SUSTAINABLE PLACES POLICY COMMITTEE  
June 12, 2020 Meeting Summary

Online Participants  
Commissioner Jim Walters, Unified Government, Co-Chair  
Brian Alferman, Johnson County  
Jon Birkel  
Mary Cyr, Downtown Overland Park Partnership  
Michael Frisch, UMKC  
Jessy Innocent, USDOE  
Katie Jardieu, City of Raymore  
Edwin Lowndes, Housing Authority  
Janet McRae, Miami County  
Mark O’Hara, HOK  
Erin Ollig, City of Overland Park  
Gloria Ortiz-Fisher, Westside Housing  
Brian Nowotny, Jackson County  
Michael Park, City of Lee’s Summit  
Josh Powers, Johnson County  
Leslee Rivarola, City of Basehor  
Tom Scannell  
Allison Smith, KDOT  
Scott Wagner  
Jeffrey Williams, City of Kansas City

MARC Staff Present  
Ron Achelpohl, Beth Dawson, Frank Lenk, Marlene Nagel, Martin Rivarola, Jermain Whitmore, Patrick Trouba  
– MARC staff

Welcome and Introductions – Commission Walters welcomed those present and asked for self-introductions.

Approval of March 2020 Meeting Summary – Edwin Lowndes made a motion, seconded by Janet McRae to approve the March meeting summary. The motion carried.

COVID-19: Economic Impact and Recession Recovery Presentation  
As part of the civic response to COVID-19, there have been numerous surveys of businesses and entrepreneurs. Alt-Cap has established a Small Business Relief Loan Fund with private business and public sector contributions. The Community Foundation, LISC, United Way and MARC have established a grant program to help non-profits serve people with urgent human service needs. The KC Chamber, KCADC, Civic Council, and MARC prepared and released a Safe Return Guide to help businesses reopen safely. They have all played a major part in addressing the immediate crisis and have been working tirelessly to lessen the impact on the local economy. This forecast was conducted under the auspices of KC Rising and its Data and Analytics Resource Team, with funding from the Civic Council. As far as the US forecast, there has been a small uptick of approximately 2 million jobs in the past couple of months; however, we still are down significantly from where we were in February. There has been a major spike in unemployment insurance claims in those couple of months as well, even though there has been some rehiring.

Moody’s Analytics Baseline U.S. Forecast uses the assumptions that there is no widespread second wave of COVID-19 and the next round of fiscal stimulus should be passed by August, which includes aid to state and local governments. Lawmakers intend to extend the expansion of unemployment insurance benefits, currently scheduled to end July 31. Small-business bankruptcies are limited so that people can return to their jobs
relatively quickly; assuming Financial markets don’t tighten significantly, and U.S./China relations don’t heat up as well. According to some of their scenarios, it could cause another recession but not as severe as the previous ones.

As far as the KC Economic Forecast, employment has a similar pattern to the U.S. forecast with a fairly meager and slow growth phase in the long term. Regarding unemployment, there has been a similar reduction as some workers return to work, but not as significant as US forecast.

In conclusion, the outlook is bleak, but it would be much worse without the exceptional monetary and fiscal policy response. There should be a quick but partial rebound resulting in a recovery of about 1/3 of the jobs lost by the end of the year. The path from there depends on the virus, confidence in our ability to contain it, and additional stimulus to state and local governments to avoid large budget cuts. Our industry/occupation mix provides some modest protection, but a more rapid, sustainable recovery depends on re-tooling it to meet 21st Century demands. All scenarios suggest cautious consumers and risk-averse businesses dominate resulting in a slow recovery, though not as slow as from the Great Recession. Some sectors in which the KC economy specializes in appear to be more resilient than average and the policy challenge is to successfully capitalize on this and emerge more strongly than we did in the Great Recession.

One of the committee members mentioned that one of the companies in their area experienced a 20% increase in production since the shut down and questioned why there would be a need to pay for office space. Mr. Lenk replied that it could be that there is a reduction in demand for office space, as well as a question of how do you open up the economy safely, do mixed meetings, reconfigure office space, etc.

Someone asked if there have been any efforts to track data from a sales perspective, and Mr. Lenk responded that it would be best to get that information from states but we still need more data. However, food sales are strongest areas of sales at the moment.

Another committee member inquired if there is a base assumption that everything will return to normal like before, and Mr. Lenk answered that those at the lower end will be least likely able to recover from this.

There was a question regarding if there are any talks on how the pandemic will affect layoffs at the airport given the airline industry isn’t currently regulated, and Mr. Lenk commented that there is no data currently. It was asked if the prior forecasts will affect forecasts in the near future, and Mr. Lenk believes it could possibly have an effect on creating a recession in the future.

A committee member wondered if they have run scenarios testing the sensitivity of the KC economy to alternative assumptions, and Mr. Lenk confirmed that the plan is to do that in the near future.

Someone else inquired if they have looked at the impact of race/ethnicity in certain job sectors and Mr. Lenk acknowledged that he has not but will look into that.

Discussion: How have the last three months affected your work and what have you learned?

Michael Frisch – Concerned about impact it has on transportation.

Jeffrey Williams – There are concerns about densification and transit works better with it. Question is how to provide personal space through parks and outdoor spaces. This is giving us the opportunity to look at how to densify.

Jon Birkel – With different job recovery curve scenarios and crossing referencing with stimulus payments stopping, there will be a point where mortgages or rents will not be able to be paid, these two curve intersections may give an indication to foreclosure rates and housing stresses. This will affect the recovery curve and have a longer term effect as did the great recession.
Janet McRae – Community was moving towards tiny homes but now things are trending toward larger homes, multigenerational homes, and home offices. Home sales are continuing. They are also using the funding from the CARES Act to help with broadband in KS.

Michael Park – There has been an increased demand in walking and biking, as well as public engagement. As a committee, look at things that open up more opportunities and biking, as well as working from home.

Edwin Lowndes – They have seen an impact on connectivity for clients and being able to serve them effectively and efficiently, as well as security.

Other Items – Quick updates
Commissioner Jim Walters reminded everyone of the next meeting being held on July 22nd and reviewed the agenda.

Jeffrey Williams informed the committee that they have launched the update to their comprehensive plan, the KC Playbook.

Other Business
The next meeting of the committee is July 22, 2020. The meeting was adjourned.