



News from the City of Leavenworth, Kan.

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Federal per diem reclassification aligns Leavenworth with area cities

Change gives the city the needed leverage to lure high-quality hotel

The City of Leavenworth learned this weekend that the federal General Services Administration has accepted the formal request to change Leavenworth's per diem classification from Standard (\$70 per day) to Non-Standard (\$107 per day). Classification change request efforts by City staff, local economic development agencies, federal representatives, federal agencies located in Leavenworth and lobbyists have been ongoing in one form or another for more than 20 years, with efforts being ramped up over the past two years.

The change essentially means that federal employees are now allowed to spend \$107 per day in the City (and County) of Leavenworth. Prior to the change, federal employees, including those associated with Fort Leavenworth, the U.S. Penitentiary and the Veterans Administration Hospital, were capped at \$70 per day if they stayed in Leavenworth, and therefore would choose to stay at hotels in areas (Kansas City, Wyandotte, Platte County) that were classified as Non-Standard, which allows \$107 per day.

"In talks with numerous hotel developers over the past couple of years, the change to the higher Non-Standard per diem, and the guarantee of a consistent base of lodgers that comes with that change was something hotel developers required when considering Leavenworth, and we were not able to offer that, until this week," said Andrea Adkins, the City's economic development administrator. "A new hotel with conference space and amenities would provide an ideal option for visiting federal employees who want to stay close and draw national

conferences, day-tour groups and regional visitors, all of which increases opportunities for current merchants and future development.”

Adkins and City Manager J. Scott Miller have been working recently with the local federal delegation on the change request, and all were in consensus that this change was not only advantageous for the city, but the fair thing to do.

“It is not \$37 more expensive to stay at a hotel across the county line in Wyandotte County than it is in Leavenworth County, but that is what the existing policy of federal government had suggested,” said U.S. Rep. Lynn Jenkins. “I was honored to work with City of Leavenworth Economic Development Administrator Andrea Adkins and the elected leaders of Leavenworth city and the county on this issue and am very pleased GSA has agreed to increase the per diem rate.”

The change, which takes place April 1, allows the City to proceed with negotiations with hotel developers, which is an important development in an economic climate where growing revenues is crucial.

“Every time a day-tour group or a federal employee working at the Fort, the Penitentiary or the VA leaves the City at the end of the day for a hotel in a different city, our City loses sales tax revenue on everything from the hotel room to meals to gasoline,” Miller said. “If we are able to capture that revenue by keeping them here, the City can increase sales and transient guest taxes, which allows us to do more for our residents.”

As part of the multi-part process to apply to the General Services Administration for a special review, two support letters were required from federal agencies. For this, the City would like to specifically thank the U.S. Penitentiary and the Consolidated Mail Outpatient Pharmacy.

For more information, contact Paul Kramer, the City’s public information officer, at (913) 680-2602.