

# VALLEY CENTER ECONOMIC DEVELOPMENT BOARD MEETING MINUTES

Thursday, February 4, 2021 1:00 P.M.

Valley Center City Hall, 121 S. Meridian Avenue, Valley Center, KS

(via Zoom <https://us02web.zoom.us/j/84601383962?pwd=dGN0N0JaN051dlI5WHBFVlJlMncyQT09>)

## MEETING WAS CALLED TO ORDER AT 1:03 P.M. THOSE IN ATTENDANCE:

Ben Anderson  
Ron Colbert  
Ashley Martin  
Brian Haight  
Randy Jackson  
Brent Clark, City Administrator  
Ryan Shrack, Community Development Director  
Angie Basden, Community Development Assistant

## APPROVAL OF DRAFT MINUTES

Motion was made by Haight and seconded by Colbert to approve the minutes of the January 6, 2020 meeting. Vote was unanimous.

**OLD BUSINESS:** None

## NEW BUSINESS:

### A. Annual Tax Abatement Request from Safarik Tool Co.



**Date:** January 28, 2021

**To:** City of Valley Center Economic Development Board

**From:** Ryan W. Shrack, Community Development Director

**RE: 2021 Review of Safarik Tool Co. Annual Claim for Property Taxation Abatement**

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#### **History:**

The Valley Center City Council approved a property tax abatement for Safarik Tool Co.:

1. An exemption was granted in October 2014 based upon significant investments made at the factory in 2014-2015. The first year of this abatement was 2016. This abatement will expire on December 31, 2021.

#### **Present Situation:**

Safarik Tool Co. had previously increased their employment from 14 employees in 2014 to 42 employees as of January 1, 2020. Due to the Boeing 737-Max grounding and COVID-19 pandemic, the company had reduced its workforce during 2020 and currently employs 25 individuals. The company projects that it will increase its workforce to 45 by the end of 2021. The original 2014 approved agreement showed a projected 24 employees to be employed by the company by the end of 2015.

In 2018, the company completed construction of a new 11,000 square foot addition to the existing facility. This building project was valued at over \$550,000. The company spent \$2 million in new capital expenditures during 2019.

#### **Recommendation of Economic Development Board to the City Council:**

The Economic Development Board recommends to the City Council \_\_\_\_\_ of Safarik Tool Co.'s property tax abatement agreement for 2021 (in its 6<sup>th</sup> year of a 6 year agreement), based on their trend of increasing employment and making further capital improvements at its facility since 2015.

Shrack summarized that 2021 is the last year for this tax abatement that was approved previously by City Council. In 2020, the company had 45 full-time employees, however, when the Boeing 737 Max was grounded, coupled with the COVID-19 pandemic, it affected the workforce causing the company to go back down to 25 full-time employees. However, in the original tax abatement agreement from 2015, the company agreed to have 24 full-time employees. The company is currently on the rebound and projected to be back up to 45 full-time employees by the end of this year. Shrack also stated significant improvements were made by the company for capital expenditures and the building expansion in 2018-19.

Anderson asked for confirmation that 2021 was the last year, Ryan stated it was approved by City Council for a total of 6 years and this is the last year.

Motion was made by Jackson with a second by Colbert to approve the tax abatement request. Anderson then went on to request a roll call vote. Shrack called out the names as follows:

Ben Anderson-Yes  
Brian Haight-Yes  
Randy Jackson-Yes  
Ron Colbert-Yes  
Ashley Martin-Yes

Anderson confirmed that the Motion passed 5-0.

## **B. GENERAL DISCUSSION:**

Shrack explained there are a couple of volunteer opportunities for the Board members. He needs a volunteer to attend a meeting the City consultant RDG is holding for a visioning session on Mar 11<sup>th</sup> from 9:00 a.m. to noon via ZOOM to discuss goals/objectives of the feedback received from key stakeholder groups and the steering committee for the new three-year strategic plan. Input received at this meeting will also be included in a draft that will be presented to City Council. Ashley Martin volunteered. Shrack thanked her and advised he would send out the ZOOM link later.

The City of Valley Center will have a booth at the Home Show sponsored by WABA that will be held Feb 25-Feb 28 and he is looking for volunteers to market the City of Valley Center while working the booth. He asked for volunteers to email or call him. Masks will be required.

Shrack also mentioned that the Kansas Department of Commerce has been working on the Kansas Framework for Growth- a guideline for economic growth. It was finalized and released today. The document can be found on the Department of Commerce website, it gives insight on future growth and stimulation of the Kansas economy.

Brent displayed the magazine Kansas Punching Above Our Weight. It is a marketing magazine that is being sent out with Site Selector magazine to Economic Development departments. The City of Valley Center was included in this magazine. Brent stated that the City of Valley Center was the only one outside of Wichita that chose to advertise in this magazine, and he believes it will help the City of Valley Center stand out.

Anderson mentioned that City Council did approve the Economic Development policy and there was information presented regarding a TIF (Tax Increment Finance) district. A developer is interested in finishing the Prairie Lakes development. Brent explained the reason the 310 lots qualify for the TIF is because it is within the 100-year floodplain and that is a qualifying factor. There will be improvements on Seneca Street- a new bridge over the floodway to allow more water to flow through to alleviate any flooding/water issues.

Additionally, Seneca will be a brand-new road with two lanes and a turn lane. Ryan mentioned that the goal is for the 310 lots to eventually be built up out of the 100- year floodplain with a created retention basin. This project will have to be reviewed and may take a while to approve contingent on State and Federal requirements.

Martin inquired about the status of the new rec. center. Brent is still working on plan specifics and seeing how funding is coming along, but construction most likely will begin in 2023.

Jackson inquired on update for Ford Street project. Brent explained waiting on KDOT for the grant. As soon as we have the grant, the plans are almost 100% completed. Looking for bids to go out in April or May of 2021, with construction to begin in the summer. As always, things are subject to change at any time.

#### **ADJOURNMENT**

Motion was made by Jackson and seconded by Colbert to adjourn the meeting. Motion was unanimous. Meeting was adjourned at 1:40 P.M.

Respectfully submitted,

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Ryan Shrack, Economic Development Board Secretary