



League of Women Voters Lawrence-Douglas County

P.O. Box 1072 • Lawrence, Kansas 66044-1072

May 8, 2012

The Honorable Bob Schumm, Mayor
Members of the Lawrence City Commission
Lawrence, KS 66044

RE: Regular Agenda Item No. 2

Dear Mayor Schumm and City Commissioners:

The League of Women Voters thanks you for taking this opportunity to show leadership, initiative and accountability in improving employment prospects in Lawrence and Douglas County.

The League of Women Voters believes that democratic government depends upon informed and active participation at all levels of government. We believe that this collaboration will be most successful if approached in a deliberate and detailed manner in which all questions can be addressed through a transparent and public input process. The attached letter from the Chamber of Commerce has been annotated with our comments.

As part of outlining the long-term goal and commitment to success of this collaboration, one concern is the lack of clear definition of what would be the duties, responsibilities and actions authorized for the Joint Economic Development Council (JEDC) in the implementing ordinance. The following are questions which arise:

1. Is the JEDC more than just an advisory group? Can it take action in areas where the governing bodies would normally make the decisions? This is perhaps the most critical issue.
2. Can the JEDC spend tax money? Would this have authorization from our elected officials? If so, what provision would be made for public input?
3. The decision-making structure is not clear on what actions the partnership or the Executive Committee can take. Can it enter into contracts and under what circumstances?

We believe any ordinance authorizing such a partnership must be carefully written to protect the public welfare with adequate safeguards, transparency, and responsibility to the public. These questions, if answered and defined before entering into such a binding agreement—a law—as an ordinance, will allow for a collaboration that can move forward with more public support and thus have a greater, more positive outcome for all the citizens of our community.

Thank you for your consideration of our concerns.

Very truly yours,

Carrie Lindsey
President, LWV –Lawrence/ Douglas County

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Web sites

LOCAL:

www.lawrenceleague.com

STATE:

www.lwvk.org

NATIONAL:

www.lwv.org

Email:

league@sunflower.com

ATTACHMENT



April 26, 2012

Lawrence City Commissioners
Six E. Sixth Street
Lawrence KS 66044

Douglas County Commissioners
1100 Massachusetts Street
Lawrence KS 66044

Re: Proposed Structure for the Lawrence/Douglas County/Chamber
Commerce Partnership

Dear Commissioners:

Growing the tax base in Lawrence and Douglas County is critical to its ability to provide the services its residents expect. Competition between communities in this arena is intense. Our ability to successfully create new jobs in this environment requires collaboration, cooperation and an ability to respond rapidly to seize opportunities that benefit our community.

The Lawrence Chamber of Commerce is asking the City and County to join with us to build an organization that better positions Lawrence and Douglas County to succeed in the increasingly challenging field of job creation, business recruitment and business retention.

The objective in establishing this partnership is to create an organization that enhances the relationship between the business community, the City and County and which can respond rapidly to emerging business opportunities. The partnership will establish policies to support thoughtful, positive growth within our community and create jobs for its residents.

Respond in what way?
Please elaborate.

What type of policies? Planning? Zoning? Land use? Financing?
What jurisdiction? How will they be effected?

We believe this new partnership will benefit our community in many ways:

- Attracting new businesses to Lawrence and Douglas County
- Encouraging existing businesses to grow in the community
- Creating new jobs for residents
- Creating new jobs for our graduates
- Enhancing the tax base to fund necessary City and County services that benefit all Douglas County residents

Depending on how the function of the group is defined, they could replace the elected officials in actions regarding what is defined below as the function of the group.

This partnership will include a Joint Economic Development Council (JEDC) and an Executive Committee. The Executive Committee will consist of the Lawrence City Manager, the Douglas County Administrator and the CEO of the Lawrence Chamber of Commerce.

The JEDC will be comprised of the Executive Committee, and representatives from the Lawrence City Commission; the Douglas County Commission; the University of Kansas; the Bioscience & Technology Business Center; and three local businesses. In addition, the City Administrators of Baldwin and Eudora will be invited to serve as ex-officio members of the JEDC. See the attached chart for a detailed look at the organizational structure and reporting relationships.

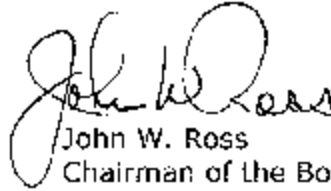
We believe this new structure will strengthen our public and private job growth partnerships and allow the communities to more effectively recruit new businesses that create quality jobs for the residents of Lawrence and Douglas County.

On behalf of the Lawrence Chamber of Commerce, we encourage your support of the proposed structure. Once this partnership is approved by the City and County Commissions, we will jointly determine our business model, develop our bylaws and identify a name for the new organization that reflects our commitment to job creation and the long-term economic wellbeing of our community. We look forward to working with you to attract and grow new jobs in Lawrence and throughout Douglas County.

Sincerely,



Hank Booth
Interim President/CEO
Lawrence Chamber of Commerce



John W. Ross
Chairman of the Board
Lawrence Chamber of Commerce

Defining your business model is where your responsibilities and function are determined. Developing the bylaws is what determines the internal function and responsibilities of the group. This proposal should not be approved until these two structures are defined and the questions raised here in these comments are answered, the function, power, and responsibilities of the group are determined, and it is made clear that this is an advisory body only and does not assume in any way the official policy, planning and administrative functions of the elected officials and the administrative personnel of the city and county and law enforcement bodies.

Proposed Reorganization of Economic Development Partnership

Joint Economic Development Council Responsibilities

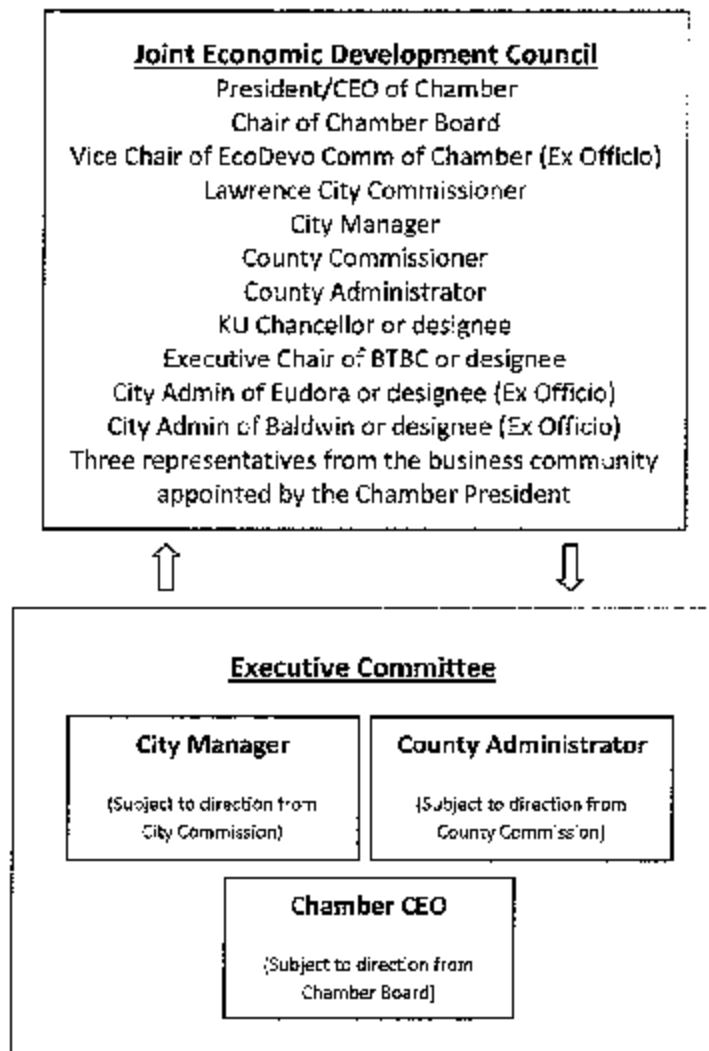
1. Supervision of budget, including approval of budget requests to Chamber Board, City Commission and County Commission.
2. Recommend policies for economic development initiatives.

Executive Committee Responsibilities **What would the economic development initiatives entail?**

1. **Day-to-day decisions related to economic development Initiatives.** ←
2. Chamber CEO consults with executive committee when making personnel decisions affecting economic development personnel **What are "economic development personnel?"**

Other Notes:

1. Chamber President involved primarily in economic development and is no longer the public advocate for business issues. Chamber President hires and supervises a COO of Chamber to handle traditional chamber services, functions and advocacy.
2. City Manager and County Administrator become part of the selection panel for Chamber President.



Bobbie Walthall

From: lauri di routh [lauridi@hotmail.com]
Sent: Tuesday, May 08, 2012 7:43 AM
To: mike dever; mikeamyx515@hotmail.com; bob schumm; hugh carter; aron cromwell
Cc: David L. Corliss; Bobbie Walthall
Subject: RE: JEDC Proposal

Commissioners,

Upon further reflection, let me offer a specific recommendation that might bring appropriate balance to the proposed JEDC body.

I suggest that appointees from the Lawrence Association of Neighborhoods; The League of Women Voters and The Sustainability Advisory Board or the Lawrence Sustainability Network be included on any joint economic development board established.

Thank you.

Laura Routh

Bobbie Walthall

From: lauri di routh [lauridi@hotmail.com]
Sent: Monday, May 07, 2012 7:06 PM
To: mike dever; mikeamyx515@hotmail.com; bob schumm; hugh carter; aron cromwell
Cc: David L. Corliss; Bobbie Walthall
Subject: JEDC Proposal

May 7, 2012

To the City Commission:

In regard to the Lawrence Chamber of Commerce's proposal that you empower the creation of an economic development board with budgetary authority, let me be clear (I will use the language of your meeting agenda):

The Commission should NOT direct staff to prepare and implementing ordinance. The proposal is entirely inappropriate.

http://www.ci.lawrence.ks.us/assets/agendas/cc/2012/05-08-12/chamber_ltr_proposed_partnership.pdf

So long as public money is on the table, **taxpayers, citizens, and neighborhoods deserve a seat at the table.**

Why on earth would the City grant the Chamber of Commerce--a notoriously insular, partisan and often combative organization, one that routinely advocates for public funding of private ventures--the power to structure and approve public incentives for economic development? Clearly, the Chamber and its appointees, left to their own devices, would have myriad conflicts of interest.

Supervision of budget requests to the City and County Commission? Executive committee autonomy?
Seriously?

Granting such an unaccountable and undemocratic body the level of power proposed would be a gross abrogation of your duties as elected officials. If it is the City's desire to create an atmosphere of cooperation and collaboration in regard to economic development, this proposal is not the right way to proceed.

The value of input--and even debate---from an informed public clearly outweighs any perceived advantage of this proposal.

Many citizens in this community, myself included, hold dear the belief that there is value in transparency and public involvement. Indeed, such involvement has preserved, in many cases, the very best things about Lawrence.

I implore you to reject this proposed reorganization.

If the City wishes to create a new economic development organization, that's terrific! But it should be done with the full participation and support of residents and neighborhoods.

As I am unable to attend Tuesday's meeting, I respectfully request that my comments, here, be made part of the public record of comment on this item.

I appreciate your consideration of my concerns.

Thanks.

Laura Routh

Kirk McClure
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(785) 842.8968

May 6, 2012

Mayor Bob Schumm	schummfoods@gmail.com
Commissioner Mike Amyx	mikeamyx515@hotmail.com
Commissioner Hugh Carter	hughcarter@sunflower.com
Commissioner Aron Cromwell	aroncromwell@gmail.com
Commissioner Mike Dever	mdever@sunflower.com
Chairman Mike Gaughan	mgaughan@douglas-county.com
Commissioner Jim Flory	jflory@douglas-county.com
Commissioner Nancy Thellman	nthellman@douglas-county.com

RE: Proposed Structure for the Lawrence/Douglas County/Chamber of Commerce Partnership

Dear Commissioners,

Economic development is a critical part of the administration of any city or county. It is complex. It requires professional expertise with knowledge of a broad body of research. It requires transparency and citizen support.

Historically, Lawrence and Douglas County have chosen to pay large sums of money to the Chamber of Commerce to implement much of the economic development planning for the city and county. The record of performance of the Chamber of Commerce is very poor.

Now the Chamber of Commerce proposes yet another structure to drive economic development planning. This latest structure would be a Joint Economic Development Council (JEDC) and an Executive Committee. Neither body would include neighborhood or taxpayer input, and neither body is staffed by skilled professionals with research-based knowledge of local economic development planning.

Record of the Chamber of Commerce in Economic Development Planning

The Record of the Chamber in economic development does not merit a continued role in local economic development planning.

- The Chamber led the City Commission into an illegal executive session to arrange an economic development subsidy with all parties present, except for taxpayers.
- The Chamber led the City Commission into many tax abatements. These tax abatements worked only 35 percent of the time. The other abatements either saw the firm fail to comply with the terms of the abatement, fail to report, or go out of business altogether. With such a poor record, it is understandable that the Chamber fought every attempt by the Public Incentives Review Commission to audit the performance of the tax abatement program.
- The Chamber repeatedly made false statements to the City Commission. Particularly, the Chamber claimed that new retail development brings jobs, sales taxes and property taxes to the community. This has been shown to be untrue. Either, the Chamber knows that the statements are untrue but chooses to make false claims, or the Chamber does not know enough about local economic development to know that the statements are untrue.

The Chamber clearly does not believe in transparency in government or in citizen involvement. If it did, it would not have led the City Commission into an illegal meeting in violation of the Kansas Open Meetings Act. The Chamber does not use the vast body of published research on local economic development planning to guide its actions. If it did, it would not have pursued the tax abatements, which even a cursory review of the research would have predicted to fail. Finally, the Chamber does not believe in honest leadership in local economic development policy. If it did, it would not have misled the City and County.

The Chamber as Advocate

The Chamber of Commerce is a business advocacy organization. Such advocacy is a legitimate activity, but it is not an activity that merits taxpayer subsidy. Nor should such advocacy lead our economic development process.

Professionalism in Economic Development Planning

As with any area of public administration, decades of research have gone into analysis of what succeeds and what fails in economic development planning. Business advocacy does not like high quality research because evidence-based research will often conflict with the inherent bias found in advocacy.

If the City and County are to be well guided, they need to rely on skilled professions who are familiar with the state of the art of local economic development planning and who answer only to the City and County commissions, not to advocates for business interests.

If the City and County are to be well guided, they need to ensure that the citizens are aware of and have input on any local economic development initiative.

Proposal of the Chamber of Commerce to Solidify its Control of Economic Development Planning

The Chamber of Commerce proposes the creation of a Joint Economic Development Council made up of 12 individuals. Six of these individuals will be Chamber officials or appointed by the Chamber plus one

more from the BTBC, an organization closely associated with the Chamber. None of the members of the JEDC represent the interests of the citizens or neighborhoods.

The Chamber proposal also creates an Executive Committee that has three members, the City Manager, the County Administrator, and the Chamber CEO. This structure provides a staff role to the Chamber CEO which should not be given to an advocate.

Recommendation

The City and County Commissions should reject the proposal of the Chamber.

The Chamber needs to be at the table where any local economic development initiative is discussed, but the Chamber should not control the table. Nor should the taxpayers be excluded from the table. Rather, the discussion should be guided by evidence-based research implemented by skilled professionals.

The JEDC, if it is to exist at all, should be staffed by skilled professional educated in local economic development planning. If the Chamber is at the table with three representatives along with three Chamber appointed business representatives plus the BTBC, there must be at least seven citizen and neighborhood representatives appointed to balance the business advocacy that has guided economic development in this community for too long.

The Executive Committee should be comprised only of staff personnel who report directly to the City or County Commission. It could benefit from inclusion of City or County staff personnel with professional skills in local economic development planning. It should not include business advocates.

Successful cities are smart cities. They are guided by the best available research. They employ knowledgeable professionals, not advocates. Their actions are open and transparent, and as a result, earn the support of the citizens. Lawrence and Douglas County deserve such success.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kirk McClure', with a long horizontal flourish extending to the right.

Kirk McClure