local elected officials and their constituents to find solutions to the issues and problems unique to their community.

Government Competition

The City supports the right of local governments to provide amenities to residents at public facilities, and the continuation of existing tax exemptions for such amenities and facilities. The City opposes legislation that financially penalizes local governments for providing amenities to residents at public facilities. We oppose property tax exemptions for private enterprises that claim to be competing with public, voter-approved facilities. Enterprises in Shawnee that would be eligible for these exemptions differ from City facilities in the type of clientele served and services offered, and therefore do not compete. We ask the legislature to resist any proposal to further exempt any specific property classification from taxation, including industry-specific exemptions. Granting specific exemptions shifts the tax burden to residents and businesses to fund essential services that benefit all

Zoning Considerations

The City of Shawnee opposes any effort to preempt the historic and traditional land use and zoning authority of local jurisdictions. Preemption undermines the local government's authority to protect public health, safety, and welfare as well as safeguard the environment and support the property values of all residents in a community.

Economic Development Incentives

The City of Shawnee supports the current structure of local and state economic development investment tools to facilitate the City's growth and developing a diversified tax base. These incentives attract businesses, foster innovation, and create jobs, boosting the local economy and improving the quality of life for residents. By strategically using incentives, the City can

encourage investment in underdeveloped areas, promote sustainable growth, and support industries that align with the City's long-term goals.

Right of Way Management

The City supports maintaining local authority for planning and right of way management, especially as it pertains to the automatic placement of cell towers in City-owned right of way.

Budget and Fiscal Impact

Property Valuation

The City of Shawnee supports a fair and consistent approach to the appraisal of property values and further supports proven techniques to value commercial properties at their highest and best use. Property valuation should be based on fair-market value as currently defined in Kansas statute. The City opposes legislation that would artificially limit or otherwise alter property appraisals to be based on hypothetical lease valuations rather than the current use. The City favors adding language to current state law to clearly indicate that fair market value does not include a hypothetical lease fee. The City also opposes caps in property valuations and limitations on valuation methods that shift the property tax burden, benefiting one category of property to the detriment of all others, as unconstitutional and inequitable.

The City supports the continued expansion of the eligibility for the Homestead Act and SAFESR (Kansas Property Tax Relief for Low Income Seniors).

Revenue Neutral Rate

The City of Shawnee requests the legislature revisit the criteria and limitations of the revenue neutral rate established in 2020. Issues include the lack of inclusions for inflation, properties returning to the tax rolls from incentives or neighborhood revitalization programs, new construction, or changes in use that increase valuation.

Avenues for Required Publications

The City supports amending current statutes to allow cities to use their websites or other commonly distributed electronic media outlets as the primary place to publish required public notices.

State Funding and Services

KPERS and KP&F Funding

The City of Shawnee supports achieving a fully funded public employee retirement system within a reasonable period of time. The system should accumulate sufficient assets during members' working lifetimes to pay all promised benefits when members retire. Any new policy changes could have a negative impact on local government employee recruitment and retention, particularly in the competitive Johnson County area. Finally, the City opposes the use of any more pension fund bonds to close the unfunded liability gap in the system.

Emergency Management

The City supports additional resources for emergency management and disaster recovery and recommends that any changes to the Kansas Emergency Management Act should consider the role of cities in responding to disasters or incidents.

Mental Health

Mental health is a critical component of the public safety and health of the residents of Shawnee and the state of Kansas. The City supports allocating additional resources for mental health programs through community funding grants, to include the support for co-responder programs. Additionally, funds should be allocated for community mental health centers and additional bed space for patients with mental health issues.

K-7 Corridor Plan - 75th Street Interchange

In 2006, Shawnee signed a memorandum of understanding with the Kansas Department of Transportation (KDOT) regarding our commitment to the K-7 Corridor Plan, which was released by KDOT in February 2006. The Plan shows a future diamond interchange at the intersection of K-7 and 75th Street. We request this project be placed on the 5-year KDOT State Transportation Improvement Plan (STIP). The City of Shawnee supports KDOT in increasing priority on the K-7 and 75th street interchange improvements and is committed to sharing funding for the project cost.

Passenger Rail and Multi-modal Transportation Development

The City of Shawnee supports a modern and sustainable transportation system that meets the needs of all Kansans. The state should invest in enhancing airport facilities and services, developing recreational trails, and improving passenger and freight rail service, such as the Heartland Flyer Extension. The City seeks support for the development of Amtrak's Heartland Flyer Extension and a potential passenger rail station in Shawnee. In many cases, this service is

the only affordable alternative to highway transportation in communities. The City also support changes to state law that make it easier and more affordable to develop these projects.

Statewide Transportation Improvement Plan

The City of Shawnee supports full funding of the State's comprehensive transportation plan known as the Eisenhower Legacy Transportation Program and vigorously opposes any movement to reallocate state transportation funding to cover state budget shortfalls, including but not limited to the dedicated sales tax intended to generate revenue to pay for projects. The City also encourages strategic selection of project funding that gives preference to projects which enhance economic development.

