



EL DORADO

THE FINE ART OF LIVING WELL

City of El Dorado, KS
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TO: City Commission
FROM: Tabitha Sharp, City Clerk
SUBJ: Work Session Meeting Agenda
DATE: May 29th, 2019

A Work Session is scheduled for May 29th, 2019 at 5:00 pm in the Commission Chambers at City Hall, 220 E. First Avenue. The following items will be presented:

I. ITEMS FOR PRESENTATION AND DISCUSSION

- a. Lake Development
- b. CTC Purpose
- c. Community Branding

II. June 3rd, REGULAR AGENDA REVIEW

- a. Consent Agenda
 - i. City Commission Minutes
- b. New Business
 - i. 2018 Financial Audit
- c. Executive Session
 - i. None

III. REPORTS

- a. City Commission Reports
- b. City Manager's Report

2018 Commission Priorities

Water Sales • Community Image • Industrial and Business Parks • Parks and Recreation • Public Safety

Engineering Department Memo

To: David Dillner
From: Scott Rickard
Date: 4/8/19
Re: El Dorado Lake Development

As requested I have reviewed potential private development at El Dorado Lake.

In 2005 the Kansas Water Authority directed the Kansas Water office to undertake a study of how the State could best promote and manage development in and around Federal Reservoirs. Recommendations and strategies were set out which included potential responsible parties to development. The requested study from the Kansas Water was completed in 2006 by, Basile Baumann and associates. Attached you will find all applicable requests, reports, and presentations.

The difficulty with development at El Dorado Lake is the relatively flat terrain as it intersects the shoreline. In reviewing areas for private development small pockets were identified and are represented on the attached maps. To consider an area for development all sites with elevations below the emergency spillway were removed from consideration, which is a requirement from the USACE.

If the City of El Dorado was required by the State of Kansas or the USACE to extend utilities to serve these sites a conservative number for water would be \$680,000 per mile and sanitary sewer would be \$1,200,000 per mile.

I have requested and are awaiting additional information from the USACE regarding the master plan for El Dorado Lake however I believe it will not change from the compiled 2006 information.

Comparison

El Dorado

- Operated by KDWP
- Owned by Corp
- 8,000 surface acres
- 234 sq miles tributary
- 98 miles shoreline
- 6,000 public hunting
- 4,000 acres public use
- Wichita MSA 549,790
- 35 minutes d/t Wichita
- Topography-Rolling Hills
- Located in Flinthills-Native Grassland
- 1 Marina

Skiatook, Oklahoma

- Operated by Corp
- Owned by Corp
- 10,500 surface acres
- 354 sq miles tributary
- 160 miles shoreline
- 8,000 public hunting
- 1,800 acres public use
- Tulsa MSA 859,532
- 25 minutes d/t Tulsa
- Topography-Steep bluffs
- Ancient Cross Timbers Region (430 yr old timber)
- 2 Marina's

Cross Timbers

- 700 acres leased from U.S. Army Corp for waterfront recreational development to benefit the public
 - Marina- 300 Slips constructed
 - Condo's-selling first phase beginning July/2007-30 units
 - Restaurant-Opened Spring 2007
 - Plans for Specialty Shops, Day Spa, pool, floating amphitheater, Golf Course (18 hole/Open to Public), Conference Center (50 people)
- Cross Timbers Estates-57 acres private ground
 - 89 ½ acres + lots (gated subdivision)
 - Cost \$95,000-\$180,000
 - 4.5 miles of trails under development

Cross Timbers Condo's

- Constructed on Leased Ground (99 years)
- Start at 1,000 sq feet
- Estimate \$240 per sq foot fully furnished
- 30 yr. debt service @7%- \$19,152 annually
- Owner occupied 120 days per year
- Management Fee
- Maintenance Fee
- Rental Rate

Cabin Rentals

- El Dorado
 - 10 cabins
 - 5 Small \$30-\$35 per night
 - 5 Deluxe \$85-\$110 per night
- Skiatook, Okla
 - 15 cabins
 - 7/2 bd \$307 (3d/2n)
 - 8/1 bd \$214 (3d/2n)

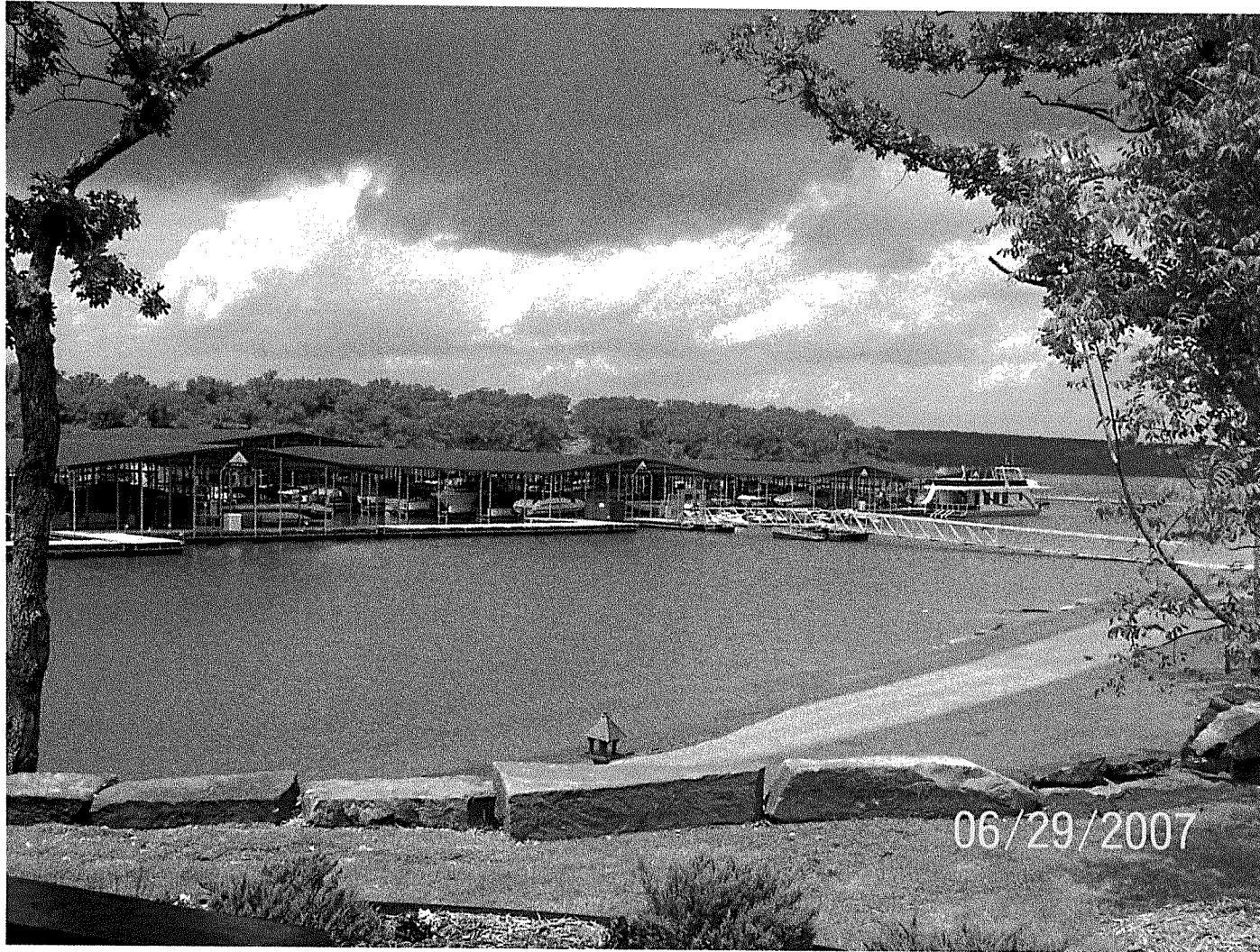
Sales office at Skiatook, Oklahoma



Restaurant at Skiatook, Oklahoma



Marina Slips at Skiatook, Oklahoma



- No sites are located within one-half mile of an existing water line
- 3 of the private sites and 2 of the federal sites are located in soils that have only somewhat limited suitability for septic systems; therefore, septic systems may be possible
- All sites are located within one-quarter mile of an existing road

Golf Course:

- A market for one 18-hole golf course was found
- A development of that size would require at least 200 acres
- 5 sites were found meeting that criteria
 - All sites are located adjacent to an existing road
 - 2 sites have soils that have very limited suitability, 1 site is somewhat limited and 2 sites are not rated
 - 4 sites are located within one-half mile of an existing water line

Council Grove Lake

Residential:

- A market for 5 second home units was found
- 6 sites were identified on private land
 - Sites range in size from 18 to 48 acres
 - All sites are located within one-half mile of an existing water line; therefore, construction of new infrastructure may be limited
 - All sites are located in soils that have a limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - All but one site located adjacent to an existing road (the remaining site is only 700 feet from an existing road); therefore, construction of new infrastructure would be limited

El Dorado Lake

Residential:

- A market for 106 principal residence units and 19 second home units was found
- 4 sites were identified on private land
 - Sites range in size from 28 to 54 acres
 - Two sites are located within one-half mile of an existing water line; therefore, new infrastructure would have to be constructed for the other two sites
 - All sites are located in soils that have a limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - All sites are located adjacent to an existing road

Rustic Resort:

- A market for a Rustic Lodge accommodating 15 guests was found
- Rustic Lodge of that size would require at least 4 acres

- 7 sites were found meeting that criteria, 3 of which are located on federal land
 - 4 sites are located within one-half mile of an existing water line
 - All sites are located in soils that have very limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - All sites are located adjacent to an existing road

Spa Resort:

- A market was found for 35 guests
- A development of that size would require at least 9 acres
- 7 sites were found meeting that criteria, 3 of which are located on federal land
 - 4 sites are located within one-half mile of an existing water line
 - All sites are located in soils that have very limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - All sites are located adjacent to an existing road

Hillsdale Lake

Commercial Resort:

- A market was found for 95 rooms
- A development of that size would require at least 6 acres
- 4 sites were found meeting that criteria, all of which are located on federal land
 - 3 sites are located within one-half mile of an existing water line
 - All sites are located in soils that have very limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - 3 sites are located adjacent to an existing road and the fourth is located one-half mile from an existing road

Rustic Resort:

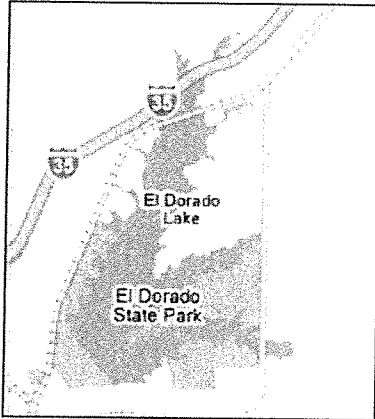
- A market for a Rustic Lodge accommodating 70 guests was found
- Rustic Lodge of that size would require at least 18 acres
- 4 sites were found meeting that criteria, all of which are located on federal land
 - 3 sites are located within one-half mile of an existing water line
 - All sites are located in soils that have very limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - 3 sites are located adjacent to an existing road and the fourth is located one-half mile from an existing road

Spa Resort:

- A market was found for 45 guests
- A development of that size would require at least 12 acres
- 4 sites were found meeting that criteria, all of which are located on federal land

Development Potential Summary:

	<u>Residential^{1/}</u>		<u>Resort</u>			<u>Recreation</u>	
	<u>Principal Residence</u>	<u>Second Home</u>	<u>General Hotel</u>	<u>Rustic^{4/}</u>	<u>Spa^{2/}</u>	<u>Marina Slips^{5/}</u>	<u>18-hole golf course^{2/}</u>
Big Hill	--	--	--	4	--	--	--
Clinton	44	8	150 ^{2/}	--	40	50	one
Council Grove	--	5	--	--	--	--	--
El Dorado	106	19	--	15	20	36	--
Hillsdale	--	--	95 ^{3/}	70	45	137	one
Milford	313	--	--	31	--	59	one
Perry	24	3	--	--	35	--	--
Wilson	--	--	--	19	--	--	--
Total	487	35	245	139	140	282	three

El Dorado**Residential-Principal Residences:** Yes

- Located 30 miles from Wichita, with access via I-35 leading from Wichita to El Dorado.
- The current population within 25 miles of the Lake (79,795) is forecast to grow at a rate higher than the state and national average for at least the next ten years
- Town of El Dorado provides many nearby amenities (shops, restaurants, activities)
- The average household income within 25 miles of the lake is 22% above the state average (\$79,000 vs. \$64,000) ✓
- Flinthills High School in Rosalia, KS, 6 miles from lake is the 14th highest-ranked high school in the state of Kansas in reading and math scores
- Analysis Summary:

1. Total Households and Median Household Income**Primary:** 10-mile radius

- 2005: 7,000 ; \$54,185
- 2010: 7,440 ; \$66,827

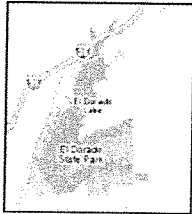
Secondary: 25-mile radius

- 2005: 29,392 ; \$78,887
- 2010: 31,442 ; \$99,057

2. Households Earning \$100,000 and Up (2005\$)**Primary**

- 2005: 770
- 2010: 818
- 2015: 870

El Dorado



Secondary

- 2005: 10,023
- 2010: 10,722
- 2015: 11,448

3. Target Market- Growth and Turnover Factors

Primary

- average annual growth rate in households earning \$100,00 and up after 2010: 1.23%
- capture rate applied: 11%
- % households that move annually: 8%

Secondary

- capture rate applied: 0.8 %
- % households that move annually: 8%

4. Total Demand: 2010 – 2015

Primary

- growth: 11 units
- turnover: 45 units
- total: 56 units

Secondary

- growth: 11 units
- turnover: 39 units
- total: 50 units

Total

- by 2010: 24 units
- by 2015: 106 units (including units by 2010)

Residential-Second Homes: Yes

- Close proximity to Wichita
- Ease of access via I-35
- The population within 50 miles will grow from 625,998 to 673,851 over the next 10 years
- While the household income within 50 miles of the lake is 2.2% below the state average, the household income within 25 miles is well above the state average (see above)

El Dorado

➤ Analysis Summary:

1. Total Households and Median Household Income

Primary: 50-mile radius

- 2005: 242,640 ; \$62,984
- 2010: 252,129 ; \$77,939

Secondary: 100-mile radius

- 2005: 522,284 ; \$58,004
- 2010: 532,578 ; \$71,516

2. Households Earning \$200,000 and Up (2005\$)

Primary

- 2005: 5,338
- 2010: 5,547
- 2015: 6,029

Secondary

- 2005: 9,923
- 2010: 10,119
- 2015: 10,805

3. Target Market- Growth and Turnover Factors

Primary

- average annual growth rate in households earning \$200,000 and up after 2010: 0.77%
- capture rate applied: 2.0%

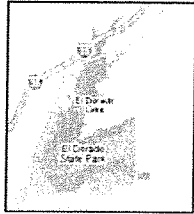
Secondary

- capture rate applied: 2.5 %

4. Total Demand: 2010 – 2015

Primary: 14 units

Secondary: 5 units

El DoradoTotal:

- by 2010: 4 ✓
- by 2015: 19 (includes units by 2010)

Resort-Rustic: Yes

- Currently, no rustic lodges in the area despite hunting opportunities
- 6,000 acres of public land, including 2,000 acres in the state park that are open to hunting
- One “walk-in” hunting area is located 8 miles from the lake
- The 194-acre Butler State Lake Wildlife Area is located 20 miles south of the lake
- The lake is popular for fishing, especially for rainbow trout, which are stocked on a bi-monthly rotation from October 15th through April 15th
- Analysis Summary:

1. Existing Use

- Existing cabins: 0
- Number of campers: 22,160
- Estimated campers per group: 2.3
- Number of groups: 9,635

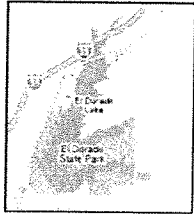
2. Visitation in Peak Month (July)

- Number of campers: 4,613
- Number of groups: 2,006

3. Growth Factors

- Annual population growth: 1.4%
- Reservoir as a growing destination: 1.0%
- Camper annual growth: 2.4%
- Market capture
 - current: 0%
 - assumed: 18%

4. No. of Cabins or Lodge units by 2010 @ 85% occupancy: 15

El Dorado**Resort-Spa: Yes**

- Population of Wichita provides a base of consumers
- Population within 50 miles is increasing (currently at 626,000)
- The lake has significant recreational opportunities (hiking, boating, etc.)
- The lake has scenic views
- The area offers a host of amenities to visitors:
 - Variety of unique shopping opportunities in downtown El Dorado specializing in antiques and arts
 - El Dorado offers six art galleries and three museums
 - The downtown area also offers a wide variety of dining opportunities, including a dinner theater
- Analysis Summary:

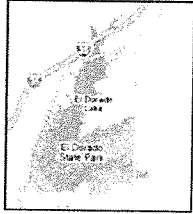
1. Industry Characteristics: 18-spa survey

- 50-mile population
 - average per spa: 1,776,390
 - high: 5,319,400
 - low: 155,607
- 50-mile median household income
 - average per spa: \$51,567
 - high: \$65,278
 - low: \$36,300
- distance from airport (average)
 - time: 1 hour
 - miles: 61
- guest capacity
 - average per spa: 72
 - average per spa if largest three are deleted: 45
 - high: 250
 - low: 8

2. Reservoir Area Characteristics

- 50-mile population: 630,230

El Dorado



- 50-mile median household income: \$50,510
- distance from airport: 40 miles; 50 minutes

3. Recommended Guest Capacity Now: 20 guests

Recreation-Marina: Yes, only covered spaces

- The lake currently has one marina, Shady Creek Marina, with 178 covered slips and 51 uncovered slips, with no plans to expand
- During Summer 2005, the covered slips were 100% occupied, while the uncovered slips were 1/2 to 1/3 full in the summer
- The Marina has not offered discount prices to fill its slips
- Analysis Summary:

1. Current Assets

- Current Slips
 - 178 covered
 - 51 opened
- Waiting List: approximately 10-20 for covered slips

2. Projected Slips, over 5 years (2005-2010) based on Population Increase

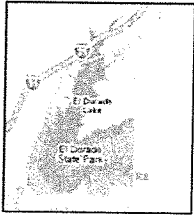
- 2005-2010 household growth within 25 miles of El Dorado Lake
 - 2,053 growth of households from 2005-2010
 - 128 households per slip in 2005
 - 16 new slips needed over 5 years

3. Slips in Pipeline

- None planned

4. Projected Need by 2010

- 20 on waiting list + 16 (projected household growth) = 36
- 0 planned new slips
- Demand for 36 more slips; projected increase of approximately 16%

El Dorado**Resort-Commercial:** No

- The nearby population of Wichita favors the Lake as a site-for-a-day visit rather than a family staying in a resort
- While the lake may receive numerous visitors for camping or RV pads, the rate for these services (\$7.50 to \$17.50) is only 20% of the average commercial hotel rate in the area; therefore, it is not reasonable to assume that a commercial hotel could be supported by tourists currently using the camping services
- The El Dorado area is already served by two national chains: a Best Western with 73 rooms; and a Super 8 Motel with 49 rooms
- Four local motels also serve the area: the Sunflower Motel (5 rooms); the El Dorado Motel (34 rooms); the Heritage Inn (32 rooms), and the Stardust Motel (23 rooms)

Recreation-Golf Course: No

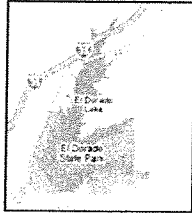
- Three golf courses exist within 20 miles of the lake, all of which are open to the public:
 - Prairie Trails Golf & Country Club (expanded from 9 to 18 holes three years ago)
 - American Legion Golf Course (9 holes)
 - Augusta Golf Club (9 holes)
- Population per hole within 25 miles of the Lake is already well below the state average

Tourism Opportunities

Tourist attractions with the potential for linkage and cross-marketing with the lake:

Tourist Attractions – Primary Targets:

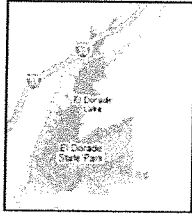
- El Dorado Dinner Theater – The attraction provides musicals and plays served during dinner. (In El Dorado)
- Historic El Dorado Downtown – The downtown contains antique shopping and restaurants, providing a possibility for cross-marketing. (In El Dorado)
- Prairie Trails Golf and Country Club – 18-hole golf course (In El Dorado)
- Various Festivals – Should be linked with the lake as it is held in and around the town of El Dorado; these festivals can provide another opportunity to draw visitors to the lake as well (In El Dorado)
- American Legion Golf Course – A 9-hole golf course. (3 miles)
- Coutts Memorial Museum of Art – A fine art gallery with over one thousand art objects by such artists as Renoir, Thomas Hart Benton and Frederic Remington (5 miles)

El Dorado

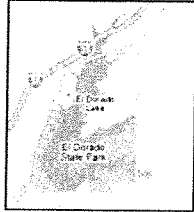
- Botanica – Visitors can enjoy themed gardens such as the Butterfly Garden, Shakespeare Garden, Rose and Wildflower Garden, and the new Sensory Garden. Visit Botanica's Butterfly House and stroll among hundreds of free-flight butterflies. Further, Botanica offers workshops and field trips throughout the year (30 miles)
- Exploration Place – Exploration Place is an attraction that offers visitors a wide variety of unique exhibits. Exploration Place's website states this is, "A place where you can fly a plane, create your own river and tornado, visit a troll and fight bacteria in the human body, all in the same day." (30 miles)
- Great Plains Nature Center – The Great Plains Nature Center is a cooperative partnership between the U.S. Fish & Wildlife Service, Kansas Department of Wildlife & Parks, and City of Wichita Department of Park and Recreation. These agencies share a common goal of providing opportunities for the public to investigate, understand and develop an appreciation for wildlife and the environment, while promoting sound stewardship of natural resources. (30 miles)
- Old Cowtown – The Old Cowtown seeks to enable visitors to experience life as it truly was on the frontier. Visitors experience the Museum grounds at an "at-your-own pace," on a self-guided tour to see animals, furnished buildings with artifacts, and interact with the costumed interpreters. (30 miles)
- Sedgwick County Zoo – The 247-acre Sedgwick County Zoo opened in 1971 and has been ranked among the best zoos in the world. Displaying nearly 2,500 animals of 500 species, it is the No. 1 outdoor, family tourist attraction in Kansas. (30 miles)
- Wild West World – Plans are for this Western Theme Park Adventure to open in May of 2007. Wild West World will focus on a western experience and family entertainment and calls for 25 western-themed family rides, comparable in size to Oklahoma City's Frontier City amusement park. Rides will include two roller coasters and multiple thrill rides themed specifically for Wild West World. (30 miles)
- The Tallgrass Prairie National Preserve – The preserve protects a nationally significant example of the once vast tallgrass ecosystem. Of the 400,000 square miles of tallgrass prairie that once covered the North American Continent, less than 4 percent remains, primarily in the Flint Hills. The preserve is 10,861 acres. (Flint Hills)

Tourist Attractions – Secondary Targets:

- Crown Uptown Dinner Theatre – The theater provides quality professional Broadway-style shows and a newly expanded all-you-care-to-eat Buffet. (30 miles)

El Dorado

- Hopalong Cassidy Museum – The world's largest Hopalong Cassidy collection made its way from upper state New York to Kansas in 2003. The Hopalong Cassidy Cowboy Museum is a world class museum specifically focused on Hopalong Cassidy, one of the most famous of the radio, television and movie cowboys in American history. (30 miles)
- Kansas African American Museum – The museum offers visitors an opportunity to view thousands of artifacts that reflect the diverse contributions and history of the African culture, including traditional and contemporary African and African American art in visual, literary and performing arts mediums. Further, the museum's archival department enables youth and adults to research African Americans and local history. (30 miles)
- Kansas Sports Hall of Fame – The 27,000 square-foot Kansas Sports Hall of Fame in Old Town features hundreds of colorful displays, video and photos devoted to the state's magnificent sports history. Galleries devoted to football, basketball, track, baseball and many other sports educate and entertain visitors of the significant role Kansas athletes, coaches, and teams have played in shaping the history of sports throughout the world. (30 miles)
- Old Town – Nestled in the city's heart among the brick-lined streets and historic lampposts are a collection of converted brick warehouses, circa 1870-1930, with native limestone accents and distinctive architectural features. More than 100 restaurants, shops, clubs, theaters, galleries, museums, and businesses have found their niche in this area of Wichita. (30 miles)
- Karg Art Glass & Gift Gallery – Visitors can watch hand-blown art glass in a picturesque cedar & stone building in the heart of Kechi and browse through the gift gallery and find unique wonderful gifts of all mediums. (30 miles)
- Mid-America All Indian Center – The Center is a multi-faceted non-profit organization. Their mission includes both the provision of social services for Native Americans in need, and a center where Native Americans can practice their cultural traditions and pass them on to their children. The facility further houses the Indian Artist Walk of Fame, and a series of small gardens, each dedicated to a famous Native American artist. (30 miles)
- Wichita Art Museum – As the largest art museum in Kansas, the Wichita Art Museum is home to a nationally-renowned collection of American Art. A \$10.5 million expansion project was completed in June 2003, adding 34,000 square feet to the building. The expansion also added 40% more gallery space, the 6,500-square-feet S. Jim and Darla Farha Great Hall featuring an elegant work of art by internationally-renowned artist, Dale Chihuly, and a new restaurant with a scenic river view. (30 miles)

El Dorado

- Wichita Grand Opera – The company’s productions fuse major international star artists, directors, and conductors with the best Kansas talent, to produce an opera experience that is acclaimed locally and nationally. (30 miles)
- Wyldewood Cellars Winery – Wyldewood Cellars is a family owned and operated business specializing in international award-winning premium country wines and food products made with native fruits and berries. The winery has free tours and free tastings. The tasting bar is always open, and visitors can sample many wines, jellies, syrups, and homemade fudges. (30 miles)
- Prairie Rose Chuckwagon Supper – Prairie Rose Chuckwagon Supper, located 15 miles N.E. of Wichita, is one of Kansas' fastest growing tourist attractions, with a nightly serving of all you can eat bar-b-que with great family western entertainment. (30 miles)
- Flint Hills Overland Wagon Trips – Since 1979 the Flint Hills Overland Wagon Train has provided authentic covered wagon trips through the scenic Kansas Flint Hills, an untouched part of the historic American Tallgrass Prairie. Weekend pioneers relive experiences of those who joined the great Westward Movement in the mid-19th Century. (Flint Hills)
- Walters Pumpkin Patch – The Walters Pumpkin Patch facility offers a corn maze, hay rides, and of course, a pumpkin patch for visitors. (Flint Hills)

<i>Summary – Market Demand Characteristics</i>

An itemized summary of projects designed to capture market demand at each lake is provided below:

	<u>Residential^{1/}</u>		<u>Resort</u>			<u>Recreation</u>	
	<u>Principal Residence</u>	<u>Second Home</u>	<u>General Hotel</u>	<u>Rustic^{4/}</u>	<u>Spa^{2/}</u>	<u>Marina Slips^{5/}</u>	<u>18-hole golf course^{2/}</u>
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Clinton	44	8	150 ^{3/}	--	40	50	one
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El Dorado	106	19	--	15	20	36	--
Hillsdale	--	--	95 ^{3/}	70	45	137	one
Milford	313	--	--	31	--	59	one
Perry	24	3	--	--	35	--	--
Wilson	--	--	--	19	--	--	--
Total	487	35	245	139	140	282	three

1/ through 2015

2/ currently

3/ by 2009

4/ by 2008

5/ by 2010

Given the overlap in market trade areas, not only among reservoirs, but also for similar competing uses (i.e. lodging) at the same reservoir, some restrictions arise, as noted below:

- Spas: with the exception of El Dorado, the other three reservoirs with market demand – Clinton, Hillsdale and Perry – share portions of the same market trade area. Hence, development of a spa at one of these three reservoirs will likely result in smaller spas being demanded at the other two reservoirs. A reduction of 25-30% at the second reservoir and 35-40% at the third and final reservoir should be expected.
- Hillsdale: both a commercial hotel and a rustic lodge are recommended. However, both projects depend upon capture of a share of the visitor/tourist market segments. Therefore, depending upon which of these two developments opens first, a size reduction in the other development should be expected. A size reduction of 10-20% in the second development can be anticipated.

Additionally, both a commercial hotel and a destination spa are recommended. However, if the commercial hotel were to open first and included a spa, this

would reduce the demand for a spa by the capacity of the hotel's spa, possibly eliminating the demand.

No similar overlaps in trade area would impact the proposed residential, marina and/or golf course projects at the reservoirs (none of these uses are proposed at Big Hill or Wilson).

- Both sites are located adjacent to an existing road

El Dorado Lake

- Sites on private land: 4
 - Sites range in size from 28 to 54 acres
 - Two sites are located within one-half mile of an existing water line; therefore, new infrastructure would have to be constructed for the other two sites
 - All sites are located in soils that have a limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - All sites are located adjacent to an existing road
- Sites on federal land: 3
 - Sites range in size from 28 to 41 acres
 - Two sites are located within one-half mile of an existing water line; therefore, new infrastructure would have to be constructed
 - All sites are located in soils that have a limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - All sites are located adjacent to an existing road

Hillsdale Lake

- Sites on private land: 0
- Sites on federal land: 4
 - Sites range in size from 66 to 368 acres
 - 3 sites are located within one-half mile of an existing water line; therefore, new infrastructure would have to be constructed for the other site
 - All sites are located in soils that have a limited suitability for septic systems; therefore, development may be constricted or new infrastructure may need to be constructed
 - 3 sites are located adjacent to an existing road; the remaining site is 113 acres and is located approximately one-half mile from an existing road
- Golf course sites: 8 (5 on federal land)
 - Sites range in size from 232 to 823 acres
 - All 8 sites are located adjacent to an existing road

Milford Lake

- Sites on private land: 8
 - Sites range in size from 20 to 72 acres
 - All sites are located within one-half mile of an existing water line; therefore, construction of new infrastructure may be limited

PRIMARY MARKET

10-mile radius around lake

**El Dorado Lake
Principal Residence Market**

	2005	2010
Total Households	7,000	7,440
Median Household Income	\$54,185	\$66,827

Households by Income (constant \$)	2005	%	2010	%
HH Income Base	7,000	100.0%	7,440	100.0%
< \$15,000	966	13.80%	1,027	13.80%
\$15,000 - \$24,999	959	13.70%	1,019	13.70%
\$25,000 - \$34,999	910	13.00%	967	13.00%
\$35,000 - \$49,999	1,225	17.50%	1,302	17.50%
\$50,000 - \$74,999	1,442	20.60%	1,533	20.60%
\$75,000 - \$99,999	735	10.50%	781	10.50%
\$100,000 - \$149,999	525	7.50%	558	7.50%
\$150,000 - \$199,999	147	2.10%	156	2.10%
\$200,000 +	98	1.40%	104	1.40%

Market Defined As:

	2005	2010(1)	2011	2012	2013	2014	2015	Total
Households earning \$100,000 and up	770	818	828	839	849	859	870	
Total Growth Between 2005 and 2010		6%						
Average Growth Rate Per Year		1.23%						
Average Growth Rate per Year		1%	1%	1%	1%	1%	1%	
Growth from prior period		48	10	10	10	10	11	
Capture Rate	11.0%	11%	11%	11%	11%	11%	11%	
Capture of Target Market		5	1	1	1	1	1	11
Percent of Households that Move per year	8%	8%	8%	8%	8%	8%	8%	
Natural Turnover Households	33	65	66	67	68	69	70	
Capture Rate	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	11.0%	
Capture of Target Market	4	7	7	7	7	8	8	45
Total Demand in Primary Trade Area		13	8	8	9	9	9	56

(1) Change in population is based on growth between 2005 and 2010, all other periods indicate growth from year prior.

SECONDARY MARKET
25-mile radius around lake

**El Dorado Lake
Principal Residence Market**

	2005	2010
Total Households	29,392	31,442
Average Household Income	\$78,887	\$99,057

Households by Income (constant \$)	2005	%	2010	%
HH Income Base	29,392	100.0%	31,442	100.0%
< \$15,000	1,910	6.50%	2,044	6.50%
\$15,000 - \$24,999	1,940	6.60%	2,075	6.60%
\$25,000 - \$34,999	2,146	7.30%	2,295	7.30%
\$35,000 - \$49,999	3,498	11.90%	3,742	11.90%
\$50,000 - \$74,999	5,702	19.40%	6,100	19.40%
\$75,000 - \$99,999	4,203	14.30%	4,496	14.30%
\$100,000 - \$149,999	5,496	18.70%	5,880	18.70%
\$150,000 - \$199,999	2,204	7.50%	2,358	7.50%
\$200,000 +	2,322	7.90%	2,484	7.90%

Market Defined As:	2005	2010(1)	2011	2012	2013	2014	2015	Total
Households earning \$100,000 and up	10,023	10,722	10,863	11,007	11,152	11,299	11,448	
Percent Growth from year prior		7%	1%	1%	1%	1%	1%	
Growth from year prior	699	699	142	143	145	147	149	
Minus Growth from Primary Market	-	48	10	10	10	10	11	
Remaining Market not in Primary Trade Area	699	651	131	133	135	137	139	
Capture Rate	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	
Capture of Target Market		5	1	1	1	1	1	11
Natural Turnover of Households Per Year	8%	858	869	881	892	904	916	
Less Turnover in Primary Market		65	66	67	68	69	70	
Remaining Turnover in Secondary Market		792	803	813	824	835	846	
Capture Rate	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	0.80%	
Capture from Natural Turnover		6	6	7	7	7	7	39
Total Demand in Secondary Trade Area		12	7	8	8	8	8	50

(1) Change in population is based on growth between 2005 and 2010, all other periods indicate growth from year prior.

TOTAL DEMAND

Year	2005	2010	2011	2012	2013	2014	2015	Total
Primary Market		13	8	8	9	9	9	56
Secondary Market		12	7	8	8	8	8	50
Total		24	16	16	16	16	17	105

PRIMARY MARKET
50-mile radius around lake

**El Dorado Lake
Second Home Market**

	2005	2010
Total Households	242,640	252,129
Median Household Income	\$62,984	\$77,939

Households by Income (constant \$)	2005	%	2010	%
HH Income Base	242,640	100.0%	252,129	100.0%
< \$15,000	26,448	10.90%	27,482	10.90%
\$15,000 - \$24,999	25,720	10.60%	26,726	10.60%
\$25,000 - \$34,999	27,176	11.20%	28,238	11.20%
\$35,000 - \$49,999	40,521	16.70%	42,106	16.70%
\$50,000 - \$74,999	54,109	22.30%	56,225	22.30%
\$75,000 - \$99,999	31,301	12.90%	32,525	12.90%
\$100,000 - \$149,999	26,690	11.00%	27,734	11.00%
\$150,000 - \$199,999	5,338	2.20%	5,547	2.20%
\$200,000 +	5,338	2.20%	5,547	2.20%

Market Defined As:	2005	2010(1)	2011	2012	2013	2014	2015	Total
Households earning \$200,000 and up	5,338	5,547	5,640	5,735	5,831	5,929	6,029	
Total Growth Between 2005 and 2010		4%						
Average Growth Rate Per Year		0.77%						
Average Growth Rate per Year		2%	2%	2%	2%	2%	2%	
Growth from prior period		209	93	95	96	98	100	
Capture Rate	2.00%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Capture of Target Market		4	2	2	2	2	2	14
Total Demand in Primary Trade Area		4	2	2	2	2	2	14

(1) Change in population is based on growth between 2005 and 2010, all other periods indicate growth from year prior.

SECONDARY MARKET
100-mile radius around lake

**El Dorado Lake
Second Home Market**

	2005	2010
Total Households	522,284	532,578
Average Household Income	\$58,004	\$71,516

Households by Income (constant \$)	2005	%	2010	%
HH Income Base	522,284	100.0%	532,578	100.0%
< \$15,000	67,897	13.00%	69,235	13.00%
\$15,000 - \$24,999	63,719	12.20%	64,975	12.20%
\$25,000 - \$34,999	63,719	12.20%	64,975	12.20%
\$35,000 - \$49,999	90,355	17.30%	92,136	17.30%
\$50,000 - \$74,999	110,202	21.10%	112,374	21.10%
\$75,000 - \$99,999	59,018	11.30%	60,181	11.30%
\$100,000 - \$149,999	48,572	9.30%	49,530	9.30%
\$150,000 - \$199,999	9,401	1.80%	9,586	1.80%
\$200,000 +	9,923	1.90%	10,119	1.90%

Market Defined As:	2005	2010(1)	2011	2012	2013	2014	2015	Total
Households earning \$200,000 and up	9,923	10,119	10,253	10,388	10,525	10,664	10,805	
Percent Growth from year prior		2%	1%	1%	1%	1%	1%	
Growth from year prior	196	196	134	135	137	139	141	
Minus Growth from Primary Market	-	209	93	95	96	98	100	
Remaining Market not in Primary Trade Area	196	(13)	40	41	41	41	41	
Capture Rate	2.50%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Capture of Target Market		(0)	1	1	1	1	1	5
Total Demand in Secondary Trade Area		(0)	1	1	1	1	1	5

(1) Change in population is based on growth between 2005 and 2010, all other periods indicate growth from year prior.

TOTAL DEMAND

Year	2005	2010	2011	2012	2013	2014	2015	Total
Primary Market		4	2	2	2	2	2	14
Secondary Market		(0)	1	1	1	1	1	5
Total		4	3	3	3	3	3	19

El Dorado Lake Rustic Lodge

Table 1: Existing Market

Campers	22,160
Est. Campers per Group	2.3
Groups of Campers	9,635
Existing Cabins	0

Camper estimates provided by Dept. Wildlife & Parks

Camping open to public April through October

Table 2: 2004/2005 Visitation, by Popular Months

	April	May	June	July	August	Sept.
Campers	3,122	3,470	4,043	4,613	3,697	2,611
Groups	1,357	1,509	1,758	2,006	1,607	1,135

Table 3: Area Growth

Assumed Market Capture 18.0%

Estimated Growth 2005-2015

Annual Population Growth 1.4%

El Dorado as Growing Destination 1.00%

Camper Annual Growth 2.4%

Group Campers, July	2008	2009	2010
Total Overnight Campers	4,953	5,072	5,194
Total Camper Groups	2,154	2,205	2,258

Table 4: Target Market

Target Market Capture %: 18%

Target Mkt Capture, Rooms 316 Groups

Target Occupancy, July 85%

	2008	2009	2010
Percent Capture	12%	15%	18%
Rustic Resorts Capture	258	331	406
Rooms (85% Occupancy)			15
Net Increase			15

Target Market based on month of July

Total Rooms Available Based on 85% occupancy in the month of July

Table 5: Occupancy by Month, 2010

Total Rooms	15				
New Rooms	15				
		Available	Total Group	Capture	
	Days	Rm. Nights	Demand	Amount	Occupancy
April	30	463	1,528	275	59.4%
May	31	478	1,699	306	63.9%
June	30	463	1,979	356	77.0%
July	31	478	2,258	406	85.0%
August	31	478	1,810	326	68.1%
September	30	463	1,278	230	49.7%

**Kansas Federal Reservoir Study
El Dorado Market Supply Profiles**

Primary & Secondary Residential		Project 1	Project 2
Project Name		Vintage Place	Lakeridge Estates
Distance from Lake Grounds		Bottom of Dam	1 mile
Status (Operational/Under Construction/Planned)		Operational	Selling Lots (12 total in development)
Sales Prices		\$140k-\$250k (Four houses over \$400)	\$15k-\$17k per lot, each lot needs a lagoon for water

Resort - Commercial		Project 1	Project 2	Project 3	Project 4	Project 5	Project 6
Project Name		Best Western	Super 8 Motel	Stardust Motel	Sunflower Motel	El Dorado Motel	Heritage Inn
Distance from Lake Grounds		4-6 miles	4 miles	2.5 miles	4 miles	5 Miles	5 Miles
Rooms		73 Rooms	49 Rooms	23 rooms	5 Rooms	34 Rooms	32 Rooms
Status (Operational/Under Construction/Planned)		Operational	Operational	Operational	Operational	Operational	Operational
Room Rates		\$49.95- \$115	2 person \$69.99	\$44	Varies by Season	\$48.00	\$48.52
Conference Facility Revenue/Other Revenue		3 conference rooms	No	No	No	No	No
Occupancy Rate		80%	85%	75%	Unavailable	Unavailable	Unavailable
Occupancy Rate Trends		Growing	Growing	Constant	Unavailable	Unavailable	Unavailable

Recreation - Golf Course		Project 1	Project 2
Project Name		American Legion	Prairie Trails Golf Club
Distance from Lake Grounds		3 miles	Borders Lake Grounds
Status (Operational/Under Construction/Planned)		Operational	Operational
No. of holes		9	18
Green Fees		Week \$9 for 9, \$14 for 18; Weekend \$10 for 9, \$16 for 18	Week \$18; Weekend \$20

Recreation - Marina		Project 1
Project Name		Shady Creek
Rate (Season)		\$864-\$2,745
Status (Operational/Under Construction/Planned)		Operational
Slips		228 (178 covered; 51 uncovered)
Occupancy Rate		Covered 100%; uncovered 33%-50%
Occupancy Rate Trends		Steady

KANSAS WATER PLAN

Economic Development Opportunities at Federal Reservoirs in Kansas

Preliminary Draft Policy Section

Approved for Public Release and Comment by the Kansas Water Authority

August 11, 2005

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Economic Development Opportunities at Federal Reservoirs in Kansas

EXECUTIVE SUMMARY

Development is already occurring on private land adjacent to public land at Federal reservoirs. Public access to land immediately adjacent to the shoreline at Federal reservoirs is typically in parks and wildlife areas managed by the Corps of Engineers and the Kansas Department of Wildlife and Parks. Interest in outdoor recreation at Federal reservoirs is increasing and shifting at the same time. Kansas now has the opportunity to meet these changing demands for more recreational and residential uses at our Federal reservoirs.

It is in the best interests of the State of Kansas to encourage economic development at Federal reservoirs. At the same time, it is critically important to preserve the water quality and the "natural" attributes of the reservoirs that attract people to them in the first place. In fact, Kansas should undertake activities that actually enhance their attractiveness for development, including a policy of not allowing any increase of pollutants from development activities. These reservoirs, built with public funds, are part of the public trust. The State of Kansas has a responsibility to ensure that these public resources and authorized reservoir uses are preserved and protected as economic development occurs.

Nine recommendations are being made to achieve these purposes. They can be found on page 6 of this document. The Kansas Water Office also collected and analyzed physical and natural resource data on the 24 Federal reservoirs in Kansas to determine which of these reservoirs would make the best candidates for development. The results of this study on page 5 were based on these data.

ISSUE DESCRIPTION

The central issues in this preliminary draft are:

- 1) How can the State best promote and manage development around Federal reservoirs while maintaining primary reservoir uses, including flood control, public water supply, recreation, including fish and wildlife, water quality and public access?
- 2) Using issue No. 1 as guidance,
 - a) which reservoirs would make the best candidates for various types of development based upon the physical and natural resource characteristics of these reservoirs and
 - b) what activities or policies could enhance their attractiveness for development and increased public access?

BACKGROUND

The Kansas Water Authority directed the Kansas Water Office to undertake a study of how the State could best promote and manage development around Federal reservoirs while maintaining primary reservoir uses. These include flood control, public water supply, recreation, including fish and wildlife, water quality and public access. This document is based on the findings of that study which was completed on June 22, 2005, as "Kansas Water Plan

Background Paper No. 74, Economic Development Opportunities at Federal Reservoirs in Kansas."

Development is already occurring on private land adjacent to public land at Federal reservoirs. Public access to land immediately adjacent to the shoreline at Federal reservoirs is typically in parks and wildlife areas managed by the Corps of Engineers or the Kansas Department of Wildlife and Parks.

Even with the lack of a well-defined effort by the State to promote economic development adjacent to Federal reservoirs, residential development is occurring on private land adjacent to reservoirs. A second important use of reservoirs is outdoor recreation and the demand for this use is increasing. While there has been interest in resort development, none has occurred as a result of a study on the topic in 1997 and the passage of legislation in 1989 that authorized a process for developing resorts on state-owned or leased property at Federal reservoirs.

Federal Reservoir Policies

Central to any discussion of future action to enhance the economic development potential of Federal reservoirs in Kansas is a clear delineation of Federal laws and regulatory responsibilities that govern activities at these reservoirs.

There are 17 Corps of Engineers (Corps) reservoirs and 7 Bureau of Reclamation (Reclamation) reservoirs in the State of Kansas.

All of the fee title land at Corps and Reclamation reservoirs is "public land", i.e. land owned by the United States. As such, there has been very limited "private exclusive use" of this public land over the years. Reclamation's current policy is to not allow any new private exclusive uses while currently phasing out existing private uses in accordance with the terms and conditions of the use permit. Private uses of public land at Reclamation reservoirs in Kansas have been extremely limited over the years.

All privately permitted uses at Corps reservoirs must be consistent with the Master Plan at each reservoir. Each Corps reservoir also has Shoreline Management Plan, which is a supplement to the Master Plan that outlines where limited, if any, private development is allowed.

While Reclamation exercises oversight responsibilities with the public use of its lands, direct management of its lands for recreational purposes has been transferred. In Kansas, this transfer has usually been the Kansas Department of Wildlife and Parks.

At most Corps and Reclamation projects, there are multiple public access points. Vehicle access for all visitors to these reservoirs, including adjacent private land owners, is generally limited to these designated access points. Corps and Reclamation policies allow a variety of private-public partnerships for economic development on public land at Federal reservoirs as long as public recreational use of the land and water uses of the reservoir are part of any project.

When Federal reservoirs were constructed, the Corps and Reclamation occasionally acquired fee title to land that was not needed for authorized reservoir project purposes. However, at present, there is very little, if any, land that is considered excess to authorized project purposes at Federal reservoirs in Kansas.

There are two scenarios for changing the use of Federal property at reservoirs for economic development purposes. One, the State of Kansas or other entity could submit a direct proposal to Congress for a transfer of land to another private or public entity through a sale. A second, more likely scenario would be to lease the land for some public purpose which would tie in with a larger development effort on private land adjacent to the reservoir property boundary. Any future development, change in land use, and/or sale of project land would be subject to compliance with applicable Federal laws, rules, and regulations.

State Responsibilities at Reservoirs

The **Kansas Department of Wildlife and Parks** manages 19 State Parks and a similar number of wildlife areas immediately adjacent to Federal reservoirs. The state parks provide traditional activities such as camping (primitive and utility), boating, day use such as picnicking, fishing and hunting. Wildlife areas are managed to provide habitat for wildlife and recreational opportunities for hunters.

The **Kansas Department of Health and Environment (KDHE)** has broad authority to provide safe drinking water, prevent water pollution, and assure compliance with state and Federal laws and regulations such as the Clean Water Act and Safe Drinking Water Act. It also has authority under the Reservoir Sanitation Zone law to protect the waters of a reservoir when no other protections are in place.

Local Responsibilities

Counties have a great deal of authority in managing the uses of land within their jurisdictions outside of city boundaries. They have broad authority in determining the uses of property, stormwater and wastewater management, public water supply, roads, and other forms of infrastructure.

Local Economic Development Groups

Local economic development groups can provide on-the-ground support and promotion of economic development at Federal reservoirs, public reservoirs, and private reservoirs. These groups are often public bodies formed under the authority of one or more local governments, and often affiliated with a local Chamber of Commerce. Local support of development at reservoirs is critical to its success and advancement.

RESERVOIR STUDY FINDINGS AND APPLICATION

As part of the study the Kansas Water Office collected and analyzed physical and natural resource data on the 24 Federal reservoirs in Kansas to determine which of these reservoirs had the best attributes for economic development. Three different development categories were assessed; residential, resort and outdoor recreation (categories are defined on page 5).

Criteria for Development Categories

The Kansas Water Office, with the help of the Technical Advisory Committee, identified the following criteria (Table 1) for use in determining whether a reservoir would be a good candidate for each of the development categories. Where possible, these criteria were translated into measurable physical or resource characteristics.

Development Criteria	Criterion Metric(s)	Development Category		
		Residential	Recreation Outdoors	Resort
Scenic View (Vistas)	Reservoir surface area incr/ft of elev increase as % of target MP area	X	X	X
Proximity to Job Market	Total Population within 50 miles of top of MP shoreline	X		X
Good Water Quality	Median total phosphorus (1986-2003) (ug/L)	X	X	X
	Median secchi depth (1986-2003) (cm)	X	X	X
	Sedimentation as estimated depletion year	X	X	X
Good Soil Characteristics (Onsite Waste Systems)	Percent of land area within 2 miles of top of MP shoreline with soils acceptable for septic systems (as 1 - % Very Limited)	X		
Proximity to Shoreline	Private Land w/in 1/2 mile of top of MP shoreline (ac)	X		X
Stable Lake Level	1990-2004 EOM elev change from top MP/FC-MP elev (StDev)	X	X	X
Access to Amenities	Total incorp'd area within 25 miles of top of MP shoreline for pop. >1,500 towns (sq mi)	X	X	X
	Distance from top of MP shoreline to nearest hospital (mi)	X	X	X
Good Wildlife Habitat (Wildlife Diversity and Quantity)	Percent 'good' habitat within 2 miles of top of MP shoreline times the number of 'Good' land covers in same area	X	X	X
Existence of Onsite Marina	Number of Marinas at Reservoir	X		
Good Fishery	Total density of top 4 sporting fish		X	
Sense of Tranquility/ Lack of Development in Reservoir Setting	Pop. density within 2 miles of top of MP shoreline (persons/sq mi)		X	
Good Access to Recreation Facilities	Project area above top of MP (sq mi) Recreational road density inside project boundary (mi/sq mi)		X	
Good Infrastructure	Paved road density (highways) within 5 miles of top of MP shoreline (mi/sqmi)	X		X
	Residential road density on private land within 2 miles of top of MP shoreline (mi/sq mi)	X		X
	Percent of area within 2 miles of top of MP shoreline covered by a Public Water Supplier	X		X
	Number of critical zoning elements supported	X		X
Access to Sites of Interest				O
Separation of Disparate Recreational Uses and Zoning		O		
Access to Wide Range of Leisure Activities				O

MP = Multipurpose Pool, FC = Flood Control Pool, EOM - end of month, Top 4 Sport Fish = channel catfish, walley/sauger-saugeye, crappie, black bass

Table 1: Development Category Criteria: X=measured criterion, O=criterion identified by TAC but measurement was not possible

Best Candidates for Development at Federal Reservoirs

After data was collected on each of the reservoirs, a statistical tool was then used to group reservoirs with similar attributes for three development categories: residential, resort and recreational.

The residential category is primarily permanent housing, including single-family housing developments where people live for all or part of the year. The primary driving force is the proximity to water. The resort category would be a destination facility for conferences, business meetings and recreation activities. While the heaviest use would be seasonal, the resort would have to be in a location where there it would be used year-round to be profitable. The outdoor recreation classification is defined primarily by the recreational uses, including fishing, camping, canoeing, sailing, hiking, horseback riding, birding and nature watching. Housing is secondary and the occupants of that housing would be more seasonal than those in the residential category.

From a temporal standpoint, the following results are limited because they are essentially a snapshot taken from the perspective of 2004. These reservoirs are not static elements in time and, with the adoption and implementation of recommended policy options, future improvements to criteria scores are not only possible but anticipated. For this reason, at regular intervals in the future, the quantitative characteristics used in this analysis should be updated to determine if a change in reservoir groupings has occurred.

The information contained in Table 2 shows the results generated from the metrics for each development category as outlined in Table 1. Additional characteristics or information could be provided during the public review process that may change the results as shown currently in Table 2. The intent of this analysis is to evaluate only the physical and natural resource characteristics of the Federal reservoirs in Kansas. It does not cover all attributes that make successful development possible or desirable. A companion market demand study by the Kansas Department of Commerce, which uses the metrics developed for this paper as its starting point, is ongoing. Once completed, the physical and natural resource analysis will be compared to the market demand study and results presented.

Development Category	Top Tier Group	2nd Tier Group		3rd Tier Group
Residential	Clinton Hillsdale El Dorado	Milford, Perry, Pomona		N/A
Recreation Outdoors	Big Hill	Western KS Kirwin K. Sebelius Webster Cedar Bluff	Eastern KS Clinton Hillsdale El Dorado	Milford Perry Waconda
Resort	Clinton Hillsdale Perry	Big Hill, Wilson, Milford		N/A

Table 2: Results of Reservoir Analysis Identifying Best Candidates for Each Development Category

POLICY OPTIONS AND RECOMMENDATIONS

Preamble

It is in the best interests of the State of Kansas to encourage economic development at Federal reservoirs. At the same time, it is critically important to preserve the water quality and the "natural" attributes of the reservoirs that attract people to them in the first place. In fact, Kansas should undertake activities that actually enhance their attractiveness for development, including a policy of not allowing any increase of pollutants from development activities. These reservoirs, built with public funds, are part of the public trust. The State of Kansas has a responsibility to ensure that these public resources and authorized reservoir uses are preserved and protected as economic development occurs.

Recommendations

The following recommendations will ensure that the proper balance is struck between encouraging development at reservoirs and preserving the very characteristics that attract people to them in the first place. Lead State agencies are indicated at the end of each recommendation.

Recommendation No. 1:

Assure that developers of residential areas and resorts are made aware of and meet all water and natural resource requirements through a coordination mechanism that involves federal, state, and local representatives. (Department of Commerce and Kansas Water Office)

Recommendation No. 2:

Increase public access and use of Federal reservoirs through public-private partnerships; use current and new access points to reservoirs as gateways and portals to the reservoirs by people living at developments on private land; formulate options to lease Federal land for public-private developments utilizing public reservoir land as long as it is not used for any exclusive, private use; seek Congressional action to sell or transfer any excess land at Federal reservoirs for economic development as long as it is not used for any exclusive, private use. (Department of Commerce and the Kansas Water Office)

Recommendation No. 3:

Review and monitor Corps shoreline management plans every five years to insure that these plans recognize opportunities for greater public access and development opportunities at Corps reservoirs. (Kansas Water Office and Department of Commerce)

Recommendation No. 4:

Assure that reservoir stakeholders are full partners in encouraging economic development and minimizing its environmental impact; provide templates on how to achieve these goals, including the formation of a "lake community association" or "reservoir development authority" at individual reservoirs; templates on voluntary zoning regulations for local units of government should also be made available. (Department of Commerce and Kansas Water Office)

Recommendation No. 5:

Support the rights of local governments to protect private lands next to reservoirs from encroachment that is contrary to the viability of housing developments, resorts and recreation areas; support passage of authority to create "encroachment restriction zones" modeled after the provisions in HB 2019 from the 2005 Legislative Session; encourage the voluntary use of conservation easements to limit unwanted encroachment. (Kansas Water Office)

Recommendation No. 6:

Enhance the water quality of each reservoir by developing regulations authorized under the Sanitation Zone statutes (KSA 65-184 through 189f) that would create Sanitation Zones around each Federal reservoir used as a source of public water supply; these zones would control runoff so as not to result in an increase in pollutant loading to the reservoir. (Kansas Department of Health and Environment)

Recommendation No. 7:

Promote and develop water and natural resource education attractions that complement the natural attributes of the immediate area to enhance its attractiveness for visitors and developers (Department of Commerce and Department of Wildlife and Parks)

Recommendation No. 8:

Explore all options for increased funding for outdoor recreation activities at State Parks that do not involve the use of State General Fund revenues, including the use of a fee attached to vehicle registration fees modeled after provisions in SB 87 from the 2005 Legislative Session; increase private-public partnerships with recreational interest groups to enhance outdoor recreational activities at State Parks. (Kansas Department of Wildlife and Parks)

Recommendation No. 9:

Provide assistance to local units of government and other entities who want to increase the economic value of their local reservoirs through infrastructure improvements, voluntary water protection strategies, and State support of small lakes restoration projects. (Department of Commerce)

PLAN IMPLEMENTATION

Legislative Action

Statutory authorization for encroachment protection is needed for Recommendation 5 and increased funding for outdoor activities at State Parks for Recommendation 8. Monitoring and informing the Governor and Legislature on these two issues is the responsibility of the Kansas Water Office.

Administrative Action

Recommendations 1-4 are the responsibility of the Department of Commerce and the Kansas Water Office.

Recommendation 6 should be incorporated into Rules and Regulations by the Department of Health and Environment for administration of Sanitation Zone statutes.

Recommendation 7 is the responsibility of the Department of Commerce and the Department of Wildlife and Parks.

Recommendation 9 is the responsibility of the Department of Commerce.

Financial Requirements

While the administrative costs of these recommendations can be done within existing budgets, there may be projects in future fiscal years that need to be funded as economic development opportunities present themselves.

Implementation Schedule

These recommendations require an on-going commitment by the State of Kansas.

REFERENCES

References for this paper can be found in the Background Paper #74: Economic Development Opportunities at Federal Reservoirs in Kansas.

KANSAS WATER PLAN

Economic Development Opportunities at Federal Reservoirs in Kansas

Working Draft Policy Section
Released by the Kansas Water Authority for Public Review and Comment

June 2, 2006

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Economic Development Opportunities at Federal Reservoirs in Kansas

EXECUTIVE SUMMARY

Development is already occurring on private land adjacent to public land at Federal reservoirs. Public access to land immediately adjacent to the shoreline at Federal reservoirs is typically in parks and wildlife areas managed by the Corps of Engineers and the Kansas Department of Wildlife and Parks. Interest in outdoor recreation at Federal reservoirs is increasing and shifting at the same time. Kansas now has the opportunity to meet these changing demands for more recreational and residential uses at our Federal reservoirs.

To this end, the Kansas Water Authority authorized a study of the economic development opportunities at and adjacent to Federal reservoirs. One such opportunity is the creation of public-private partnerships that will increase public access and use of the reservoir lands. Another opportunity is the development of private land adjacent to the reservoirs.

Any development on federal property must be available for public use and would:

1. Take into account current reservoir management plans and reservoir purposes, including flood control, public water supply, water quality and recreation.
2. Encourage public-private developments on land leased from the Federal government to allow greater public access and use. Exclusive, private use would not be allowed on public land.

It is critically important to preserve the water quality and the "natural" attributes of the reservoirs that attract people to them in the first place. In fact, Kansas should undertake activities that actually enhance their attractiveness for development, including a policy of preventing increases of pollutants from development activities. These reservoirs, built with public funds, are part of the public trust. The State of Kansas has a responsibility to ensure that these public resources and authorized reservoir uses are preserved and protected as economic development occurs.

Key Findings

- Kansas has 24 federal reservoirs. Seventeen of them were built and are managed by the U.S. Army Corps of Engineers; seven were built and are managed by the Bureau of Reclamation.
- The Corps' lakes were built primarily for flood protection.
- The Bureau's lakes were built primarily for irrigation development by farmers, though for other purposes as well.
- Any development on federal property must be public in its use and take into account current reservoir management plans and reservoir purposes, including flood control, public water supply, water quality, and recreation.
- Public reservoir land cannot be used for any exclusive, private use.

Key Recommendations

- Create a multi-agency group through an executive order of the Governor to work with private and public entities at the local level to encourage development at and adjacent to Federal reservoirs and to make sure that development does not degrade the water resource itself. Specific initiatives include:
 1. Provide information and assistance to prospective developers, particularly the results of the market study commissioned by the Department of Commerce;
 2. Work with local governments and others who want to increase the economic value of their local reservoirs;
 3. Promulgate rules and regulations under its general authority that would require any person wishing to develop land within a designated area adjacent to a reservoir to demonstrate how wastewater and sewage, stormwater runoff, and solid waste produced during and after development will be managed to minimize reservoir water quality impacts;
 4. Provide developers with access to reservoirs as appropriate through State parks and wildlife areas as part of public-private developments that enhance and increase the use of the Federal reservoirs;
 5. Upgrade State park infrastructure and develop fee structures that support the entire costs of operating the parks and needed enhancements.
- Work cooperatively to reduce sedimentation rates at all reservoirs to preserve their recreational and economic value.
- Pursue initiatives that would enhance the recreational use and economic value of central and western Kansas primarily by improving the reliability of water levels in the reservoirs, particularly by negotiating with irrigation districts to sell all or part of their water rights.

ISSUE DESCRIPTION

The central issues in this working draft are:

- 1) How can the State best promote and manage development around Federal reservoirs while maintaining primary reservoir uses, including flood control, public water supply, recreation, including fish and wildlife, water quality and public access?
- 2) What activities or policies could enhance their attractiveness for development and increased public access?

BACKGROUND

The Kansas Water Authority directed the Kansas Water Office to undertake a study of how the State could best promote and manage development around Federal reservoirs while maintaining primary reservoir uses. These include flood control, public water supply, recreation, including fish and wildlife, water quality and public access.

Development is already occurring on private land adjacent to public land at Federal reservoirs. Public access to land immediately adjacent to the shoreline at Federal reservoirs is typically in parks and wildlife areas managed by the Corps of Engineers or the Kansas Department of Wildlife and Parks.

Even with the lack of a well-defined effort by the State to promote economic development adjacent to Federal reservoirs, residential development is occurring on private land adjacent to reservoirs. A second important use of reservoirs is outdoor recreation and the demand for this use is increasing. While there has been interest in resort development, none has occurred as a result of a study on the topic in 1997 and the passage of legislation in 1989 that authorized a process for developing resorts on state-owned or leased property at Federal reservoirs.

Federal Reservoir Policies

There are 17 Corps of Engineers (Corps) reservoirs and 7 Bureau of Reclamation (Reclamation) reservoirs in the State of Kansas.

Central to any discussion of future action to enhance the economic development potential of Federal reservoirs in Kansas is a clear delineation of Federal laws and regulatory responsibilities that govern activities at these reservoirs.

All of the fee title land at Corps and Reclamation reservoirs is "public land", i.e. land owned by the United States. As such, there has been very limited "private exclusive use" of this public land over the years. Reclamation's current policy is to not allow any new private exclusive uses while currently phasing out existing private uses in accordance with the terms and conditions of the use permit. Private uses of public land at Reclamation reservoirs in Kansas have been extremely limited over the years.

All privately permitted uses at Corps reservoirs must be consistent with the Master Plan at each reservoir. Each Corps reservoir also has Shoreline Management Plan, which is a supplement to the Master Plan that outlines where limited, if any, private development is allowed.

While Reclamation exercises oversight responsibilities with the public use of its lands, direct management of its lands for recreational purposes has been transferred. In Kansas, this transfer has usually been the Kansas Department of Wildlife and Parks.

At most Corps and Reclamation projects, there are multiple public access points. Vehicle access for all visitors to these reservoirs, including adjacent private land owners, is generally limited to these designated access points. Corps and Reclamation policies allow a variety of private-public partnerships for economic development on public land at Federal reservoirs as long as public recreational use of the land and water uses of the reservoir are part of any project.

When Federal reservoirs were constructed, the Corps and Reclamation occasionally acquired fee title to land that was not needed for authorized reservoir project purposes. However, at present, there is very little, if any, land that is considered excess to authorized project purposes at Federal reservoirs in Kansas.

There are two scenarios for changing the use of Federal property at reservoirs for economic development purposes. One, the State of Kansas or other entity could submit a direct proposal to Congress for a transfer of Corps property to another private or public entity through a sale. A second, more likely scenario would be to lease Corps property for some public purpose which would tie in with a larger development effort on private land adjacent to the reservoir property boundary.

However, more than just allowing public-private partnerships at reservoirs under their control, the Corps is actively a partner in such efforts at a variety of its reservoirs, particularly in Oklahoma. While any future development on Corps property would be subject to compliance with applicable Federal laws, rules, and regulations, Federal policies allow the pursuit of public-private development efforts.

Relatively stable water levels at reservoirs are important to economic and recreational interests attracted to these water resources. For example, the State's purchase of the water rights of the irrigation district at Cedar Bluff reservoir, which resulted in water levels that were much more stable than reservoirs with active irrigation districts, prompted economic activity that is viewed as extremely valuable by local economic and recreational interests. Proposals to purchase some or all of the water rights of other irrigation districts have been pursued, especially at Keith Sebelius Reservoir.

Some recreational facilities, like boat docks, depend on minimum water depths to be operational. The accumulation of sediment over time at the upper reaches of the reservoirs can make some facilities unusable. Increasing deposition of sediment can also decrease the open water area, a view preferred by people wanting to live at or near a reservoir.

State Responsibilities at Reservoirs

The **Kansas Department of Wildlife and Parks** manages 19 State Parks and a similar number of wildlife areas immediately adjacent to Federal reservoirs. The state parks provide traditional activities such as camping (primitive and utility), boating, day use such as picnicking, fishing and hunting. Wildlife areas are managed to provide habitat for wildlife and recreational opportunities for hunters.

The **Kansas Department of Health and Environment (KDHE)** has broad authority to provide safe drinking water, prevent water pollution, and assure compliance with state and Federal laws and regulations such as the Clean Water Act and Safe Drinking Water Act.

Local Responsibilities

Cities and counties have broad authority in managing the uses of land within their jurisdictions. These include the uses of property, stormwater and wastewater management, public water supply, roads, and other forms of infrastructure.

Local Economic Development Groups

Local economic development groups can provide on-the-ground support and promotion of economic development at Federal reservoirs, public reservoirs, and private reservoirs. These groups are often public bodies formed under the authority of one or more local governments, and often affiliated with a local Chamber of Commerce.

Local support of development at reservoirs by citizens, private businesses, and local governments is critical to its success and advancement. It is up to local communities to shape their vision for the neighborhood reservoir and for the state to provide assistance, whether it is for infrastructure improvements, voluntary water protection strategies, creation of water and natural resource education attractions, or support of small lakes restoration projects.

RESERVOIR STUDIES

As part of the effort to determine the economic development potential of the 24 Federal reservoirs in Kansas, two studies were authorized.

The first was done by the Kansas Water Office which collected and analyzed physical and natural resource data on all 24 Federal reservoirs in Kansas to determine which reservoirs had attributes for different kinds of economic development. Three different development categories were assessed; residential, resort and outdoor recreation.

Concurrently with this study, the Department of Commerce commissioned a second study to determine the market demand for residential development, outdoor recreation, and resort destinations at eight (8) of the Kansas Federal reservoirs. The conclusions from each study are listed below.

Conclusions: Kansas Water Office Study

The Kansas Water Office, with the help of the Technical Advisory Committee, identified the following criteria (Table 1) for use in determining whether a reservoir would be a good candidate for each of the development categories. Where possible, these criteria were translated into measurable physical or resource characteristics.

Development Criteria for Reservoirs

Development Criteria	Criterion Metric(s)	Development Category		
		Residential	Recreation Outdoors	Resort
Scenic View (Vistas)	Reservoir surface area incr/ft of elev increase as % of target MP area	X	X	X
Proximity to Job Market	Total Population within 50 miles of top of MP shoreline	X		X
Good Water Quality	Median total phosphorus (1986-2003) (ug/L)	X	X	X
	Median secchi depth (1986-2003) (cm)	X	X	X
	Sedimentation as estimated depletion year	X	X	X
Good Soil Characteristics (Onsite Waste Systems)	Percent of land area within 2 miles of top of MP shoreline with soils acceptable for septic systems (as 1 - % Very Limited)	X		
Proximity to Shoreline	Private Land w/in 1/2 mile of top of MP shoreline (ac)	X		X
Stable Lake Level	1990-2004 EOM elev change from top MP/FC-MP elev (StDev)	X	X	X
Access to Amenities	Total incorp'd area within 25 miles of top of MP shoreline for pop. >1,500 towns (sq mi)	X	X	X
	Distance from top of MP shoreline to nearest hospital (mi)	X	X	X
Good Wildlife Habitat (Wildlife Diversity and Quantity)	Percent 'good' habitat within 2 miles of top of MP shoreline times the number of 'Good' land covers in same area	X	X	X
Existence of Onsite Marina	Number of Marinas at Reservoir	X		
Good Fishery	Total density of top 4 sporting fish		X	
Sense of Tranquility/ Lack of Development in Reservoir Setting	Pop. density within 2 miles of top of MP shoreline (persons/sq mi)		X	
Good Access to Recreation Facilities	Project area above top of MP (sq mi) Recreational road density inside project boundary (mi/sq mi)		X	
Good Infrastructure	Paved road density (highways) within 5 miles of top of MP shoreline (mi/sqmi)	X		X
	Residential road density on private land within 2 miles of top of MP shoreline (mi/sq mi)	X		X
	Percent of area within 2 miles of top of MP shoreline covered by a Public Water Supplier	X		X
	Number of critical zoning elements supported	X		X
Access to Sites of Interest				O
Separation of Disparate Recreational Uses and Zoning		O		
Access to Wide Range of Leisure Activities				O

MP = Multipurpose Pool, FC = Flood Control Pool, EOM - end of month, Top 4 Sport Fish = channel catfish, walley/sauger-saugeye, crappie, black bass

Table 1: Development Category Criteria: X=measured criterion, O=criterion identified by TAC but measurement was not possible

After data was collected on each of the reservoirs, a statistical tool was then used to group reservoirs with similar attributes for three development categories: residential, resort and recreational.

From a temporal standpoint, the following results are limited because they are essentially a snapshot taken from the perspective of 2004. These reservoirs are not static elements in time and, with the adoption and implementation of recommended policy options, future improvements to criteria scores are not only possible but anticipated.

The information contained in Table 2 shows the results generated by the Kansas Water Office study. The intent of this analysis is to evaluate only the physical and natural resource characteristics of the Federal reservoirs in Kansas. It does not cover all attributes that make successful development possible or desirable.

**Best Candidates for Development at Federal Reservoirs
Kansas Water Office Study**

Development Category	Top Tier Group	2nd Tier Group		3rd Tier Group
Residential	Clinton Hillsdale El Dorado	Milford, Perry, Pomona		N/A
Recreation Outdoors	Big Hill	Western KS Kirwin K. Sebelius Webster Cedar Bluff	Eastern KS Clinton Hillsdale El Dorado	Milford Perry Waconda
Resort	Clinton Hillsdale Perry	Big Hill, Wilson, Milford		N/A

Table 2: Results of Reservoir Analysis Identifying Best Candidates for Each Development Category

This complete findings of this study completed on June 22, 2005 are contained in a document titled "Kansas Water Plan Background Paper No. 74, Economic Development Opportunities at Federal Reservoirs in Kansas." It can be found on the Kansas Water Office website (www.kwo.org) or provided upon request.

Conclusions: Department of Commerce Study

As indicated earlier, the Department of Commerce commissioned a concurrent study with Kansas Water Office study to look at the market demand for residential development, outdoor recreation, and resort destinations at Federal reservoirs. Eight (8) Federal reservoirs were selected to be studied that were representative of the twenty-four reservoirs in Kansas.

For each of the reservoirs studied, a total of six development types were possible: residential-second home; commercial resort; rustic resort; golf course and marina. Given the reservoir's recreational features such as hiking and boating and some reservoirs' proximity to an urban area, a destination spa was added as a third resort type.

For each reservoir, a range of demand was identified by development type (i.e. number of homes, resort rooms, golf courses or marina slips). At the same time, developable sites around each reservoir, both on private and federal land, were identified. Possible restrictions on development or additional costs to develop were determined for each site identified. Finally,

both economic and non-economic incentives that the State of Kansas could employ were researched and described within the report.

At the conclusion of the study, demand for at least one development at each of the eight reservoirs was identified, along with possible sites that could accommodate the development. However, the types of development and the potential size of this development vary by individual reservoir.

Best Market Opportunities at Federal Reservoirs Kansas Department of Commerce Study

Development Category	Specific Market	Reservoirs with Market Demand
Residential	Principal Residence	Clinton – El Dorado Milford – Perry
	Second Home	Clinton – Council Grove El Dorado – Perry
Recreation	Marina Slips	Clinton – El Dorado Hillsdale – Milford
	18-hole Golf Course	Clinton – Hillsdale Milford
Resort	General Hotel	Clinton – Hillsdale
	Rustic Resort	Big Hill – El Dorado Hillsdale Milford – Wilson
	Spa	Clinton – El Dorado Hillsdale – Perry

This complete findings of this study completed in May of 2006 are contained in a document titled "Kansas Water Reservoirs: Analysis of Development Potential, Final Report" It can be found on the Kansas Water Office website (www.kwo.org) or provided upon request.

Summary Conclusions

From these two studies, it is clear that further development at Federal reservoirs in Kansas will continue, with or without any additional initiatives on the part of the State. The opportunities for development are there.

POLICY RECOMMENDATIONS

Preamble

Given this current and pending development, it is in the best interests of the State take the steps to protect the waters of these reservoirs while it promotes and shapes this development for the economic and recreational benefits it provides. In fact, Kansas should undertake activities that actually enhance their attractiveness for development, including a policy of preventing increases of pollutants from development activities. These reservoirs, built with public funds, are part of the public trust. The State of Kansas has a responsibility to ensure that these public resources and authorized reservoir uses are preserved and protected as economic development occurs.

Recommendations

The following recommendations will ensure that the proper balance is struck between encouraging development at reservoirs and preserving the very characteristics that attract people to them in the first place.

These recommendations are made under the authority of KSA 82a-907 which requires the Kansas Water Authority under the state water resource planning act to create "safeguards to public health, aquatic and animal life established by KSA 65-161 to 171t". Under KSA 82a-927 (c), the Water Authority also has the responsibility to include in the long range goals of the state water plan "the protection and improvement of the quality of the water supplies of the state" and in KSA 82a-927 (f) the responsibility for "the prevention of the pollution of the water supplies of the state".

Recommendation No. 1:

PROMOTE DEVELOPMENT AND PROTECT WATER QUALITY

The Governor should issue an executive order that creates a multi-agency team that works with private and public entities at the local level to encourage development at Federal reservoirs and to make sure that development does not degrade the water resource itself. Each of the following agencies would have these primary responsibilities:

- 1) The Kansas Department of Commerce would promote development opportunities at Federal reservoirs by:

Serving as the first point of contact for developers interested in projects that increase public access to Federal reservoirs through public-private partnerships;

- Providing information and assistance to prospective developers, particularly the results of the market study commissioned by their department;
- Communicating the State's preferences on what it considers as essential elements of desirable development from a natural resources perspective outside of regulations focused on protection;
- Working with local governments and others who want to increase the economic value of their local reservoirs;
- Coordinating the work of the multi-agency group.

- 2) The Kansas Water Office would facilitate coordination of natural resource agency activity as it relates to the water quality issues presented by development, and more specifically by:
 - Acting a liaison with Commerce on behalf of the natural resource agencies on development projects;
 - Working in partnership with the Corps of Engineers to review shoreline management plans at least every five years, or in the event of a significant public-private development proposal, to insure that these plans balance greater public access and development opportunities.
- 3) The Kansas Department of Health and Environment would enhance and protect the quality of the water in each reservoir by:
 - Promulgating rules and regulations under its general authority that would require any person wishing to develop land within a designated area adjacent to a reservoir to demonstrate how wastewater and sewage, stormwater runoff, and solid waste produced during and after development will be managed to minimize impacts on reservoir water quality.
 - Communicating to developers their obligations under State and Federal law to protect the waters of the reservoirs.
- 4) The Kansas Department of Wildlife and Parks would enhance and use its state parks and wildlife areas to promote economic development around federal reservoirs by:
 - Providing developers with access to reservoirs as appropriate through its state parks and wildlife areas as part of public-private developments that enhance and increase the use of the Federal reservoirs;
 - Upgrading its park infrastructure, and developing fee structures that support the entire costs of operating the parks and needed enhancements;
 - Undertaking activities, like the use of conservation easements, to preserve the use of public hunting areas at Federal reservoirs threatened by encroaching development.

Recommendation No. 2:

REDUCE RESERVOIR SEDIMENTATION RATES TO PRESERVE RECREATIONAL USES

Federal, State and local agencies and organizations should work cooperatively to reduce sedimentation rates at all reservoirs; Watershed Restoration and Protection Strategy groups above Federal reservoirs should include the implementation of sediment reduction practices as part of their action plans.

Recommendation No. 3:

INCREASE RECREATIONAL USE OF CENTRAL AND WESTERN KANSAS RESERVOIRS

The State's water and natural resource agencies should pursue initiatives that would enhance the recreational use and economic value of central and western Kansas primarily by improving the reliability of water levels in the reservoirs. Each of the following agencies would have these responsibilities:

- 1) The Department of Wildlife and Parks, in concert with the Kansas Water Office, would work to improve the recreational value of the lakes by:
 - Negotiating with irrigation districts to sell all or part of their water rights, starting with Webster, Kirwin and Sebelius reservoirs;
 - Assisting local recreational and governmental interests in their efforts to develop a community reservoir plan that meets their interests;
 - Encouraging the use of joint agreements between local, State, and Federal stakeholders to fund and manage agreed-upon community reservoir plans;
- 2) The Kansas Water Office would assist in efforts to increase the recreational use of the reservoirs by:
 - Studying the hydrologic characteristics of each reservoir where more stable levels are desired;
 - Facilitating the development of lake level management plans that are consistent with the approved purposes of each reservoir, including recreational and economic development activities;
- 3) The Division of Water Resources, Kansas Department of Agriculture, would continue to evaluate opportunities to restore inflow into reservoirs.

POLICY IMPLEMENTATION

Legislative Action

No statutory changes are needed.

Administrative Action

The agencies responsible for the administrative action to carry out the recommended actions are outlined in the following table.

<u>Promote Development & Protect Water Quality</u> (Recommendation No. 1)	<u>Commerce</u>	<u>Water Office</u>	<u>Wildlife and Parks</u>	<u>Health and Environment</u>
<u>Multi-Agency Team</u>	X	X	X	X
<u>Public Private Partnerships</u>	X	X	X	
<u>Shoreline Plans</u>		X		
<u>Local Partners</u>	X			
<u>Encroachment</u>			X	
<u>Expectations for Developers</u>	X			X
<u>Water Quality Protection</u>				X
<u>Reduce Sedimentation Rates to Preserve Recreational Uses</u> (Recommendation No. 2)				
<u>Sediment Reduction</u>		X		X
<u>Increase Recreational Use of Central and Western Kansas Reservoirs</u> (Recommendation No. 3)				
<u>Irrigation District Negotiations</u>		X	X	
<u>Hydrologic Studies</u>		X		
<u>Joint Agreements</u>		X	X	
<u>Lake Level Plans</u>		X		
			<u>Division of Water Resources</u>	
<u>Inflow into Reservoirs</u>			X	

Financial Requirements

While the administrative costs of these recommendations can be done within existing budgets, there may be projects and infrastructure needs that will require funding in future fiscal years.

Implementation Schedule

These recommendations require an on-going commitment by the State of Kansas.

REFERENCES

The primary references for this paper can be found in the following two documents:

1. Background Paper #74: Economic Development Opportunities at Federal Reservoirs in Kansas by the Kansas Water Office (June 2005)
2. Kansas Water Reservoirs: Analysis of Development Potential, Final Report, commissioned by the Kansas Department of Commerce (May 2006)

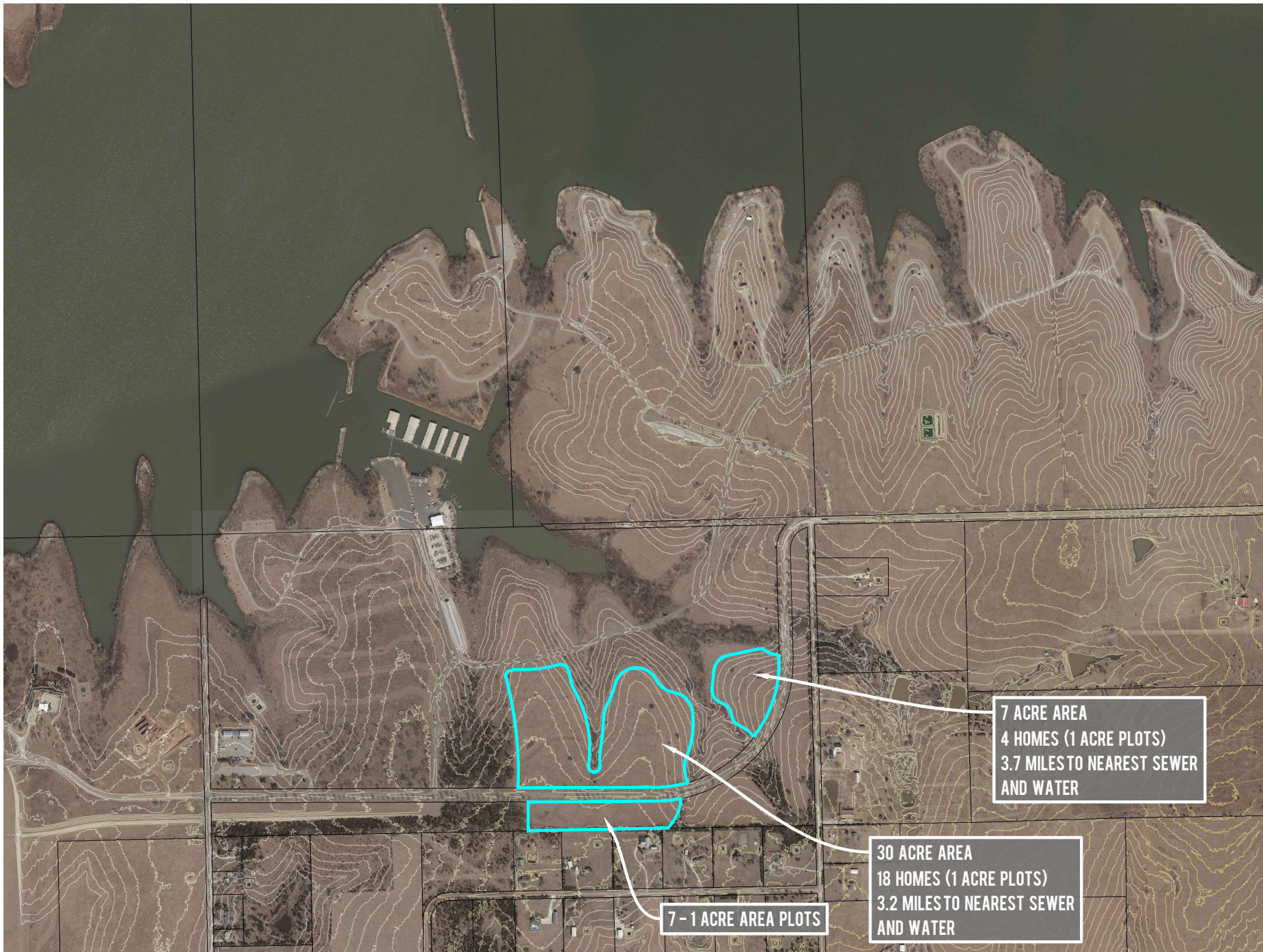
130 ACRE AREA
78 HOMES (1 ACRE PLOTS)
4.3 MILES TO NEAREST SEWER
4 MILES TO NEAREST WATER

33 ACRE AREA
20 HOMES (1 ACRE PLOTS)
3.6 MILES TO NEAREST SEWER
3.3 MILES TO NEAREST WATER

14 ACRE AREA
8 HOMES (1 ACRE PLOTS)
3.3 MILES TO NEAREST SEWER
3 MILES TO NEAREST WATER

12 ACRE AREA
7 HOMES (1 ACRE PLOTS)
3 MILES TO NEAREST SEWER
2.7 MILES TO NEAREST WATER

47 ACRE AREA
28 HOMES (1 ACRE PLOTS)
1.6 MILES TO NEAREST SEWER
1.3 MILES TO NEAREST WATER



7 ACRE AREA
4 HOMES (1 ACRE PLOTS)
3.7 MILE TO NEAREST SEWER
AND WATER

30 ACRE AREA
18 HOMES (1 ACRE PLOTS)
3.2 MILE TO NEAREST SEWER
AND WATER

7 - 1 ACRE AREA PLOTS

Convention & Tourism Committee

CURRENT

11 Members (quorum 6)
Four members must be representative of businesses connected to hotel/motel industry.
2 Year Term
No Term Limit
Meets every other month on the second Tuesday at 4:00 p.m.

Objective:

Makes recommendations regarding programs and expenditures for the promotion of conventions and tourism.

PROPOSED CHANGES

9 Members (quorum 5)
Four members from the following industries: hotel/motel, hospitality, recreation and/or museum.
2 Year Term
No Term Limit
Meets every other month on the second Tuesday at 4:00 p.m.

Objectives:

- Board will nominate a chairperson and vice chairperson.
- Community Marketing Manager (city representative) will act as secretary.
- Assesses the quarterly reports on transient guest tax dollars.
- Make recommendations on how to promote and market El Dorado and the El Dorado Lake area as a leisure, cultural and recreational destination.
- Make recommendations on how to generate revenue from overnight stays at hotels/motels.
- Serves as a liaison for individuals/organizations interested in hosting events, attractions, sports tournaments, etc.
- Helps make decisions on CVB Grant Program requests.
 - Offers grants to non-profit organizations interested in marketing an event or attraction, coordinating an event or hosting a sports tournament.

Community Image/Rebranding – EL DORADO, KS

PROJECT SCOPE

The purpose of this initiative is to differentiate El Dorado, KS from other communities in the area by developing a brand which may be used to market the City to prospective businesses, developers, residents and visitors.

- The chosen agency shall provide The City of El Dorado with a market research study to determine the view of the City in neighboring communities.
- The agency must create an image for El Dorado that can be easily and effectively utilized across multiple graphic identity applications and communicative mediums such as signs, letterheads, signage and social media marketing materials.
- It should be noted, the City of El Dorado recently went through a website redesign. Therefore website recreating or redesign does not need to be part of the agencies proposals.
- The City of El Dorado requests proposals by qualified firms to research, create and develop an implementation plan for a community branding initiative for the City of El Dorado.

The City of El Dorado would like a proposal that represents the primary goals and objectives to be achieved by the branding initiative and process:

- a. *Uniformity* – The brand should convey a common message and image to audiences both within and outside of the City of El Dorado.
- b. *Community Identity/Pride* – Identify and promote what makes the City of El Dorado distinct and appealing in a regionally competitive environment for investors, businesses retailers, visitors and residents.
- c. *Community and Economic Development Promotion* – promote a healthy economy, attract private investment, new residents, young professionals and retain key businesses. A defined message that will market the City of El Dorado locally, statewide, nationally and internationally as a great place to live, work, play and do business; the right place for development, redevelopment and investment; the perfect mix for a business-friendly community.
- d. *Flexibility* – The brand must be flexible and adaptable in order to meet the needs of a variety of departments and municipal functions within the City of El Dorado as well as groups and businesses within the overall brand. It must also be flexible enough to grow and evolve along with any changes in the market.
- e. *Endorsement* – The brand must be authentic and resonate with citizens, businesses, employees and community groups within the City of El Dorado and throughout the region in order to gain the broadest possible support for the initiatives. It must be relevant to the City of El Dorado, but also reflect the desire to move forward.

SCOPE OF SERVICES

Project Management – The consultant will lead all aspects of the City of El Dorado community branding initiative, including the following:

- a. Placemaking Advisory Committee – This team will be composed of representatives from the City of El Dorado, the Convention & Tourism Committee and other community leaders.
- b. Facilitator during the research process and/or testing of the new brand. Include descriptions of community engagement efforts that will take place during this process. The City of El Dorado has a very involved and engaged community. The consultant will be expected to employ creative means of

public engagement to ensure that all segments of the community are aware and involved in the project.

Research – Research will be the basis for the development of a brand concept, creative elements and the overall brand initiative. The consultant will review previous studies conducted by the City of El Dorado to help implement strategies for the brand image and marketing campaign. In addition:

- a. Identifying the key elements of the City of El Dorado.
- b. Analysis of current efforts and existing creative elements such as logos, tag lines, and creative designs.
- c. Analysis of competitor marketing strategies.
- d. Measures that will be used to determine if the branding effort is successful.

Strategic Plan – The consultant will develop strategic objectives that will include implementation, management and ongoing promotion of the brand to include, but not be limited to the following:

- a. Promotion of the use of the brand among many City of El Dorado and community agencies, groups and businesses while maintaining brand integrity.
- b. Maintenance and consistency of brand image and messaging while providing suitable flexibility for the target audiences of the participating agencies.
- c. Recommendation of ways to articulate the brand; define markets and promotional avenues; and advise on strategies to better promote and create brand awareness.
- d. Creative/Development of Brand – The consultant will develop creative elements that may include design concepts, logos, messages, tagline, and other products to support the overall brand initiative. A minimum of three distinct creative options must be presented, based on the results of the research. The selected logo design will be delivered with a style manual and guidelines for use and the capability of use in the following:
 - Print and electronic advertising
 - Website design
 - Media placement
 - Public Relations
 - Outdoor signage and brand recognition

Implementation Matrix – The consultant will develop an action plan for implementation of the brand in sufficient detail to allow staff to understand the approach and work plan. An Action Plan should include, but not limited to the following:

- a. Estimated costs/budget associated with the implementation process.
- b. Proposed timelines for the development of creative elements.
- c. Recommended positioning logo and brand guidelines.
- d. Implementation plans for brand identity applications and brand identity maintenance plan.
- e. Potential funding sources

Evaluation Plan – The consultant will develop a plan for ongoing evaluation of the brand's effectiveness and reporting of results of the strategy to the steering committee, key stakeholders and the public.