

An eminent legislative issue

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Local legislators told city officials this morning they should expect proposals on eminent domain, property tax breaks for businesses and some form of a Taxpayer's Bill of Rights (TABOR) all to be introduced during the upcoming session. During a breakfast meeting with Pottawatomie County Rep. Richard Carlson and Manhattan Reps. Sydney Carlin and Tom Hawk, city officials seemed most concerned about the possibility the legislature weakening or eliminating eminent domain. That is the process by which governments condemn and buy privately owned property for public purposes. While they referred to eminent domain as a "tool of last resort," city staff and city commissioner Bruce Snead asked the lawmakers to protect it because of its potential use in Manhattan's downtown redevelopment project.

City manager Ron Fehr said losing eminent domain for redevelopment takes power away from cities and forces growth to available property outside the city core, thus robbing the city of a "vibrant downtown area." Snead said any loss of eminent domain power could endanger the completion of the project by making it impossible for the city to negotiate with owners whose property lies in a redevelopment zone. A lawsuit over property in question could take three years, he said, and by then the project would be dead. On a different note, Snead asked lawmakers to keep an eye on legislation that would exempt the purchase of machinery and equipment from the property tax. That tax currently brings in \$215 million annually; of that, \$35 million goes to schools, \$3 million goes to the state building fund, and the remainder is distributed to state governments. If that tax is eliminated, Snead said, local governments would have to find another way to come up with the money. "It's a tax shift," he said. Carlson said he was aware of the issue and said lawmakers "are very aware of the consequences for local government." He thought they'd be "held harmless" in the end. Carlson mentioned the "tremendous" effect that growth at Fort Riley would have on Pottawatomie, Geary, and Riley counties. City officials agreed it will be a "huge" benefit for the region and asked the lawmakers to look out for their constituents by supporting "tax-credit" housing, which is often used by military families who are charged rent according to their income. Associate city manager Diane Stoddard also noted an "exacerbated" need for childcare with the influx of troops with children. Carlin said she expected a "light" version of the Taxpayer Bill of Rights (TABOR) to be introduced this session. TABOR legislation generally limits increases in state spending to the rate of inflation and would make statewide tax increases subject to voter approval. Colorado recently repealed parts of its TABOR law after seeing strains on its economy and the state's universities, some of which raised tuition in excess of 20 percent. Carlson said another issue would be economic growth, with the franchise tax and workforce development being major points of discussion. "We need a better business climate," Carlson said. Hawk sees energy as a "problem and an opportunity" for the Legislature. He expects some discussion of requiring governments to use a certain percent of "green" or renewable energy, particularly if natural gas prices go as high as predicted this winter. Hawk also mentioned ethanol as a possible economic development opportunity for Kansas. He compared Kansas' handful of ethanol plants with Iowa's 30-plus plants. He said lawmakers should be asking if ethanol is viable in the Manhattan area, although he acknowledged "it takes a lot of capital to make it happen."
