



## State of the County – Chairman Ed Eilert March 27, 2018

Good afternoon, ladies and gentlemen.

Thank you, Lisa, for that introduction and thanks to the Johnson County Chamber's Public Policy Council and Overland Park Chamber of Commerce for their assistance and support in coordinating today's luncheon.

I thank all of you present for coming today to receive the 2018 State of the County address.

In addition, I want to recognize individuals who have joined us today.

Johnson County Commissioners who are present:

- Jim Allen-Vice Chair and Second District representative;
- Ron Shaffer-First District;
- Steve Klika-Third District;
- Jason Osterhaus-Fourth District;
- Michael Ashcraft-Fifth District; and,
- Mike Brown-Sixth District.

Also with us today are District Attorney Steve Howe, Sheriff Calvin Hayden, Chief District Court Judge Kelly Ryan, and Interim County Manager Penny Postoak Ferguson.

I would also like to thank former County Manager Hannes Zacharias for his 16 years of public service to Johnson County. We wish him well in his future endeavors.

Finally, I would like to make a special introduction of a Johnson County native, my wife, Jan.

An annual State of the County presentation allows us to recall achievements in the critical mission of Johnson County Government in protecting and serving more than 590,000 residents in so many ways. These accomplishments would not have been possible without the commitment of our county workforce at all levels, in all departments.

Every day in many different ways, the work county employees do and the public service they provide, touches people's lives. Some impacts are small — some are large — **ALL** are important.

Across county government, the work of our employees is consistently identified as the best-of-the-best by their peers and by accreditation programs. In the past year, county departments and employees have received more than 30 national awards from professional organizations with recognition from international, state, regional and local associations.

I thank all of them for all they do to improve the lives of Johnson County residents.

It's also important to thank our business community and local chambers of commerce in contributing to the many successes in Johnson County in economic development and job growth to attract new residents and businesses, and also welcoming a growing diverse population and providing opportunities for all.

Looking back over the past year and as we start 2018, I have never been more excited about our present and optimistic about our future.

We are fulfilling county government's core mission of providing public programs and services that our residents demand and expect. One strategic priority of the Board of County Commissioners is delivering on our promise to build new libraries and open new parks and trails. We are moving ahead to complete important capital projects, including construction of a new courthouse and a medical examiner's facility along with expansion of the Tomahawk Creek Wastewater Treatment Facility.

As a result, the state of our county is strong and promising.

We are fortunate to live in one of the nation's best places to obtain an education, earn a living, raise a family, build a business and retire.

Johnson County was the only county in Kansas or Missouri to make USA Today's list of the 25 best counties in the nation to live. Our county was ranked No. 23 out of more than 3,000 counties. That puts us in the top 1 percent in the country.

Our highly-educated population is one reason USA Today counted us among the best of the best. Almost 54 percent of county adults have a bachelor's degree, the largest percentage in Kansas and far above the national college attainment rate of 30 percent. Education, including job skills training, is the foundation supporting economic development in Johnson County.

Our residents agree with USA Today. The highest satisfaction rating in the 2017 Community Survey was 97 percent for our county being a great place to live.

Ninety-six (96) percent of our residents rated Johnson County as a great place to raise children and 90 percent as a great place to work.

The county's public safety services received a 92 percent rating in the 2017 survey. All percentages in the latest survey were far higher than national and large community averages. These numbers reflect the good work of all of our communities.

I would like to share with you some of the other data I think supports the USA Today ranking, making Johnson County top in the nation.

Ending 2017 and heading into the first quarter of this year, we continue to have a very strong economy in Johnson County.

According to the County Economic Research Institute, CERI, the jobless rate for Johnson County in December 2017 was only 2.5 percent. The county's year-ending jobless rate was better than the Kansas rate of 3.0 percent, the Kansas City metro's 3.3 percent and a national rate of 3.9 percent.

Since employment growth resumed following the Great Recession, nearly 48,000 jobs have been created in Johnson County which accounts for 75 percent of the total employment growth statewide. By the third quarter of 2017, the latest data available from the U.S. Bureau of Labor Statistics, Johnson County was home to 23,800 businesses employing nearly 344,000 workers. That represents one of every four jobs in Kansas!

Retail sales in Johnson County totaled more than \$12.5 billion. That was a 2.3 percent increase in 2017 and represented 26 percent of the retail sales in Kansas.

In addition, the county's housing market had a 21 percent increase in building permits for single-family units, ending the year with the issuance of more than 2,000 permits.

According to the Appraiser's Office, the average price of all homes sold last year in Johnson County rose to more than \$314,000. The increases can be attributed to low supply in segments of our housing market and the huge demand for those particular homes.

Now, let's talk about a few bottom lines regarding county government. The county's annual budget reflects a common-sense balance to address the needs of our residents and support positive change for our entire community and investment in our future.

It's always important to remember two things about our county budget. First, we always balance our budget. And second, our county's mill levy remains the lowest in Kansas for county government operations out of the 105 counties in the state and includes a mill levy reduction in 2018.

Property, sales and other taxes account for about 47 percent of the budget revenue. Charges for services provide 26 percent of the funding with the balance coming from other revenue sources, including 8 percent from intergovernmental funding by state and federal governments.

On the debit side of the ledger, 24 percent of our budget goes to infrastructure, including wastewater. Twenty-three percent goes to pay expenditures for public safety, judicial and emergency services. Another 23 percent is set aside for budgeted reserves.

Reserves are important to maintain Johnson County's AAA GO bond ratings by the nation's bond rating agencies. Top bond ratings affirm our stewardship of taxpayer funds, reflect our fiscal strength and allow our county government to finance critical improvements at the lowest possible interest costs to our residents.

The county budget funds important projects to build, improve and maintain infrastructure that benefit all of Johnson County. It includes the 2018 Capital Improvement Plan that funds wastewater, roads and stormwater projects in more than a dozen cities; new voting machines for the election office and ongoing improvements to the county's park and library systems.

Our parks and libraries continue to receive the highest marks from county residents.

In 2017, the Johnson County Park & Recreation District earned high praise in a professional review and was awarded the National Gold Medal for Excellence in Park and Recreation Management.

Ongoing work on park system projects will be evident this year with the completion of several facilities.

The Phase I opening of Big Bull Creek Park between Edgerton and Gardner will be celebrated later this spring. This phase includes a discover nature playground, shelters, restrooms and a group campground.

The new beach facility at Shawnee Mission Park Lake will be ready in time for the Memorial Day weekend and summer fun for residents.

Inclusive playground equipment, which allows children of varying abilities to play together without physical or social barriers, is being added this summer at Stilwell Community Park and Shawnee Mission Park.

Later this year, the 80-acre Meadowbrook Park will be completed in Prairie Village. It includes a new clubhouse, a destination playground, large pavilion shelter and outdoor fitness equipment.

With the addition of both parks, the Park & Recreation District will have 16 developed parks, including four streamway trail parks.

One of the county's treasures is the walking and biking trails system. Last fall, the 3.5-mile Coffee Creek Streamway Trail was added to the pathway at Heritage Park in Olathe.

The park district's paved trail system now spans 47 miles with that addition. It will expand farther with the openings of Big Bull Creek Park and almost four miles of new trails at Meadowbrook Park.

Working with 10 of our cities, Johnson County's remarkable trail network connects more than 300 miles.

The Arts & Heritage Center opened in June of 2017. Through the end of the year, spanning only seven months, the center was very popular, attracting more than 32,500 visitors to participate in classes and programs, enjoy seven indoor theater productions and attend 149 activities in the event space.

Johnson County Museum was equally busy with almost 45,500 participants in tours and programs, including the popular KidScape. The Museum Foundation added almost 1,800 new members after having only 273 memberships in 2016.

All across our community we are working together with local governments, educators and employers to develop a ready and reliable workforce.

Project SEARCH, a unique program at Johnson County Developmental Supports, is an education and employment effort in workforce development for individuals with intellectual or developmental disabilities.

Participants complete internships in Johnson County Government and at the Olathe Embassy Suites Convention Center to learn marketable, transferable work skills. The goal is employment for each intern. ((*First Video*))

Project SEARCH graduates are highly motivated employees entering the workforce. They seek the opportunity to demonstrate their skills, be self-sufficient and feel valued. We need to continue to open doors for them.

A special thank you to the job coaches and our Johnson County Government employees and these private sector companies for their support. Job well done! Your continued participation is very important.

Bridging the gap between skilled jobs and qualified applicants requires ongoing community focus. Students and residents must have access to the education and training they need in order to achieve a lifetime of success.

A qualified and skilled workforce is critical to continue to attract and retain business.

The primary focus for organizations such as Workforce Partnership in Johnson, Wyandotte and Leavenworth counties is workforce development.

With a newly opened office in Lenexa, Workforce Partnership provides professional expertise and services that meet the needs of both job seekers and employers throughout the region.

Workforce Partnership, along with regional partners, recently began a program with the county's Department of Corrections to train clients to become construction workers. The new program involves probation eligible offenders who are learning a variety of skilled trades such as framing, electrical, heating and air conditioning and plumbing training from contractors.

Keely Schneider, executive director of Workforce Partnership, shares with us other ways the organization is connecting local employers with qualified job candidates. ((*Second Video*))

Thank you, Keely. And thank you for directing the Workforce Partnership to connect businesses with schools to ensure we have the right skills to match to the right companies.

Entrepreneurship is another pillar to develop workforce opportunities and job creation. The Enterprise Center of Johnson County, partially funded by Johnson County Government along with foundation grants and private dollars, was organized in 1995 to stimulate local and regional business creation and employment.

The Enterprise Center of Johnson County continues to be a leader, providing affordable office space, consultation, mentoring, education and access to capital. Over the past decade through the end of 2017, the Enterprise Center helped in the creation of more than 2,900 direct jobs and over 12,500 indirect jobs; generated \$483 million in private capital leveraged by 83 companies; and had an economic benefit of more than \$3.3 billion in the metro area.

The Mid-America Angel Investor program, under the leadership of Rick Vaughn, has established additional Angel Investor programs in Topeka and Manhattan. As he considers retirement, I want to give special recognition to Rick for his service to our county and his tireless commitment to business and job creation.

The Women's Business Center, established in 2000 by Sherry Turner, operates as part of the Enterprise Center. The program supports women entrepreneurs and provides the tools they need to start their own business, like restaurant owner Ann Scida, who made the most of a micro-loan supported by grants and private foundations and provided by the Women's Business Center. ((*Third Video*))

Ann, thank you for sharing how the Women's Business Center has helped you as an entrepreneur. And Sherry, thank you for your outstanding leadership and direction. Thanks also to Rick, Enterprise Center of Johnson County CEO George Hansen, supporting staff and the board of directors for their work at the Enterprise Center as they continue to build a foundation for new business opportunities in Johnson County.

Area high schools and Johnson County Community College provide advanced technical and mechanical skills training and certifications in a range of areas.

The message we must share is clear: "The opportunity to train or retrain is available here at home. You can gain a marketable skill in Johnson County."

Now, let's look at the job growth in southwest Johnson County.

Since October 2013, nearly 4,000 jobs have been created at the BNSF Railway Intermodal and Logistics Park Kansas City in Edgerton.

This thriving complex of businesses, warehouses and distribution centers attracts new tenants with plans to expand, resulting in hundreds of new jobs in 2018 and beyond.

A reliable, accessible transportation system focused on the mobility of our residents and workers is one of the strategic priorities of the Board of County Commissioners.

Starting in April, Johnson County Government, in partnership with the Kansas City Area Transportation Authority, will provide a new RideKC bus service to connect workers and job seekers in the metro to employment centers in the Edgerton and Gardner area. This service will be the first reverse commuter route designed specifically as a jobs connector in the region with morning, afternoon, evening and weekend schedules to meet shift times at the Logistics Park.

We say a special “thank you” to the Kansas Department of Transportation which provided \$168,000 in grant funds for the new commuter service with daily morning and afternoon trips from the Three-Trails Transit Center in south Kansas City. It is a win-win situation for both employers and employees who are working and doing business in Johnson County.

Details of the design of the new Johnson County Courthouse were presented to the commission last week. The project in downtown Olathe will begin construction after a groundbreaking in July.

The 28-courtroom facility is expected to open by midyear of 2021 to serve the community’s justice needs for the next 75 years and beyond. The site of the existing courthouse will become green space for a court square.

Construction of the new medical examiner’s facility, near the county’s Crime Laboratory, will start with a groundbreaking by the end of this year. The facility will be completed in late 2019 and be fully operational in 2020.

Both important projects are funded by a 10-year, quarter-cent public safety sales tax voters approved in 2016.

The new Lenexa library is an example of city-county teamwork. The county is working with Lenexa as part of the City Center’s ongoing development. Construction of the new branch began in late 2017 with completion scheduled in mid-2019.

The opening of our newest branch, however, is only a few months away when the Monticello location will be completed in western Shawnee. It will feature high-tech meeting rooms; a flexible, open design that can be adapted as community needs change; and technology that patrons can use throughout the building.

The library’s ongoing comprehensive master facility plan also includes rebuilding the Antioch and Corinth branches. The Blue Valley location is also slated to be expanded.

The largest capital project in county government’s history is the expansion and rebuild of the Tomahawk Creek Wastewater Treatment Facility in Leawood at I-435 and Mission Road.

In two days, the Board of County Commissioners will be asked to authorize the construction phase of the wastewater project. Decommissioning the plant and excavation work will begin this summer with major concrete work beginning in early 2019.

The Tomahawk Creek facility now treats 7 million gallons per day. That represents 40 percent of the wastewater collected from parts of Leawood, Olathe, Overland Park and Prairie Village. The remaining 60 percent is sent to Kansas City, Mo., for treatment at steep and rising rates.

The Tomahawk Creek Treatment Facility is scheduled to begin treating all wastewater flow by the end of 2021. That will end the costly need for Kansas City to treat our wastewater from this site, saving more than \$16 million annually and long-term savings will be in the hundreds of millions. The upgraded facility is also intended to meet stricter federal environmental standards.

Brick and mortar are necessary community investments. But equally or more important are the investments in our residents. No department in our county fulfills that mission more directly than our Human Services Department. It serves as a central safety net and lifeline for senior adults, children, people with disabilities and low-income families.

Last year, the department provided housing assistance to more than 3,000 residents; 43 percent of them were children. More than 3,700 rides were provided to residents through the Catch-A-Ride program. The Meals on Wheels program and its dedicated volunteers delivered more than 212,000 meals to help seniors live independently in their homes for as long as possible.

These programs would not be available without the tremendous volunteers who provide the rides, deliver the meals, staff food pantries and help in other programs. In 2017, almost 26,000 hours of community service were provided by nearly 1,200 volunteers.

Another important human service is provided by the Mental Health Center. Mental health issues touch one in five people over the course of a lifetime. And, we know that with treatment and support, improvement and recovery is possible.

Our mental health professionals continue to work with community partners to identify and implement effective strategies and public awareness regarding ongoing concerns about opioid and

substance use and suicide prevention. The Mental Health Center's 24/7 crisis line received more than 21,250 calls last year in responding to mental health crises and helping residents at risk in Johnson County.

With \$150,000 in funding by UnitedHealthcare, our Mental Health Center is the first provider in the nation to participate in a year-long pilot in partnership with Dartmouth College that provides transportation for patients to medical services and other appointments, including employment. In the first three months, the project provided 429 rides, resulting in clients missing fewer appointments and securing and keeping jobs.

Another strategic priority is development and implementation of a comprehensive plan to protect, support, integrate and use county government's data and online systems to serve and inform our residents.

Visiting the Johnson County DMV to renew vehicle registration has become the least-desired option for residents. Seventy-eight percent of the more than 465,000 renewals in 2017 were done online or by mail. Another 4 percent of the renewals were completed through new self-service kiosks at both DMV offices.

For those who need to visit the DMV in person, a QLess app allows those individuals to check in online and join a virtual line, providing a text message and updating them on their wait time.

The Election Office recently unveiled a new website, the first redesign in 12 years, to make it easier for the approximately 400,000 county voters to review election information, important dates and candidate filings as the county prepares for the upcoming fall elections.

Later this week, the Johnson County Park & Recreation District will launch a new website that's fully optimized for mobile devices, improves accessibility to information by being user-friendly and compliant with the Americans with Disabilities Act.

Other digital advantages and technological advances are in the works.

The Department of Technology and Innovation is now putting together a comprehensive strategy to include:

- replacing the county's main website with a user-centric, service-oriented website that works on any mobile device;
- creating a mobile app for residents to conduct county business or connect to county resources and services; and,
- maintaining and enhancing the county's ongoing cybersecurity efforts to protect all data, all information and the county's computer systems from cyber threats.

It's important for county government to review and implement these objectives for two reasons. It makes good business sense to improve efficiency and to protect county and residents' data.

One of our growing challenges is the necessity for highway improvements. Traffic congestion and bottlenecks on our road system are inconvenient and unsafe.

We can all identify the major problems areas: I-35 and 75<sup>th</sup> Street, 191<sup>st</sup> Street and I-35 interchange, U.S. 69 Highway south of I-435, K-10 Highway west of Ridgeview Road and the last section of the Gateway Project.

Maintaining our highway system remains a high priority in Johnson County. It ensures highway safety; enhances the mobility of residents and visitors; and supports our economy by moving products and people more efficiently. It's a roadmap to continued success.

In Topeka, there is pending legislation establishing a transportation task force for the future highway program. It is important for Johnson County to have representation on that task force if it is created by the Kansas Legislature.

Building a great community with opportunities for success by residents and businesses remains an endless work in progress. We also understand that maintaining one of the best places to live in the nation has always been a collaborative effort. This is the Johnson County way!

As we look to the remainder of 2018, state or local challenges will face us all.

Education opportunities are a critical support for enhancing and maintaining our communities and will always be a certain pathway to success.

If you are interested in taking your innovative idea to the next level, ECJC could help. If a different skill is the route you must take, then know that the Johnson County Community College and our other education partners are here to help you achieve new possibilities. Or if you're looking for the right job to match your skills, contact Workforce Partnership to help you find the best employer for you.

The message we must deliver over and over again is that regardless of an individual's situation, the opportunity to advance a career is available in Johnson County.

Don Holbrook, author and economic development consultant, said: "Changes are inevitable, but progress is truly optional."

The history of our community shows that progress has never been optional. Time after time our residents have demonstrated their belief in and support for programs that will build an outstanding community.

To all of you and in large part because of your efforts, let me assure you that the state of our county is strong and our future is bright.

Thank you for being here today and have a great 2018.

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