

Minutes for Kansas City Neighborhood Advisory Council (KCNAC) on January 11, 2005

KCNAC members in attendance: Steve Eklund, Jay R. Stock, Lynda Callon, and Rodney Sampson

Absent Members: Cynthia Canady, Forestine Beasley, Greg Hugeback, Dennis Carroll, and Bruce Pennington

City staff in attendance: Troy Schulte (Office of Budget & Finance), Colleen Low (Office of Budget & Finance), Renea Nash, Bennie Jackson, David Reynolds, and Daisy Dixon

Guests: Christy Harris (NNI)

Meeting called to order at 3:45 pm.

Old Business:

The minutes for the past two meetings were reviewed. The October 12, 2004 minutes were approved after the following revisions:

Rodney Sampson made the suggestion to Aggie Stackhaus (Land Trust) that as the lots become vacant, downzone [property] to a R1. The immediate use for residential property should drop the price considerably and the speculation. Also this gives the neighborhood the opportunity to be involved when someone wants to come into the neighborhood and purchase property for commercial use. In turn this would turn down these types of institutions.

November 9, 2004 meeting minutes were approved.

KCNAC needs proper representation from the North region. Lynda will make phone calls to determine whether scheduling is a conflict for those current members that have missed past meetings. KCNAC options would be to either accommodate the scheduling conflicts of the absent members or accept their tardiness or absentee.

Subcommittee reports:

Waste Management-Jay:

No Report

Property Maintenance-Rodney:

No Report

Liquor Control-Dennis:

No Report

Community Policing-Steve:

No Report

New Business:

No agenda was created for this meeting. The group agreed previously to turn the meeting over to Troy Schulte, Office of Budget and Finance.

Troy Schulte—In creating the upcoming up budget, particular programs of interest was used in its complying. The Preliminary budget goes to the Mayor on Friday, January 14, 2005, in which Mayor Barnes has 25 days to respond to the budget. The budget will go public in February 2005. The City is trying to preserve services much as possible as well as improve services through restructuring. Restructuring is a significant change in the budget.

A shortfall of \$30 million is projected in the budget in terms of needed/required expenditures. These required expenditures are salary, pension and benefit increases and contributions. The required expenditures far

exceed the City's revenue. The recovering of revenue through taxes has not been realized as of yet. It is projected to turn around in the future. The earning tax is struggling to meet this year's estimate. In the past, wireless technology generated the City about \$15 million annually. Due to rate reduction (fixed rates in the past) and digital phone taxation exemption, the City receives around \$8.3 million a year. Previous analysis performed shows that all of the City's revenues grow at least 60% of inflation which means that 40% of the City's revenues do not grow or decline with time.

- Sixty-five percent of the City's cost goes to salary and benefits.
- Health insurance increases by 10% each year.
- Negotiated salaries increases on average per year by 3-4%

The City is now feeling the result of the decisions (salaries increases, cost-of-living adjustments, bonds, etc) made in the 1990's.

The budget for the upcoming year will show consolidated departments and functions. After consolidation, there will be about 10 departments. For instance, the building maintenance, security, and parking, environmental management, code administration functions will be put under another department. The overall objective is to make an argument that over time departments created redundant services and functions due to the inability to coordinate services between departments. The solution is to break down the silent structures and resolve redundancy in the effort to get more efficiency to deal with significant structural problems.

Jay Stock—Did we [Neighborhood & Community Services] do some of that...have we been able to detect measurable difference?

Troy Schulte—Differences are being realized. For example, consolidation of the weed functions to the Parks and Recreation Department is now beginning to take hold of the situation. A map now exist of all the Land Trust properties in which a plan is built into the upcoming budget to allows for monthly mowing of these properties instead of the seasonal mowing in the past. There are 1,208 Land Trust properties in the core. The lack of maintenance of the Land Trust properties is a big issue among neighborhood groups.

Hopefully, HUD will resume the City's funding. Land Trust properties are an apparent issue for neighborhoods that came out of the Housing Task Force. Instead of a Community Development Block Grant (CDBG) function functioning by doing its own thing, it will function from the City Manager directions. The money (\$15 million) was really for the urban core. The urban core stretches from Vivion Road down east of Main Street...I-435. This area is designated as low- to moderate-income because of the population size. So, spending money (\$15 million) in a year for a 100 square mile radius was a waste of time as well as raising the expectations of the residents that could not perform as indicated.

Changing the way the City provides services will be a massive step, the mindset of 'individuality' within department must now be realized as each problem is everyone and not just one department—restructuring, integrated approach. Also, the City will use its resources that it already has such as architects, building maintenance. Elimination of departments and separate administrations will not dissolve the City services. Consolidation means eliminate separate administrations—HR, Budget, Administration, Management systems.

Jay Stock—Kansas City biggest problem is that is does not talk to itself. However, the consolidation sounds as if Kansas City is making a big step in communicating with itself. Lack of communication not only cost the City, but the taxpayers who calls the City and it takes twenty-five minutes before someone answers the phone.

Troy Schulte—A consolidated Action Center is another proposal for the new budget. Environmental Management is falling under Public Works. Hopefully, the only visible change will be the name on the side of the truck that says, 'Public Works' instead of 'Environmental Management'.

Another challenge is that the City has 13 different call centers and over 300 different points of access to city government. This is difficult to manage in terms of whether the caller is getting someone who is trained, knowledgeable, and professional. Developing a 'super' Action Center will be the point of access to the City

for complaints and service issues. First, citizens will phone 513-1313, and then be routed to the appropriate department. Eventually, citizens will phone 311 instead of the 1313 number. The proposed hours of the 'super' Action Center will be from 6 a.m. to 8 p.m. Also, Spanish will be an option for language. All customer service people will be trained by one group then moved into various departments. Currently, the City has several hundred customer services positions. The proposed plan is to have 35 positions. The reality is that the changes will take a while but the affect is to set the stage so when the economy does turn around, the City can continue to reduce wherever is needed for efficiency.

The City is projecting long-term efficiency. For example, instead of hiring 4 or 5 different maintenance workers for 4 or 5 different departments, the City would hire 3 workers for city-wide responsibilities. Currently, the City has at least 600 vacancies. Departmental restructuring is reviewing the open positions that are not filled. The City needs more maintenance workers versus some of the other vacancies.

Lynda Callon—Some City departments do not need more workers, but need to make to the current workers earns their pay.

Jay Stock—A caller phones Environmental Management twice in one day, it is typical for the caller to get 2 different managers. Will the new budget address the structure of development or developers within the city and the 'black hole'?

Troy Schulte—Consolidated development service functions will be address in this budget. Limiting the permitting process will help get a handle on the 'black hole' which will speed up the process. Now, there are six different departments reviewing a development process.

As a solution, hire someone with development service background from the outside to run this service and to make standard permitting process less complicated. The task of the development service person would be essential because this person is the deal maker for the City.

Typically, the Finance Department is the last to know when a development deal is done in the city until money is requested from the general fund to convert half of the money in increment over the next 23 years and abate the property taxes.

TIF in Kansas City is normally done for the maximum amount of years (20 years plus). However, the City Manager seems to be committed to doing TIF for 5 to 10 years.

Lynda Callon—Is this an additional position or in lieu with an existing position [development service]?

Troy Schulte—It is with an existing position.

Jay Stock—Will this include an investigation into someone with TIF allowances for 23 years without regards to anything else?

Troy Schulte—TIF is not [always] in the best interest of the city when extended to the maximum. For example, a developer has a \$125 million project that will cost \$6 million under TIF.

Lynda Callon—Neighborhoods must do a minimum value of \$25 million in neighborhood clean-ups, maintenance, or doing things [services] that they thought were paid for through their taxes. Under the recycling program, there are still issues such as Leaf & Brush is only open on Saturday. This leads to more illegal dumping. In the case where neighborhoods clean up on a Saturday, the only time or day to take the debris is on Sunday. This creates such issues as not having a place to take the debris and lack of storage for the collected debris.

Jay Stock—Can you legally give us an executive summary of what you are saying so that we can support it politically?

Troy Schulte—Let me check.

Jay—If we wanted to affect the outcome of this proposal, how can we deal with it at a council level?

Troy Schulte—It is struggle...the police department issue with the twenty unfilled funded positions. The City has ask that the department to get rid of the take-home vehicles [cost saving].

Lynda Callon—...twenty...The problem is that the department will not take the vehicles away from the appropriate persons. Some officers need the take-home vehicles.

Jay Stock—Street level audit is needed...a count of the number of parked cars that are not in use. The City audit is available.

Troy Schulte—The big money is getting better efficiency. Police is a separate entity that is under state government, which the department has a separate HR, pension plan from the rest of the [city government]. Previous base pension rate was 6%, which is now 12% in the general fund (\$7 million average) this excludes police and fire.

Jay Stock—Civilian pension plan is considerably different from fire and police. Has anyone tried to bring this matter in line?

Troy Schulte—The MAST analysis wants a Defined Benefit Pension plan which is very expensive. Defined Contribution System is better because the risk of the market going down...it better from a budget standpoint. This is the first budget that is not being cut in mid-stream. The City has only 1% revenue. Accountability is the key.

Having Mike Shaw, Environmental Management, on staff makes it possible to put it as a division under Public Works and function without the public noticing the change. Deffenbaugh is up for renewal of the solid waste collection contract. The company is proposing to increase their rates.

The City is prepared to begin picking up trash from the airport down to 63rd Street. Eventually, maybe the City will ease into picking up solid waste but there are economies of scale and efficiencies to be gained. The argument is that if neighborhood cleanliness is the issue and not the most the effective way to discard the solid waste, then may be put the resources in neighborhood cleanliness.

This budget is allowing for 20 positions in Solid Waste collection if the city is forced to collect trash.

Lynda Callon—What about the landfills? Doesn't Deffenbaugh control them?

Troy Schulte—Landfill is an issue. Deffenbaugh controls one, which is located in Kansas. This is the landfill where Deffenbaugh takes all of the residential solid waste. Another issue is that the other landfills are not able to take the waste.

Rodney Sampson—When did we [City] get out of the Solid Waste collection?

Troy Schulte—About 30 years ago, the issue is cost and not cleanliness.

Lynda Callon—A serious consideration of increasing property taxes at some point is an option. But from the community or neighborhood level, the citizens are already not receiving services that they were told would be provided with increased taxes...paying for more but receiving less.

Jay Stock—In the Northland, there are some areas that are undeveloped, so the use of land quantity versus population is inadequate argument.

Troy Schulte—The police department issue is that they need additional officers according to the land size.

Jay Stock—It is no logical to put 10 officers at Cookingham Drive where only 50 people live. It must be realistic when putting officers where the people are when dealing with response time.

Troy—

Lynda Callon—Why are we [City] following obsolete trends by allowing builders to do what people [developers] on the West Coast were forced to stop 10 years ago? The control must come from the City and not the developers.

Jay Stock—Improper use of the fire trucks by the fire department...using the trucks for personal use...going to the grocery store.

Troy Schulte—The culture of the fire department would have to change. It cost money to move those large trucks.

Lynda Callon—Consolidation may pose a problem when there is no accountability within a department, specifically Parks & Rec.

Troy Schulte—Consolidation has been taken out of Parks & Rec.

Jay Stock—Will there be an increase in the budget for the auditor's department?

Troy Schulte—In difficult times, the focus is on resources that provides core services to the residents. The City Manager's staff is less than the City Auditor's staff. The need is to invest in putting enough staff on the front end versus having the staff on the back to catch things that should not have been from the start. A total of 125 filled positions will be eliminated.

Lynda Callon—That is hurtful.

Jay Stock—How do you think Neighborhood & Community Services Department will fair in the 2005-2006 budget?

Troy Schulte—It is will fair well.

A restructured solid waste collection, bulky item, leaf & brush and recycle program with Mike Shaw who spear headed the project. Leaf & brush will move into the retail operation—a private site instead of city-owned. The location is Highway 40, which will be open 7 days a week at no cost function to the City.

The illegal dumping enforcement is restructured into Public Works. According to a study completed a few years ago, Public Works Street Maintenance staff spends about 10% of their time cleaning up dumpsites along the roads. Previously there were jurisdictional issues. Department of Environmental Management, Public Works, and Neighborhood & Community Services Department were all spending resources on illegal dumping.

Lynda Callon—The money was being bounced around...

Troy Schulte—Public Works Department has twenty-five labor leaders that are spending their time on illegal dumping.

Jay Stock—And another 10% of their time may be spend on leaf & brush.

Troy Schulte—Code Enforcement salaries are increased and adjusted. In the CDBG, provision is made to put another 6 or 7 people in doing systematic inspections in the [urban] core. This will reduce the duties of the Code Enforcement officers. The objective of systematic inspections is not necessarily to throw the book

at the citizens but to inform them of available services. For example the paint program may be implemented into the Minor Home Repair Program after the program's restructuring.

Jay Stock—Licensing of landlords or Landlord registration are two schools of thought. It is likely that more public acceptance will be from landlord registration simply because under registration there will be someone to send to jail...City imposes a reasonable fee...

Rodney Sampson--...pay...

Troy Schulte—A proposed recommendation is to suspend recreational programs for one year, because of issues with the facilities, providing the right recreational activities...

Lynda Callon—Parks & Rec do not hire the right people for the job. Last year, the department got rid of the contract people, which was responsible for bringing in the revenues. During one winter break Lynda oversee a program at a community center, there was 70-80 children from the community at the center. The director stated that the staff needed to overseeing programs at the center. Therefore, a non-Park & Rec staff cannot run a program. In two days, the children attendance went from 70 to 0 due to the staff. Because the staff is held in high regards, the children are being punished. The children are not able to use the facility. What is another way to do this?

Troy Schulte—Maybe, it is looking at the functions of various programs.

Lynda Callon—Staffing problems...not using the money for the children. Parks & Rec lack management, integrity, auditing and check & balance. However, other programs are successful. But some are suffering.

Jay Stock—Do we [City] have an industrial engineering department that looks at these jobs?

Troy Schulte—Colleen is developing performance measures that can be used as an on-going measurement. Again, the mindset has to change from what has been done traditionally.

Lynda Callon—In Community Policing, the police measures it when they make any movement such as going to City Hall for an events...

Jay—The fire department measures when a truck goes out instead of sending an EMT/Ambulance to the scene. A performance measurement is needed to change a lot of things as well as how the money is spent or allocated.

Troy Schulte—Neighborhood & Community Services Department was able to come up with a performance measurement.

Lynda Callon—Do not give them their money [when departments/divisions have poor performances].

Jay Stock—...allowed to spend what is available or making the money available. Statistics shows that the fatality rate is twice as high in municipal groups [road department] than in the fire department.

Rodney Sampson—At 31st Street and Main Street, there are two barriers in the middle of the street that was once next to the fire hydrant.

Jay Stock—The Finance Department is the only tool that can address issues of the City. Control is needed.

Troy Schulte---...Overland Park is building its new arena and downtown area, which will make it more difficult for Kansas City arena to be successful...Jackson County budget process...the issue is that they advocate their responsibilities when things get bad the City steps in. Now the City has a Domestic Violence Prosecution program and a Domestic Violence Advocacy and Outreach program with all of these programs, how can we maintain the Land Trust properties? There are continuing issues such as the Drug Court problems. MCI is a debtor's prison—housing chronically, mentally-ill—which is something that the City has to deal with. Hired consultants have verified that the City needs to look at alternate sentencing or stop writing municipal infractions that has sentencing. In a domestic case, if a man hits his wife and she receives bruises then it is a City offense, however if she bleeds, then it is a State offense. Jackson County needs to put more resources into solving these problems...continuing cutbacks of federal, state and county support...the county is not paying for the collection of trash, inspections, street resurfacing, street lights...

Rodney Sampson—The County is picking up our taxes.

Lynda Callon—Kansas City needs to send some of its citizen groups down to Jefferson City to lobby for the various issues rather than the lobbyists that are already there. It makes a difference when ordinary people lobby in Jefferson City.

Jay Stock—This is our responsibility...like with the arena, we must respond through email, phoning citizens, government...to make a difference. We are not getting the results that we need to get on various issues. We need more public involvement on such issues as the budget, etc.

Lynda Callon—Language is a problem for non-English speaking residents. Citizens moving here from another country usually cannot learn the language very quickly.

Rodney Sampson—Their citizenship should depend upon them learning the language fast.

Lynda Callon—It does not work that way.

Jay Stock—Do you feel comfortable that we are going to have a stronger codes inspection?

Troy Schulte—There will be some issues such as with the recycling drop-off centers.

Rodney Sampson---...drop-off...

Troy Schulte—The roll-out of the curb-side recycling to every resident in the City costs the City \$1.9 million a year in rebates to multi-family property owners with units greater than 6 or more. Because of a 35-year old legal...which says because the property owner does not have trash, the owners receives a rebate on his/her earnings tax collection based on the contract clause. The rebate does not go to the individual rent payer but a subsidy to the landlord. We are trying to make an argument/recommendation to close the Recycling Centers because the primary beneficiaries are the multi-families units. This will say that we no longer are providing the unlimited trash collection nor providing the same trash services by the City. We want those dollars back and then we will provide Recycling Centers as oppose to providing everything and paying the property owners too. Another issue is that Environmental Management was too cozy with Bridging the Gap.

Jay Schulte—Why should we operate a Recycling Center at all?

Rodney Sampson—Curbside recycling does not pick up everything like glass...

Lynda Callon—Glass, Styrofoam, metal...

Troy Schulte—These are issues that we will have to wrestle with to bring things back in line to avoid paying for something twice. Leverage the \$2 million back into the City, then recycling could be on a weekly basis.

Jay Stock—How is it based on per household?

Troy Schulte—Based on the number of tenants occupied.

Jay Stock—Which is the same as ...individuals?

Troy Schulte—With 6 or more units, you can petition the City...

Tape recording ended.

Meeting adjourned at 5:40 pm.