

Approved: February 4, 1999
Date

MINUTES OF THE SENATE COMMERCE COMMITTEE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on February 3, 1999 in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

Lynne Holt, Legislative Research Department
Bob Nugent, Revisor of Statutes
Betty Bomar, Committee Secretary

Conferees appearing before the committee:

Senator Ben Vidrickson
David Jenkins, President, Kansas Historic Theatres Ass'n., Salina
Andrea Springer, Executive Director of Fox Theatre, Hutchinson
Gerald Cook, Executive Director, Salina Area Chamber of Commerce
Dr. Douglas Jernigan, President, Jayhawk Theatre, Topeka
John Wall, Downtown Topeka, Inc.
Chris McKenzie, Executive Director, League of Kansas Municipalities
Claudia Larkin, Director, Travel and Tourism, Department of Commerce
and Housing
William Morris, American Institute of Architects in Kansas

Others attending: See attached list

Janet Stubbs, Kansas Building Industry Association, requested a bill be introduced permitting subcontractors an option of opting out of Workers Compensation coverage.

Senator Donovan moved, seconded by Senator Steineger, that a bill be introduced to allow subcontractors the option of an exemption from Workers Compensation coverage. The voice vote was in favor of the motion.

The City of Overland Park requested a bill be introduced to create a tax credit for investment in infrastructure.

Senator Jordan moved, seconded by Senator Donovan, that a bill be introduced creating a tax credit of investment in infrastructure. The voice vote was in favor of the motion.

SB 76 - Star bonds for historic theater preservation

Senator Ben Vidrickson appeared in support of **SB 76**, which adds "historic theaters" to the list of projects that are eligible to use tax increment bond financing.

David Jenkins, Executive Director of the Fox Theatre restoration, Salina, and President of the Kansas Historic Theatre Association, appeared in support of **SB 76**. Mr. Jenkins stated he has been in the event and facility industry for over 24 years, with experience in over 60 US and Canadian markets. Historic theatres mean business and primarily downtown development, job development, small business incubation, education, cultural tourism, workforce retention and the quality of life perceptions that attract relocating industries. **SB 76** is an invaluable tool to protect and preserve the exceptional architectural and cultural assets of the state. Using the most conservative economic multipliers and sales projections, the Association has determined that the restoration and first five years of operation of the nine member theatres will have an economic impact on the State of Kansas in excess of \$165 million. Mr. Jenkins stated that almost 5,000 movie palaces and opera houses were built in this country prior to 1935,

.CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE, Room 123-S of the Statehouse, at 8:00 a.m. on February 3, 1999.

with over 75% of them having been destroyed, the victims of suburbanization and electronic entertainment media. Some of the remaining theatres are being restored and again draw consistently large and appreciative audiences, and changing the face of their once depressed downtowns. (Attachment 1)

Andrea Springer, Executive Director, Fox theatre in Hutchinson, testified in support of **SB 76**. Ms. Springer stated the Fox theatre in Hutchinson opened January 29th, to a full house, and the projected economic impact for the one night to be \$170,000. Ms. Springer stated fund raising for these projects is a most pressing issue; and through the use of tax increment financing (TIF), the ability to obtain grants from other sources will be greatly enhanced. (Federal and private)

Gerald Cook, Executive Director, Salina Area Chamber of Commerce, testified in support of **SB 76**, stating one of the most effective methods of preventing suburban sprawl is through more intensive use of buildings and sites already in place within the community. Quality of life is a critical ingredient in economic development. Historic preservation and theatre restoration adds to a community's real and perceived quality of life by enhancing its level of human development, sense and pride of physical place. Mr. Cook stated historic theatres play an integral role in the creative and optimistic development of our youth.

Dr. Doug Jernigan, President, Jayhawk Theatre, Topeka, testified in support of **SB 76**, stating historic theatres are an emotional link with the past as well as playing a strong role in revitalization of downtowns. Historic preservation has a greater impact on local labor and suppliers than does new construction. Restoration also means reusing existing public infrastructure. The reuse of a historic building in a downtown district, not only strengthens the district, but utilizes infrastructure already in place and paid for by previous generations, saving tax dollars.

John Wall, Downtown Topeka, Inc., appeared in support of **SB 76**, citing the rebirth of other cities who restored historic theatres. (i.e. New Brunswick, New Jersey; New Bedford Massachusetts; and Winston-Salem, North Carolina)

Chris McKenzie, Executive Director, League of Kansas Municipalities, testified in support of **SB 76**, stating the legislation is consistent with the League's general policy position in support of the use of tax increment financing to encourage the redevelopment of significant properties in cities. Certain types of projects, such as a redevelopment district for restoration of a historic theater, transient guest taxes and states sales and use taxes can also be dedicated to funding repayment of the bonds. If these sources of revenue prove inadequate, the TIF law provides that the taxpayers at large are not responsible for repayment of the bonds through property taxes. The process a city must go through to establish a TIF district is lengthy and complex, and is designed to ensure the financial feasibility of the project as well as to allow adequate time for public participation. Mr. McKenzie stated there were some technical amendments needed if the bill is passed out of committee. (Attachment 2)

Claudia Larkin, Director, Division of Travel and Tourism, Kansas Department of Commerce & Housing, appeared in support of **SB 76**, stating history has a strong appeal to travelers and the legislation has solid guidelines in place to ensure funding to worthwhile, community-driven projects. Research has shown that historic travelers tend to be better educated, earn higher incomes and spend more each day pursuing travel interests than a more general traveler, spending \$316 per traveling party in Kansas compared to \$261 per party by those involved in general travel. (Attachment 3)

William Morris, representing the American Institute of Architects in Kansas, appeared in support of **SB 76**, which allows the use of bonds for the renovation of Kansas' historic theatres. It allows local communities to assist in preserving their downtowns and other older commercial areas; provides for the stabilization and rehabilitation of buildings; provides a funding source to adapt historic theatres to new uses; and will bring new revenues through increased sales and/or business taxes. (Attachment 4)

The Hearing was concluded.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMERCE COMMITTEE, Room 123-S of the Statehouse, at 8:00 a.m. on February 3, 1999.

Upon motion by Senator Jordan, seconded by Senator Umbarger, the Minutes of the February 2, 1999 Meeting were unanimously approved.

The meeting adjourned at 9:00 a.m.

The next meeting is scheduled for February 4, 1999.



HISTORIC THEATRES MEAN BUSINESS

TESTIMONY AND
SUPPLEMENTAL MATERIALS
IN SUPPORT OF SENATE BILL NO. 76

*PRESENTED TO THE KANSAS SENATE'S
COMMITTEE ON COMMERCE*

WEDNESDAY, FEBRUARY 3RD, 1999

Senate Commerce Committee

Date: 2-03-99

Attachment # 1-1 thru 1-23

SPEAKERS

DAVID JENKINS

President, Kansas Historic Theatres Association
Executive Director, Fox Theatre (Salina)

ANDREA SPRINGER

Vice President, Kansas Historic Theatres Association
Executive Director, Fox Theatre (Hutchinson)

DR. DOUG JERNIGAN

President, Jayhawk Theatre (Topeka)
Board Member, Kansas Historic Theatres Association

GERALD COOK

Executive Director, Salina Area Chamber of Commerce
Board Member, Fox Theatre (Salina)

JOHN WALL

Board Member, Downtown Topeka Incorporated

And Guests

THE KANSAS HISTORIC THEATRES ASSOCIATION

Historic theatres face skyrocketing construction, marketing, programming and production costs. Live entertainment venues face increasing competition from changing home technologies. Non-profit organizations, especially those perceived to be "arts" projects, are confronted by tightened funding resources at corporate, foundation and government levels.

The management of nine historic theatres within the State of Kansas have joined forces to creatively meet these challenges. These member theatres are;

The Fox Theatre, Hutchinson	The McPherson Opera House, McPherson
The Columbian Theatre, Wamego	The Fox Theatre, Salina
The Granada Theatre, Emporia	The Orpheum Theatre, Wichita
The Jayhawk Theatre, Topeka	The Augusta Theatre, Augusta
The Brown Grand, Concordia	

Criteria for membership in the KHTA are;

- * The member theatre was built before 1940 as a movie theatre, vaudeville or opera house.
- * The facility is qualified for recognition by the state as being of historic significance.
- * The theatre is owned and operated by a tax-exempt non-profit 501(c)3 corporation.

The mission of the KHTA is to;

- * Provide a network to promote cooperation and minimize competition between member theatres.
- * Assist at no cost those member theatres in need of restoration or operational consultation.
- * Educate the general public as to the heritage and potential economic impact of historic theatres.
- * Inventory and document existing but inactive historic theatres with the State of Kansas.
- * Provide a unified vehicle to secure governmental, corporate and foundation funding for historic theatres' restoration and continued viability.
- * Encourage an active collaboration between arts, culture, preservation and tourism organizations within the State of Kansas, so that human and financial resources are effectively utilized and leveraged.

OPENING REMARKS

My name is David Jenkins. I am the Executive Director of the Fox Theatre restoration in Salina, and President of the Kansas Historic Theatre Association. I have recently concluded four years of service on the board of directors of the League of Historic American Theatres (an alliance of over 225 facilities), I have directed four theatre projects and have consulted with 13 additional historic theatre restorations across the country. All in all I have been in the event and facility industry for over 24 years, with experience in over 60 US and Canadian markets.

The one lesson that I have learned in this business, above all else, is that *historic theatres mean business*. It's a common mistake to label funding for theatre restorations as arts funding, for it is not that. Historic theatre restoration primarily addresses the issues of downtown development, job development, small business incubation, education, cultural tourism, workforce retention and the quality of life perceptions that attract relocating industries.

If all a theatre's rebirth meant to a community was the ability to present a few more dance companies, if all these facilities provided was more entertainment, then we would not be sitting before you today. We are here because we know that the preservation and maximized usage of this state's many beautiful and exquisitely constructed theatres is good business. It's smart business. It's plain old common sense.

The Kansas Historic Theatre Association is a group of nine projects across the state, some already in limited operation, some executing their fundraising campaigns and addressing full work plans, and some just getting off the ground. We also know of many additional sites in Kansas that can be brought to the point where they fully serve their communities.

Passage of Senate Bill No. 76 will prove to be an invaluable tool in our efforts to protect and preserve these exceptional architectural and cultural assets – not just because of the dollars this bill will help generate at the local level, but because of the advantage it will give us in our pursuit of major grants from government agencies, corporations and foundations, at the state and national level. The first thing that these funding sources ask when approached is "How much have you raised locally?" Passage of Senate Bill #76 will help allow even the smallest project among us to answer with confidence.

Using the most conservative economic multipliers and sales projections, we know that the restoration and first five years of operation of *just our nine member theatres* will have a positive economic impact on the State of Kansas well in excess of \$165 million. That figure will be enhanced by the discovery and rebirth of additional theatres.

The cities and towns of Kansas have on their main streets some of the most impressive examples of American theatre architecture left standing. This is nothing short of a miracle when you consider that of the almost 5,000 movie palaces and opera houses built in this country prior to 1935, over 75% of them have been destroyed, the victims of suburbanization and electronic entertainment media. From Salem, Oregon to Portland, Maine to Miami Beach, these theatres are being restored, are again drawing consistently large and appreciative audiences, and they are changing the face of their once depressed downtowns.

The historic theatres of Kansas can do the same. They can serve the citizens of this state as they once did, and they can dramatically enhance this state's image as a tourist destination. As I said, historic theatres mean business, and we hope that you'll give passage of this bill your most serious consideration.

THE OPENING OF THE HUTCHINSON FOX

Good Morning, Mr. Chairman and distinguished members the committee, My name is Andrea Springer and I'm the Executive Director of Fox Theatre in Hutchinson. I want thank you for the opportunity to share an abbreviated version of our story with you this morning.

This was a project that began as a vision for revitalizing Downtown Hutchinson. The Fox Theatre was Hutchinson's downtown center for entertainment from it's opening in 1931 through the heyday of movies in the 40's and 50's. As with most theatres of this type, it fell victim to declining attendance and rising maintenance costs and in 1985 closed its doors to the public. With its closure, foot traffic in the downtown area dropped dramatically after 5 p.m. and a small group of concerned individuals began to study how to prevent the demolition of the Fox. After much discussion and debate, the owners agreed to sell to a third entity – a non-profit organization that would set about to raising the funds to restore and operate the building as a performance center. The year was 1989.

This past weekend, we reopened the Fox in Hutchinson after a \$4.3 million restoration. The theatre is on the National and State registers and in 1994 it was named by this Senate "The State Movie Palace of Kansas." It was the culmination of over nine years of planning, community promotion, fund-raising and hard work. We have calculated that almost 100,000 hours of effort by staff, volunteers and contractors have gone into bringing the theater to the point of opening. Over 20,000 hours alone of labor was donated by inmates from the Hutchinson Correctional Facility – a donation we estimate at over \$500,000.

A significant portion of these hours has been dedicated to finding the money to move the Fox Theatre from dream to reality. Fund raising has always been our most pressing issue. The board and staff have made calls, written grants, made speeches and called in favors to find the funding necessary to complete the project. And as challenging as it is to find donors for capital aid projects, it is twice as difficult to find donors to fund operations. That lack of operations funding meant that the Fox had no staff until 1995 when I was hired. I was the only employee until May 1998. While we were able to accomplish much more with the addition of a paid executive director than we had with only volunteers, I truly believe that we could have accelerated our progress by as much as three years had we been able to find monies to help fund even one additional staff position. As of today, we have four full-time employees to operate the Fox and easily have work for another full-time and part-time position.

I'm sure that you look at Hutchinson and wonder what it was that fueled the determination of these individuals. I can assure you that this has been the most difficult task that many of us have ever undertaken and that there have been many times in the past nine years that we questioned our ability to complete the task. The one thing that we never questioned was our belief that this would be good for our community. We knew that it would enhance our quality of life, that it would educate our children, that it would create jobs, that it would infuse downtown with new energy and new dollars and that it would bring visitors to Hutchinson. We knew that the Fox Theatre would make a difference. This is the thing that sustained us.

And so we opened last Friday night with Tony Award winning actor and dancer Gregory Hines. From an artistic standpoint, the evening was perfect. From an economic standpoint, the evening was also a raging success. Tickets to the Black Tie optional performance were \$50 and we filled every seat in our 1,219-seat house. We also had over 600 people at our Afterglow party, an additional \$50 ticket.

And taking into consideration money spent on equipment rentals, catering, dinner out before the show, baby sitters, valet parking, coat check and not to mention new clothes and shoes, we estimate the state-wide economic impact on THAT NIGHT ALONE to be \$170,000.

I've attached to my statement editorials from last weekend's Hutchinson News and Wichita Eagle that help to support this point. I hope that you'll take time to read them and note their emphasis on community development and change.

Funding for projects like those the KHTA are working on becomes tighter every year. Grants are disappearing, particularly capital aid and operating grants – the kind that these projects need most, more non-profits are competing for the same dollars and there are less of those dollars available. Funding of the type found in Senate Bill #76 can be one piece in the puzzle of a public/private partnership that can give many communities across the state the kind of downtown revitalization boost they need. I hope you'll remember that supporting this legislation means improvement in not only our quality of life in Kansas but also improvement in our state's economy. Thank you for your time and consideration.

THEATRES DO MORE THAN ENTERTAIN

Once the social centers of their communities, many historic theatres have come back to life through the public's understanding of their renewed potential. Much more than mere venues for entertainment of the masses, historic theatres have been shown to have a profound effect on the economic vitality and core image of cities large and small across the United States.

- Theatres are often the most significant architectural assets of the downtown retail district, lending an air of grandeur, imagination and mystery to a more indistinct environment. They are often a community's most durable visual icon.
- Theatres provide diversity and choice in leisure opportunities of a more rewarding nature.
- Theatres strengthen social cohesion and establish common ground between generations and cultures.
- Theatres both create and preserve cultural heritage, providing community identity, distinctiveness and collective pride.
- Theatres provide positive and constructive opportunities for public involvement in the life of the community through volunteerism and participation.
- Theatres assist in the delivery of other public services such as education, community integration and socialization, and youth activities – often enhancing childrens' personal skills development.

BUT EVEN IF NONE OF THE ABOVE WERE TRUE....

Historic theatres, when restored to their original beauty and professionally operated and programmed, have proven themselves to be *incomparable economic engines*.

- Theatres draw new visitors to a downtown district from the community itself, from out of town and from out of state, to tour the facility or to attend a performance - and these visitors spend their time and dollars not just in the theatre *but in the surrounding community*
- Theatres generate substantial tax revenue.
- Theatres contribute to the attractiveness of the region to business. Proximity and access to cultural activities and venues has become a major contributing factor in the decision making process for corporate and professional relocation.

THE VIEW FROM CITY HALL

In reviewing effects of the State Theatre's restoration, New Brunswick, New Jersey's Mayor Jim Cahill wrote that.....

"The revitalization of the State Theatre and its adjacent playhouses is the cornerstone on which the economic recovery of the downtown area has been built. The theatres, which bring in over 250,000 patrons each year, have contributed to the boom in restaurants in our community, but theatre patrons do more than eat. They park, creating a use for facilities built to accommodate our day employees. They shop. Our merchants, by extending their hours, have been able to capture a new market. New businesses have opened in order to expand the entertainment industry. We now have three art galleries, a prominent jazz club, a comedy club and several dance clubs, all to provide additional reasons to come downtown. Very few of these businesses would exist if it were not for the initial step of revitalizing the theatre. The economic revitalization has expanded beyond the downtown. Our residents have been able to enjoy the economic opportunities from additional jobs that have been generated, as well as take advantage of the cultural programs that the theatre has to offer....."

Six years after the rebirth of the Zeiterion Theatre, New Bedford, Massachusetts' Mayor John Bullard said that.....

"Ours was the last of 17 downtown movie theatres and was scheduled for demolition. The Waterfront Historic Area League said we cannot let it become another parking lot, and we didn't let that happen. When the theatre opened, people got excited. People started to move back into the city and businesses and restaurants opened. New Bedford had been a 9 to 5, Monday through Friday city. Everyone cleared out at 5 o'clock. Now restaurants do like gangbusters and there are ten or twelve of them downtown. As the center of the city expanded its time of use later into the evening and on weekends, people decided that there were some things that were better about living in the city than out in the homogeneous suburbs.

The reason New Bedford was great in the past was that we had high expectations of ourselves and we were willing to risk. Our city's motto is "Lucem Fissundo" which means "Spread The Light." It comes from our whaling industry when we provided the whale oil and candles that lit this country. We know about light and we know the light is brightest from the Zeiterion Theatre. It touches every one of our citizens."

And in examining the effects of the Stevens Center's opening, Winston-Salem, North Carolina's Development Director Allen Jones reported that.....

"Based upon the rough records that I have been keeping, there has been approximately \$160 million in new investment in the center city area since the Winston Square/Stevens Center project was begun. This figure includes new construction and rehabilitation of existing structures.

If we assume that 80% of this figure resulted in a tax base increase, then the city would receive an additional \$921,000 each year in property tax and the county would receive \$980,000 in annual revenues."

THE LOGIC OF HISTORIC PRESERVATION

The U.S. Department of Commerce measures the impact of production within an industry in three ways – by the number of jobs created, by the increase in local household incomes and by the impact on all other industries. In state after state, rehabilitation outperforms new construction in each measurement.

Suppose a community is choosing between spending \$1 million on new construction and spending \$1 million on rehabilitation. What would the differences be? With rehabilitation of existing property;

- * \$120,000 *more* will initially stay in the community than with new construction
- * Five to nine *more* new construction jobs will be created on site than with new construction.
- * Four to five *more* new jobs will be created locally than with new construction.
- * Household incomes in the community will increase \$107,000 *more* than with new construction.
- * Retail sales in the community will increase \$34,000 *more* than with new construction.

source – National Trust for Historic Preservation

The local benefits of historic restoration go far beyond the property itself. Such projects invariably result in;

- New job creation
- Formation of new businesses
- Stimulation of private investment
- Increased tourism
- Increased property values
- Compatible land use patterns
- Increased tax revenues
- Pockets of deterioration improved
- Enhanced civic pride

“Historic structures, charming downtown districts and a strong sense of place are not just precious assets. Their importance to local tourism is so great that they become vital public utilities, whose ongoing preservation is necessary in order to safeguard a chief source of the local citizens’ economy.”

Arthur Frommer

Historic preservation not only has a greater impact on local labor but on local suppliers as well. The contractor is less likely to purchase a steel beam (as in new construction) from a local building supply store, but that is exactly where he or she will go for a replacement door or new pane of glass. The carved wood trim for a historic lobby will come from a local woodworker, not a national supplier. These local direct purchases combined with locally recirculated wages and fees have a surprisingly large economic impact. In California, according to that state’s Department of Commerce, money invested in rehabilitation will increase local earnings in wholesaling 10% more and in retailing 43% more than the same amount spent on new construction.

Restoration also means reusing existing public infrastructure. Providing new water, sewer and electric lines, roads and city services to attract new businesses is almost always paid for by the taxpayer. When rampant development takes place on the edge of town, taxpayers foot the bill. When reuse of a historic building in the downtown district takes place, it not only strengthens that district but utilizes infrastructure already in place and already paid for by previous generations. This saves enormous tax dollars, while setting a highly visible precedent for fiscally responsible management of those dollars.

PRESERVATION AND HERITAGE TOURISM

The revitalization of a historic theatre, and the marketing of that theatre's activities, creates a renewed interest in a community's cultural heritage. As heritage tourism becomes a major element of the overall tourism industry, theatre restorations are an essential tool in diversifying activity options for the traveler.

Spawned by technology, American society has been moving away from its urban moorings for nearly two decades. Tourism is only a single by-product of the significant impacts gained by regionalism and integrated regional planning based upon historic cultural landscapes, but one of the most effective in terms of long term economic development.

Heritage visitors exhibit a complex diversity of behaviours seldom applied to non-cultural sites;

- Solitary, semi-private and communal activity.
- Sustained immersion or fleeting view.
- Experiencing the sublime, gazing in awe and wonder.
- Sharing of a memory, an emotion or a vision.

Historic theatres are ideal vehicles to fulfill these elements of a meaningful and positive visit.

"We need to think about cultural tourism because really there is no other kind of tourism. People don't come to America for our airports, they don't come to America for our hotels, or our recreation facilities. They come for our culture. High culture, low culture, right, left or imagined. That's what tourism is."

Garrison Keillor

Two significant travel trends will dominate the tourism market in the coming decades. Mass marketing is giving way to the one-on-one approach with travel now being tailored to the individual needs, tastes and aspirations of the individual. Next, a growing number of visitors are now becoming identified as special interest travelers who rank the arts, heritage and cultural activities as one of their primary reasons for travelling. Through the proliferation of online services and research tools, it is now easier for the consumer to choose destinations and tailor their itinerary solely based on their most personal interests. This means that locations not traditionally viewed as tourist destinations can find visitor levels increase through aggressive and creative marketing of their cultural assets.

According to the National Trust for Historic Preservation, the average historic district visitor stays a day and a half longer at a destination and spends \$62 dollars more in that market.

"A popular children's book tells us that if you give a moose a muffin, he'll want some jam to go with it. The travel industry tells us that if you convince a visitor to stay an extra three hours, they'll probably want a meal. If you give them something to do in the evening, they'll likely find a room. Today one of the hottest "muffins" is cultural heritage: attracting visitors who are interested in experiencing the unique history and art forms of the area."

Michael Levine, Vermont Arts Council

QUALITY OF LIFE PERCEPTIONS

The most effective method of preventing suburban sprawl is through more intensive use of buildings and sites already in place within the community. Quality of life is becoming the critical ingredient in economic development and historic preservation is an important part of the quality of life equation.

- Baltimore County Historic Trust

"The importance of the arts on a community's quality of life is hard to quantify. After all, the greatest value of a moving musical score, the graceful line of a sculpture or a perfectly executed pas de deux lies in its ability to stir the soul, and it's hard to put a price on soul-stirring".

The Hoosier Times, Bloomington, Ind.

Quality of life and pride of place are essential components of pleasant urban living, and they exist in part due to the presence of visual and performing artists and arts organizations, cultural sensitivity and sharing, and the preservation of historic architecture and neighborhoods.

- Brown University

"As low wage production labor is de-emphasized, companies increasingly require highly trained and thus more highly paid employees. Professional and skilled workers are attracted to the superior quality of life offered by areas strong in the arts and cultural assets, enriching the available labor pool with their desirable talents and experience.

Related research indicates that higher educated skilled workers are willing to forego some income in exchange for cultural opportunities and offerings. Thus, an incentive of labor cost savings to firms considering locating in such locales is realistic. Cultural amenities can reasonably be viewed as important and integral components of a regions' economic development plan, because they are a factor in the attraction and retention of a skilled workforce."

- Mississippi Arts Commission

Put simply, a theatre restoration adds to a community's real and perceived quality of life indicators by enhancing its level of;

- * Human Development
- * Sense and Pride of Physical Place
- * Economic Exchange

THEATRES AS EDUCATIONAL RESOURCES

Beyond bringing a new level of cultural reward to the general population, historic theatres by cultivating close relations with their surrounding educational institutions can play an integral role in the creative and optimistic development of our youth.

The arts in general and cultural activities in particular have been found to be important in developing skills such as reading and auditory discrimination, and in stimulating overall creativity and problem solving skills. The ability to think is of great interest to many employers looking to relocate and expand. In the modern business environment, routinized behaviour is becoming less and less important and the ability to adapt, diagnose problems and find creative solutions to those problems is even more important.

The majority of respondents (to the study), 74%, agreed that cultural amenities improved the quality of the workforce and 70% indicated they actively supported local community cultural opportunities.

The usual view of community leaders in less developed areas is that their community cannot afford to invest in cultural facilities, education and opportunities. *The evidence suggests that communities cannot afford NOT to invest in cultural amenities.*

- "Study of Perceptions of Business and Community Leaders Regarding the Economic Importance of the Arts and Arts Education in Mississippi,"
Mississippi Arts Commission

Cultural organizations offer unique and electrifying interactive learning opportunities for children of all ages. Through special performances in theatres, student access via discounted corporate ticket programs, visits by touring artists to schools, and residencies by troupes of world renown, the many facets that make up the world of personal expression through live performance can be applied to traditional curriculum.

Arts participation stimulates learning in what are often recognized as the seven different types of human intelligence, those being;

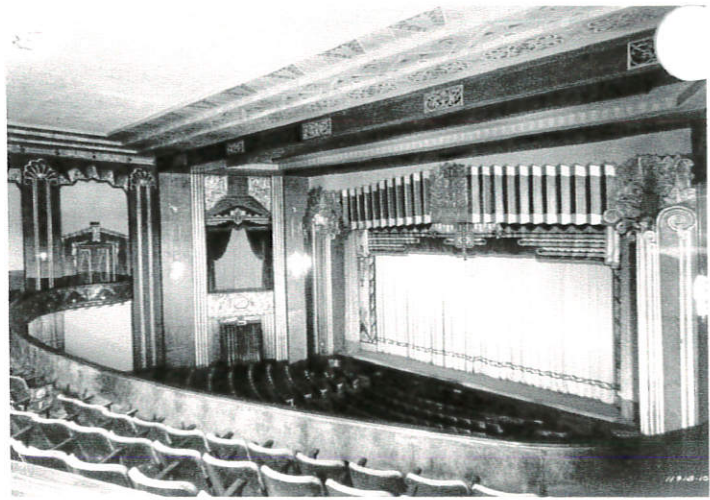
- Language – facility with words
- Math/Logic – reasoning, problem solving
- Movement – kinesthetic ability
- Intrapersonal – understanding one's self
- Music – the worlds of sound
- Spatial Reasoning – visual relationships
- Interpersonal – understanding others

source – Harvard University Graduate School of Education

THE FOX THEATRE



Salina



Projected Economic Impact on State of Kansas

(Restoration and first five years of operation)

+ \$27,845,500

Constructed 1931

Closed 1987

Restoration Initiated 1997

Projected Reopening 2000

Original Usage Movies, vaudeville, touring dramatics, community events

Capacity 1,353

Intended Usage Performing arts center – live touring musical acts, dance, community events, conferences

Audience Served *Immediate Residential (15 miles)* 54,000 *Secondary Residential (100 miles)* 426,000

HISTORY

First known as the Fox Watson, this art deco facility was the largest and grandest of the town's nine theatres. Of these nine only the Fox remains, being the last Grand Old Movie Palace surviving in the market. Of exceptional design, décor and construction, the Fox presented the major first run films of the day on the state's largest screen, live appearances by touring variety acts, country western stars and big bands. For over five decades the Fox was the dominant movie theatre in the area, but fell victim to declining receipts, shifting market trends and urban malaise in 1987. Upon its closing the Fox was given to the City of Salina by the Dickinson Theatres chain, and in 1997 the theatre was acquired by the Historic Fox Theatre of Salina Foundation, Inc, which currently manages the property.

WORK REQUIRED

Converting the Fox from a movie house to a performing arts facility will require upgrade of all stage systems, construction of dressing rooms, production spaces, storage and loading facilities, restoration of all interior paint and plaster surfaces, upgraded seating, full revamp of house electrical, water, HVAC systems, upgraded emergency systems and exits, adaption of ADA and Life Safety Code requirements, expansion of concession, box office and rest areas and repair to exterior surfaces, theatre offices and street level retail spaces.

PROJECT STATUS

FUNDS RAISED TO DATE \$501,000

The Fox's 15 member board of directors hired a professional executive director in February of 1998. Over the next five months the project's mission statement, business plan and budget projections were finalized, and a capital campaign was initiated in August of 1998. Commensurate with funds being raised the restoration timeline will begin with the distribution of Requests for Proposals to pre-qualified architects and subsequent hiring, a four month Design Phase, RFP's to pre-qualified contractors and subsequent hiring, and initiation of site work. Property immediately adjacent to the Fox's stage has been purchased to allow for expansion of production capabilities.

**TOTAL PROJECT BUDGET
\$2,865,000**



Emporia

Projected Economic Impact on State of Kansas

(Restoration and first five years of operation)

+ \$15,673,300

Constructed 1929

Closed 1985

Restoration Initiated 1994

Projected Reopening 2001

Original Usage Movies, vaudeville, touring dramatics, community events

Intended Capacity 800

Intended Usage Performing arts center – live touring musical acts, dance, community events, conferences

Audience Served *Immediate Residential (15 miles)* 25,200 *Secondary Residential (100 miles)* 155,000

HISTORY

The Fox/Granada Theatre at the time of its opening in 1929 was deemed the “Grandest Theatre in the State of Kansas,” and served not only as a 1200-seat movie house but a home for nationally touring vaudeville acts, popular music shows, beauty pageants and various community events. The building was placed on the National Registry of Historic Places in 1985, and in 1994 a group of local citizens rallied to save the building. In cooperation with the Kansas Preservation Alliance, the Emporia Granada Theatre Alliance was formed and purchased the building to save it from impending demolition.

WORK REQUIRED

Converting the Granada from a movie house to a performing arts facility will require upgrade of all stage systems, construction of dressing rooms, new stage floor, production spaces, storage and loading facilities, restoration of all interior surfaces, upgraded seating, full revamp of house plumbing and HVAC systems, upgraded emergency systems and exits, adaption of ADA and Life Safety Code requirements, expansion of concession, box office and rest areas into existing retail spaces and acquisition of adjoining properties.

PROJECT STATUS

FUNDS RAISED TO DATE \$78,000

Work on the exterior of the building is nearing completion. This includes a new roof and exterior masonry, stucco and terra cotta restoration. New doors and windows have been installed. Marquee restoration will be the final phase of exterior restoration. Interior work has included new electrical service, sump pumps, interior clean-up and preparation for full interior restoration. Board of directors and consultants have completed a marketing survey, business plan, operations plan and case statement. Final details of a major capital campaign are presently being finalized for its initiation in the early spring of 1999.

**TOTAL PROJECT BUDGET
\$1,727,000**

The
AUGUSTA
Theatre

Augusta

Projected Economic Impact on State of Kansas
(Restoration and first five years of operation)
+ \$11,757,480



Constructed 1935

Currently under operation as a movie theatre

Original Usage Movies, vaudeville, touring dramatics, community events

Capacity 550

Intended Usage Performing arts center – live touring musical acts, dance, community events, conferences

Audience Served *Immediate Residential (20 miles)* 320,000 *Secondary Residential (100 miles)* 426,000

HISTORY

The Augusta Theatre was opened in 1935 as one of the most strikingly ornate and elegant film houses in the region, and was the first in the market to be lit entirely by neon. It's art deco exterior was beautifully faced with individual Carrara glass tiles in jade green accented by ornamental black and silver details. Only the glass below the marquee exists today. The original interior included ornamental plaster, huge canvas murals and hand stenciled ceiling tiles designed by Dutch artist Hans Van Voss, with the murals being destroyed by fire in 1949.

WORK REQUIRED

The Augusta, while retaining the essence of its film programming, intends to expand its production capabilities and greet the new century as a performing arts facility. This expansion will integrate the adjacent building, allowing the creation of dressing rooms, production offices, loading dock and ancillary service spaces. Full restoration of interior finishes are required, and the original art deco glass tile façade will be recreated. Additional work, undetermined at this writing, will be required to address the effects the floods of late 1998.

PROJECT STATUS

FUNDS RAISED TO DATE \$10, 600

The theatre is currently owned and operated by the 501(c)3 Augusta Arts Council, Inc, and that organization has initiated an effort to place the facility under independent management by a newly formed non-profit. The Augusta currently operates as a second run movie house but it's economic capabilities as such are increasingly limited. Work plans and a project budget have been assembled for the restoration and conversion to live capability. The Augusta Arts Council is about to initiate a nationwide search for a new Executive Director to lead them through the envisioned transitional period, and funds sought in this document are to facilitate such a hiring and transitional administration.

TOTAL PROJECT BUDGET
\$982,800



Hutchinson

Projected Economic Impact on State of Kansas
(Restoration and first five years of operation)
+ \$28,097,000

Constructed 1931

Closed 1985

Restoration Initiated 1990

Projected Reopening 1999

Original Usage Movies, vaudeville, touring dramatics, community events

Capacity 1,200

Intended Usage Performing arts center – live touring musical acts, dance, community events, conferences

Audience Served *Immediate Residential (15 miles) 43,600* *Secondary Residential (100 miles) 406,000*

HISTORY

Opening in the summer of 1931, the Hutchinson Fox came to be known as the most beautifully detailed of all the Fox film houses in the state. Originally holding 1,416 patrons in air conditioned splendor, and in cooperation with sister theatres in Salina and Wichita, the Fox was the premiere facility for the exhibition of Hollywood's blockbusters of the day, and one of the major big band venues in the state. As was the case with countless other "Grand Old Movie Palaces," a decline in the immediate business environment and a downturn in the public's patronage of downtown theatres nationwide contributed to her eventual closing in 1985.

WORK REQUIRED

Converting the Fox from a movie house to a performing arts facility has required upgrade of all stage systems, construction of dressing rooms, production spaces, storage and loading facilities, restoration of all interior paint and plaster surfaces, upgraded seating, full revamp of house electrical, water, HVAC systems, upgraded emergency systems and exits, adaption of ADA and Life Safety Code requirements, expansion of concession, box office and rest areas and repair to exterior surfaces, theatre offices and street level retail spaces.

PROJECT STATUS

FUNDS RAISED TO DATE \$4,300,000

The reopening of the Fox took place on January 29th, 1999 but considerable work remains to complete the project, including installation of elevators, reconstruction of second and third floor administrative offices, classroom spaces, conference and reception facilities. Funds requested through this document are specifically envisioned to address those needs.

TOTAL PROJECT BUDGET
\$4,710,000



Wamego

Projected Economic Impact on State of Kansas

(Restoration and first five years of operation)

+ \$13,545,000



Constructed 1895

Closed 1950

Reopened 1994

Original Usage Movies, vaudeville, touring dramatics, community events

Capacity 300

Intended Usage Performing/visual arts center, live touring musical acts, community events, visual art exhibits

Audience Served *Immediate Residential (15 miles)* 3,800 *Secondary Residential (100 miles)* 310,000

HISTORY

The construction of the Columbian incorporated numerous artifacts and interior ornaments from the 1893 Chicago World's Fair, including six enormous oil paintings from the central rotunda of the US Government Exhibit Hall. The Columbian first presented vaudeville, then moved from silent films to "talkies," then closed in 1950, with the building's first floor being used as a furniture store. In 1989 a group of concerned citizens formed the Columbian Theatre Foundation. Two years later, after 14 additional paintings were discovered under the stage, the theatre's World's Fair collection was appraised at nearly \$800,000. In the years that followed sufficient funds were raised to restore the items in the collection and the theatre's interior and exterior, and the hall reopened in 1994.

WORK REQUIRED

Though fully restored, the Columbian's efforts to meet its fullest potential as a performing arts and special events facility are hampered by significant operational deficits, arising from the restoration's administrative costs and accumulated debt service, factors anticipated but inadequately covered by the original capital campaign. To further enhance its potential the Columbian has recently purchased adjacent property for the expansion of production capabilities and services.

PROJECT STATUS

FUNDS RAISED TO DATE \$2,284,000

While open and operating as an actively programmed venue for the performing arts and for private and community events, the Columbian continues to face severe fiscal deficiencies remaining from the restoration process which threaten its future. The board of the Columbian Theatre Foundation is about to launch a new \$620,000 capital campaign to eliminate the operating deficit, ensure sufficient funding for professional staffing, secure and incorporate its adjacent property, and create a viable programming, educational and operations endowment.

TOTAL PROJECT BUDGET
(CURRENT CAMPAIGN ONLY)
\$620,000

McPherson OPERA HOUSE



McPherson

Projected Economic Impact on State of Kansas

(Restoration and first five years of operation)

+ \$23,974,000

Constructed 1888

Closed 1965

Restoration Initiated 1986

Projected Reopening 2002

Original Usage Touring and locally produced opera and variety, community events

Intended Usage Performing arts center – live touring musical acts, community events, conferences

Audience Served *Immediate Residential (15 miles)* 12,500

Secondary Residential (100 miles) 360,000

HISTORY

Designed by George Shaffer in an eclectic style, the building has been called “the best example of Opera House architecture in the State of Kansas.” From its opening in 1889 it served as the cultural and social center of McPherson and its surrounding communities, hosting nationally touring musicals, local theatre companies school productions and appearances by national dignitaries. For a time, from 1890 until the completion of the McPherson County Court House in 1894, the building housed several County offices. Upon its closing in the 1960’s ownership passed from hand to hand until People’s Bank acquired it in 1985. In 1986 the McPherson Opera House Preservation Company was formed and acquired the building.

WORK REQUIRED

Restoring the Opera House and giving it full capabilities of a performing arts facility will require upgrade of all stage systems, construction of dressing rooms, production spaces, storage and loading facilities, restoration of all interior paint and plaster surfaces, upgraded seating, full revamp of house electrical, water, HVAC systems, upgraded emergency systems and exits, adaption of ADA and Life Safety Code requirements, expansion of concession, box office, administrative spaces and rest areas, and repair to exterior surfaces.

PROJECT STATUS

In 1986 a new roof truss was put in place, and new rubber roofing was installed in 1990. New windows were installed in 1992, and in 1996 the Main Street west wall was reconstructed and restored. Pre-World War One signage on the north wall will be restored in 1998. Plans are being formulated to tuck point brickwork on the south, east and north sides of the building. A full capital campaign is presently being organized for interior restoration and incorporation of adjacent properties. Initiation of interior restoration is planned for 1999 and completion of restoration at some point prior to the spring of 2002.

FUNDS RAISED TO DATE \$580,900

**TOTAL PROJECT BUDGET
\$5,059,000**



Topeka

Projected Economic Impact on State of Kansas
 (Restoration and first five years of operation)
+ \$24,200,000



Constructed 1926

Closed 1976

Restoration Initiated 1996

Projected Reopening 2002

Original Usage Movies, vaudeville, touring dramatics, community events

Capacity 900

Intended Usage Multi-purpose community arts center, films, teleconferencing

Audience Served *Immediate Residential (15 miles) 122,000* *Secondary Residential (100 miles) 460,000*

HISTORY

Hailed as "Topeka's First Deluxe Amusement Palace," the Jayhawk opened in 1926 as the first "Air Refrigerated" theatre in the region, and played host to first run films, vaudeville acts, touring dramatic companies and a wide range of community events. Radio station WIBW first broadcast from the Jayhawk's stage in 1927. Designed by architect Thomas Williamson and built entirely of steel and concrete, the structure was praised as "The most absolutely fireproof bit of amusement construction west of the Mississippi." The theatre was closed, gutted and walled off from street access in the 1970's. Scheduled for demolition in 1992, the Rev. Richard Taylor saved the building, and the facility was at last donated in 1994 to the Historic Jayhawk Theatre, Inc., a 501(c)3 community based organization.

WORK REQUIRED

The Jayhawk's rebirth as a diversely programmed presentation house will demand redesign and upgrade of all stage systems, relocation and expansion of dressing rooms, production spaces, administrative offices, storage and loading facilities, complete restoration of all interior decorative surfaces, new seating, full revamp of house electrical, water and HVAC systems, upgraded emergency systems and exits, adaptation of ADA and Life Safety Code requirements, expansion of concession, box office and rest areas, mounting of two new marquees and adaptation of retail

PROJECT STATUS

FUNDS RAISED TO DATE \$259,734

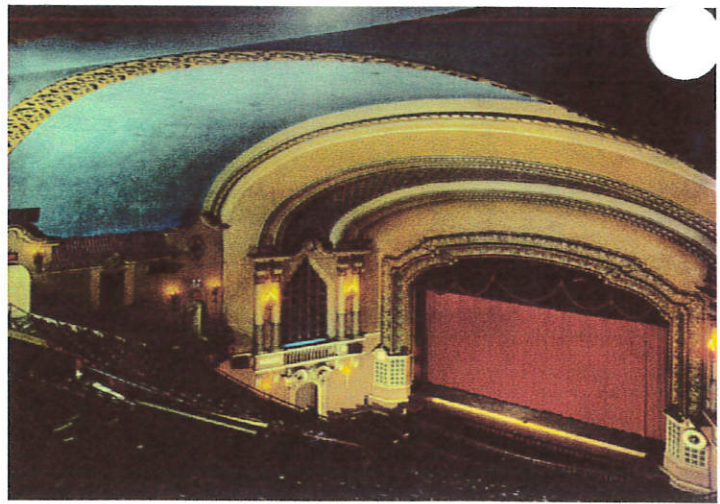
In 1998 the Jayhawk received a donation of 8,000 sq. feet of adjacent office space making feasible the conversion of the movie house to a performing arts facility. This acquisition of street frontage, office and production support space, along with a Southwestern Bell Foundation grant for computer equipment, has provided a solid start to the project's \$4.2 million capital campaign. Environmental assessment and containment have been completed satisfactorily. The services of a marketing firm have been secured to produce fundraising materials. A project architect has been assigned and preliminary work plans and bid materials are now in preparation.

TOTAL PROJECT BUDGET
\$4,286,000



Wichita

Projected Economic Impact on State of Kansas
(Restoration and first five years of operation)
+ \$37,718,000



Constructed 1922

Closed 1976

Restoration Initiated 1993

Projected Completion 2000

Original Usage Silent films, vaudeville, touring dramatics, community events

Capacity 1,353

Intended Usage Performing arts center – live touring musical acts, film, dance, community events, conferences

Audience Served *Immediate Residential (15 miles) 504,900* *Secondary Residential (100 miles) 850,000*

HISTORY

The Orpheum was constructed as one of architect John Ebersson's first atmospheric theatres, welcoming patrons to "an acre of seats in a garden of dreams." Originally the city's most popular vaudeville venue and silent film emporium, the theatre was wired for sound movies in 1929. In the 1930's the facility hosted such stage stars as Ella Fitzgerald, Red Skelton, Count Basie, Gypsy Rose Lee, Bing Crosby and the big bands of the day, and during World War Two ran movies almost 24 hours a day to entertain shift workers at local aircraft plants. The next two decades saw strong activity at the box office window but as was commonly the case, the Orpheum fell victim to changing times and urban decay, and closed her doors in 1976. It was gifted to the Orpheum Performing Arts Center, Ltd. in 1985.

WORK REQUIRED

The Orpheum's rebirth as a performing arts facility has called for a comprehensive stage systems upgrade, rehabilitation of dressing rooms, production spaces, storage and loading facilities, restoration of all interior paint and plaster surfaces, full reconditioning of house electrical and HVAC systems, upgraded emergency systems and exits, adaptation of ADA and Life Safety Code requirements, expansion of concession, box office and rest areas.

PROJECT STATUS

FUNDS RAISED TO DATE \$1,059,000

Beginning in 1994, the Orpheum has had its roof repaired, it's plumbing upgraded, significant brickwork repaired and it's heating systems returned to operation. Air conditioning is scheduled for installation in 1999. Now that the environment of the theatre is about to be stabilized, professional staff are initiating plans to program the facility on a year round basis. A major \$4 million capital campaign has been initiated to complete interior restoration and expansion of production facilities. The Orpheum is listed on the National Register of Historic Places.

TOTAL PROJECT BUDGET
\$4,477,000

ADDITIONAL INFORMATION BEING PREPARED

FOR NEW KHTA MEMBER FACILITY

THE BROWN GRAND THEATRE ,
CONCORDIA

AND

NEW ASSOCIATE MEMBER

THE DODGE THEATRE ,
DODGE CITY

The Wichita Eagle

Established 1872
Incorporating The Wichita Beacon

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OUR VIEW

Hooray for Hutchinson

Over nine years that at times have seemed like forever, Hutchinson's Fox Theatre has been inching toward completing a \$4 million renovation. On Friday night, the 1931 movie and vaudeville palace made it. Its stage was to come alive again for a sold-out reopening gala starring Gregory Hines.

All the donors, volunteers and other believers who've helped revitalize the Reno County community's once-grand Fox, guided by the nonprofit Hutchinson Historic Fox Theatre Inc. organization, deserve the highest praise. The task of recapturing the past of such faded theaters is meticulous, expensive and time-consuming.

Hutchinsonians now understand that the renovated Fox can help energize the city's core, especially after dark. It will be fascinating and instructive — especially for Wichitans dedicated to seeing the 76-year-old Orpheum Theater returned to glorious service — to observe how the Fox is used in the coming months.

If Hutchinson can do it, surely Wichita, with its marvelous fiscal condition — both private and public — can find the will and means to speed the Orpheum's own slow-going \$5 million rebirth.

THE HUTCHINSON NEWS

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EDITORIALS

.....

A masterpiece

Hutchinson Chamber of Commerce President Si Young, attending the grand opening of the Fox Theatre, was moved to eloquence.

"Ain't she a pippin!" he gushed.

Of course, that was 1931, when people used such words. But it still applies.

Hutchinson's Fox Theatre, which reopened Friday night after a \$4 million restoration, is every bit the pippin it was nearly 70 years ago.

Walking into the Fox is like going back in time to the Jazz Age. It's the sort of place where F. Scott and Zelda Fitzgerald might have taken in the latest talkie.

Quite simply, it's an art deco masterpiece. But, without intervention by people who understood its value, the Fox easily could've become a parking lot.

The Fox was closed in 1985 and

abandoned. Local preservationists raised the money to purchase and restore the building - a process that took more than 10 years to complete.

But they could not allow the theater to die, for they understood its importance. The Fox is more than a link to Hutchinson's thriving past, when life was simpler and movies cost 35 cents; it's a testament of faith.

If the Fox Theatre can be restored to glory, why can't the rest of downtown Hutchinson? If the Fox can pack the house for acts like Gregory Hines, who performed Friday night, why can't entrepreneurs open galleries, shops and restaurants that appeal to the same audiences?

It's possible, all possible.

That's the real value of the Fox Theatre. It shows us the pleasure that can be found in preserving our past, and the vast potential of our future.



**League
of Kansas
Municipalities**

PUBLISHERS OF KANSAS GOVERNMENT JOURNAL 300 S.W. 8TH TOPEKA, KS 66603-3896 (785) 354-9565 FAX (785) 354-4186

TO: Senate Commerce Committee

FROM: ✓ Chris McKenzie, Executive Director

DATE: February 3, 1999

SUBJECT: Senate Bill 76, Concerning Tax Increment Financing for Historic Theaters

Thank you for this opportunity to appear today in general support of SB 76. While the League's legislative committee has not yet had the opportunity to review this measure, I am confident that it is consistent with the League's general policy positions in support of the use of tax increment financing to encourage the redevelopment of significant properties in cities. A recent Legislative Post Audit Division report found over 30 tax increment projects in place since 1976 and few instances of even minor failures by cities to follow this important law.

Using tax increment financing (TIF), a city may dedicate future increased tax revenues (i.e., the "increment") for a fixed period of years to finance improvements in connection with a redevelopment project. The acquisition of property and improvements may be financed through the issuance of special obligation bonds of the city, repayable from the tax increment generated from the redeveloped property. In addition to the local property tax increment, Section 5 (page 7) sets forth the other types of revenues that may be dedicated to repayment of the principal and interest on the bonds, including private funding, state or federal grants, franchise fees, local sales taxes, or a combination of these sources. For certain types of projects, such as a redevelopment district for restoration of a historic theater, transient guest taxes and state sales and use taxes also can be dedicated to funding repayment of the bonds. If these sources of revenue prove inadequate, the TIF law provides that the taxpayers at large are not responsible for repayment of the bonds through property taxes.

The process a city government must go through to establish a TIF district is lengthy and complex. It is mainly designed to ensure the financial feasibility of the project as well as to allow adequate time for public participation. Attached is a 2-page overview of the process. The finding required in Section 5 that the project concerns the restoration of a historic theater would add one more step to the process.

I do have a number of minor amendments to propose to the bill which I would be happy to share with the Committee staff. They simply coordinate these amendments with other provisions contained in the bill and the current TIF law.

RECOMMENDATION: We recommend support for SB 76.

Senate Comm Senate Commerce Committee

Date: 2-03-99

Attachment # 2-1 thru 2-3

**Time Line for
Establishment of Redevelopment District
And Adoption of Redevelopment Plan For Project Areas**

Date/Time	Action/Description
_____	City determines whether proposed district is in a blighted area, or a conservation area, or an enterprise area designated before July 1, 1992 (See K.S.A. 12-1771(a)).
_____	Board of County Commissioners and School Board agree to waive 30-day veto period described in K.S.A. 12-1771(f) (if they will agree - they are not required to do so).
_____	City Council adopts resolution stating that it is considering establishment of the Redevelopment District. As per K.S.A. 12-1771(d), the resolution must contain the following items.
	(1) Give notice of public hearing on establishment of Redevelopment District (including date, time and place).
	(2) Describe proposed boundaries of the Redevelopment District.
	(3) Describe the proposed comprehensive plan that identifies all of the proposed project areas and gives a general description of the buildings and facilities to be affected.
	(4) State that the description and map of the proposed Redevelopment District is available for inspection at a designated time and place.
	(5) State that the governing body will consider findings necessary for the establishment of the Redevelopment District.
_____	A copy of the resolution sent by certified mail to owners of land in the Project Area <u>no later than 10 days</u> after adoption of the resolution. (See K.S.A. 12-1771(d) and K.S.A. 12-1772).
_____	A copy of the resolution sent by certified mail to the Board of County Commissioners and Board of Education <u>no later than 10 days</u> after adoption of the resolution. (See K.S.A. 12-1771(d) and 12-1772).
_____	Resolution (including map) published <u>at least once</u> in official city newspaper <u>one to two weeks</u> before public hearing. (See K.S.A. 12-1771(d) and K.S.A. 12-1772).
_____	City council holds public hearing. City Council may adopt resolution making the findings outlined in K.S.A. 12-1771(a) which include:
	(1) The area to be redeveloped is a blighted area a conservation area or an enterprise zone.
	(2) Conservation, development or redevelopment of the area is necessary to promote the general and economic welfare of the City.
_____	Neither Board of County Commissioners or Board of Education vetoes proposed Redevelopment District within 30 days of hearing.
_____	City Council passes ordinance (<u>majority vote required</u>) establishing the Redevelopment District.
_____	Prepare Comprehensive Feasibility Study (cost/benefit analysis).

Date/Time

Action/Description

_____ Prepare Redevelopment (Project Area) Plan in consultation with the City Planning Commission. As per K.S.A. 12-1772(a), such plan must include:

- (1) A summary of the Comprehensive Feasibility Study
- (2) A reference to the comprehensive Redevelopment District Plan.
- (3) A description and map of the area to be developed.
- (4) The Relocation Assistance Plan (if applicable) (See K.S.A. 12-1777).
- (5) A detailed description of all buildings and facilities proposed to be constructed or improved.
- (6) Any other information the City deems necessary to advise the public of the intent of the plan.

_____ City Planning Commission finds the Redevelopment Plan consistent with the comprehensive general plan for development of the City.

_____ City Council adopts resolution that it is considering adoption of the Redevelopment Plan. Such resolution must:

- (1) Give notice of public hearing on adoption of the Redevelopment Plan (including date, time and place).
- (2) Describe the boundaries of the Redevelopment District and the date of its establishment.
- (3) Describe the boundaries of the Project Area.
- (4) State that the Redevelopment Plan, other required documents, and a map of the Project Area are available for inspection at a designated time and place.
- (5) Give intent to issue full faith and credit tax increment bonds (if applicable).

_____ A copy of the resolution sent by certified mail to owners of land in the Project Area no later than 10 days after adoption of the resolution.

_____ A copy of the Redevelopment Plan and resolution sent by certified mail to the Board of County Commissioners and Board of Education no later than 10 days after adoption of the resolution.

_____ Resolution (including map) published at least once in official city newspaper not less than one and no more than two weeks before public hearing.

_____ Public hearing held (30-70 days after adoption of resolution). City Council passes ordinance (2/3 vote required) adopting Redevelopment Plan.

_____ City Clerk files copy of ordinance, copy of description of land within Redevelopment District and map with County Clerk, County Assessor, County Treasurer, Board of Commissioners and Board of Education as per K.S.A. 12-1776(a).

_____ Publication of ordinance.

_____ Protest period ends for full faith and credit bonds, if any, 60 days after hearing on Redevelopment Plan.

Senate Commerce Committee

**Testimony of the
Kansas Department of Commerce & Housing
Division of Travel and Tourism
Claudia Larkin
February 3, 1999**

Good morning, Chairman Salisbury and members of the Senate Commerce Committee. My name is Claudia Larkin and I am the newly appointed Travel and Tourism Director for the Kansas Department of Commerce and Housing (KDOCH). While I am new to my position, I have been with Kansas Department of Commerce and Housing for the past five years, having spent most of that time with the Division of Travel and Tourism.

The Kansas Department of Commerce and Housing is supportive of Senate Bill 76, as our history has a strong appeal to travelers and the bill has solid guidelines in place to ensure funding to worthwhile, community-driven projects.

The Kansas Department of Commerce and Housing Division of Travel and Tourism currently targets historic travelers in its promotion and advertising, in large part because of the demographic make-up of this group. Research has shown that historic travelers tend to be better educated, earn higher incomes, and spend more each day pursuing travel interests than a more general traveler, spending an average of \$316 per traveling party in Kansas compared to \$261 per party by those involved in general travel.

Because research has shown that our history appeals to potential travelers, over the past several years the Kansas Department of Commerce and Housing Division of Travel and Tourism has provided Attraction Development Grant Funds for various historical projects, including the restoration of three historic theaters. These theaters include the Fox Theater in Hutchinson, the Rex Theater in Clay Center, and the Columbian Theater in Wamego.

Kansas owns an exciting history and we at Kansas Department of Commerce and Housing, partnered with the Kansas tourism industry, are eager to share that history with travelers. Historic landmarks are an important part of our history and heritage, and by preserving and enhancing these landmarks, we provide travelers with more to see and do in our state. An expanded base of attractions means that travelers are more likely to extend their visits. And, of course, if they extend their visits they are likely to spend more money with us here in Kansas.

Thank you.

Senate Commerce Committee

Date 2-03-99

Attachment # 3

AIA Kansas

A Chapter of The American Institute of Architects

February 3, 1999



TO: Senator Salisbury and Members of the Senate Commerce Committee
FROM: William Morris, AIA
RE: Support of SB 76

Good Morning, Madam Chair, and members of the Committee, I am William Morris. I am representing the American Institute of Architects in Kansas (AIA Kansas) where I serve on the Historic Resources Committee. I want to thank you for the opportunity to address your committee this morning regarding our support for SB 76.

AIA Kansas is a statewide association of architects and intern architects. Most of our 700 members work in over 100 private practice architectural firms designing a variety of project types for both public and private clients including justice facilities, schools, hospitals and other health facilities, industrial buildings, offices, recreational facilities, housing, and much more. The rest of our members work in industry, government and education where many manage the facilities of their employers and hire private practice firms to design new buildings and to renovate or remodel existing buildings.

SB 76 allows the use of bonds for the renovation of Kansas' historic theatres. This bill will assist communities in saving their historic theatres. While most of these theatres are on (or eligible for) the state historic register, only renovation will ensure that they remain safe and viable structures. Without the assistance of the bonds, many of these structures will continue to deteriorate until they become unusable and dangerous.

The renovation and restoration of these theatres often allows the community to adapt the structure to new uses. The City of Wamago has turned their theatre into a community center that is used for a multitude of purposes: theatre, museum, conference center, wedding chapel, and much more.

Flooding recently damaged the Augusta theatre. As an "arts facility" it is not eligible for federal disaster assistance. The passage of this bill would allow Augusta to use bonds for the repair of the damage they sustained.

We believe SB 76 is a good deal for the State. It allows local communities another tool to assist them in preserving their downtowns and other older commercial areas. It provides for the stabilization and rehabilitation of buildings often in disrepair. The bill gives communities a funding source to adapt their historic theatres to new uses that will bring new revenues into their coffers and those of the state through increased sales and/or business taxes.

We urge you to approve SB 76. Thank you.

700 SW Jackson, Suite 209
Topeka, Kansas 66603-3757
Telephone: 785-357-5308
800-444-9853
Facsimile: 785-357-6450

Senate Commerce Committee

Date: 2-03-99

Attachment # H