

Approved: 2-19--07

Date

MINUTES OF THE HOUSE ECONOMIC DEVELOPMENT AND TOURISM COMMITTEE

The meeting was called to order by Chairman Lana Gordon at 3:30 P.M. on January 30, 2007 in Room 519-S of the Capitol.

All members were present.

Committee staff present:

Kathie Sparks, Kansas Legislative Research Department

Hank Avila, Legislative Research Department

Jason Long, Revisor of Statutes

Ann Deitcher, Committee Assistant

Conferees appearing before the committee:

Terry Heidner, KDOT

Ray Hammarlund, Dept. Of Commerce

Sarah Larison, Dept. Of Commerce

Others attending:

See attached list.

The Chair introduced Terry Heidner who spoke to the Committee about The Kansas Department of Transportation's Enhancement Program. He explained that these enhancements are federally funded, community based and enhance the transportation experience culturally, historically, aesthetically and environmentally. (Attachment 1).

Questions and answers followed.

Ray Hammarlund offered a report to the Committee regarding the Wine Industry and Agritourism. (Attachment 2).

Mr. Hammarlund said that the mission of the Agriculture Marketing Division was "to enhance the value of agriculture products through marketing and new uses, providing greater returns to Kansas producers, processors and rural communities."

Sarah Larison assisted in answering questions from the Committee.

The meeting was adjourned at 4:40 p.m. The next meeting is scheduled for Wednesday, January 31, 2007.



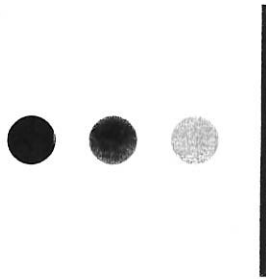


# KDOT's Transportation Enhancement Program

Terry Heidner

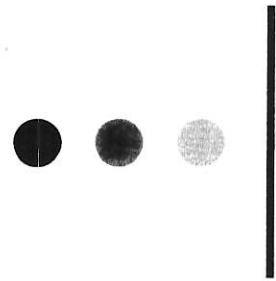
Director

Division of Planning and Development



# What are Transportation Enhancements?

- Federally Funded
- Community Based
- Enhance the Transportation Experience
  - culturally
  - historically
  - aesthetically
  - environmentally



# Three Categories

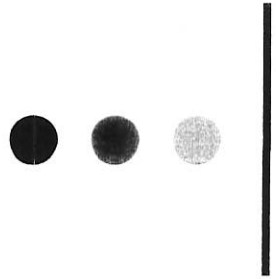
- Bicycle and pedestrian
- Scenic & Environmental
- Historic



# Bicycle and Pedestrian

- o Construction of facilities
- o Safety activities
- o Rails to trails





# Environmental

- o Landscaping and Scenic beautification
- o Control of outdoor advertising
- o Scenic highway programs
- o Environmental mitigation



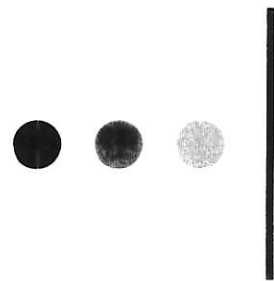


# Historic

- o Acquisition
- o Preservation
- o Rehabilitation
- o Museums







# The Catch

- **All projects must relate to surface transportation**
  - proximity to a highway or trail
  - enhancement of travel experience
  - current or past transportation purpose
- No strict definition
- Coordination with FHWA



# Funding

- 10% of STP funds
- Reimbursement program
- Local match generally 20%
- Eligible activities
  - Construction
  - Inspection
  - Sometimes PE / ROW / Utilities



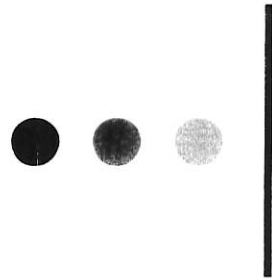
# Eligibility

- State agencies
- Counties
- Cities
- Other political subdivisions
  
- Non-governmental groups must have one of these groups act as sponsor



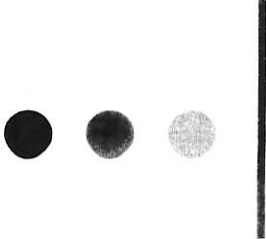
# Selection

- Applications are accepted every 1-2 years
- Committees review projects
- TE Staff recommends projects to KDOT executive staff
- Next round Summer '07 –  
Due Fall '07

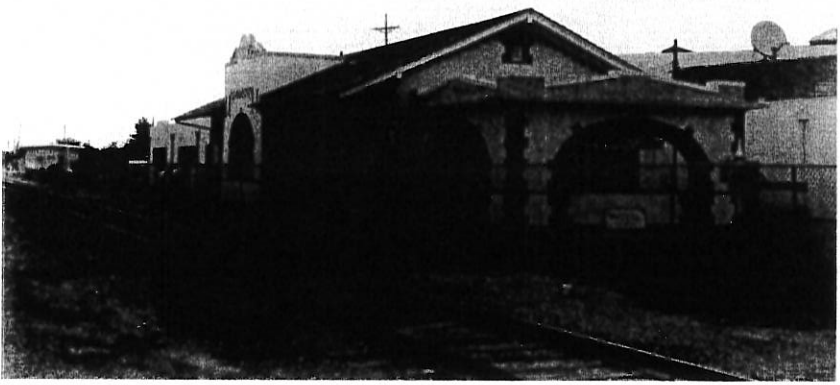


# The Numbers 1993-2008

- 294 projects approved
  - 214 completed
  - 80 still to be let
  
- \$220 million total project cost
  - \$150 million in federal TE funds
  - \$70 million in local match

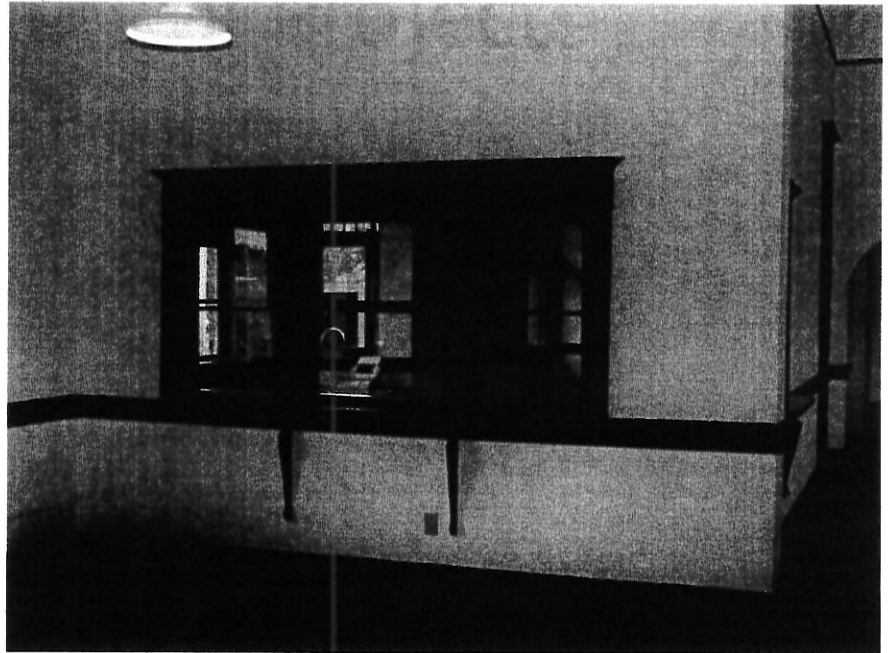


# Completed Historical Projects



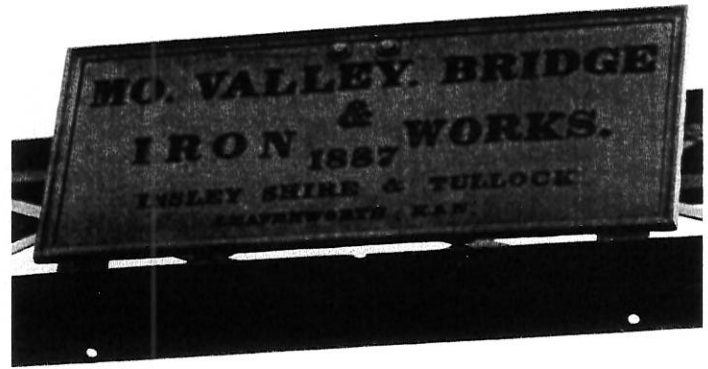
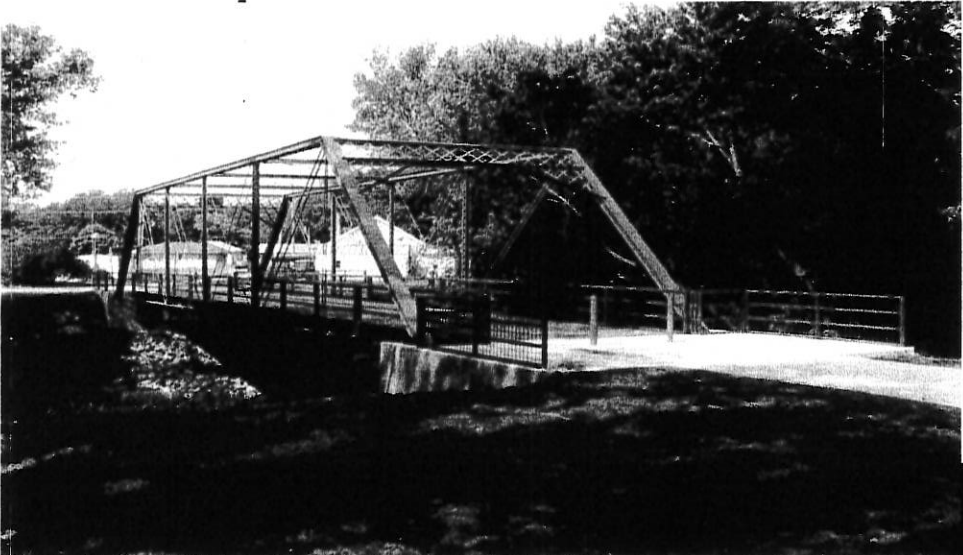
## Osage City Depot Restoration

**Cost: \$691,320**  
**Construction - 2004**



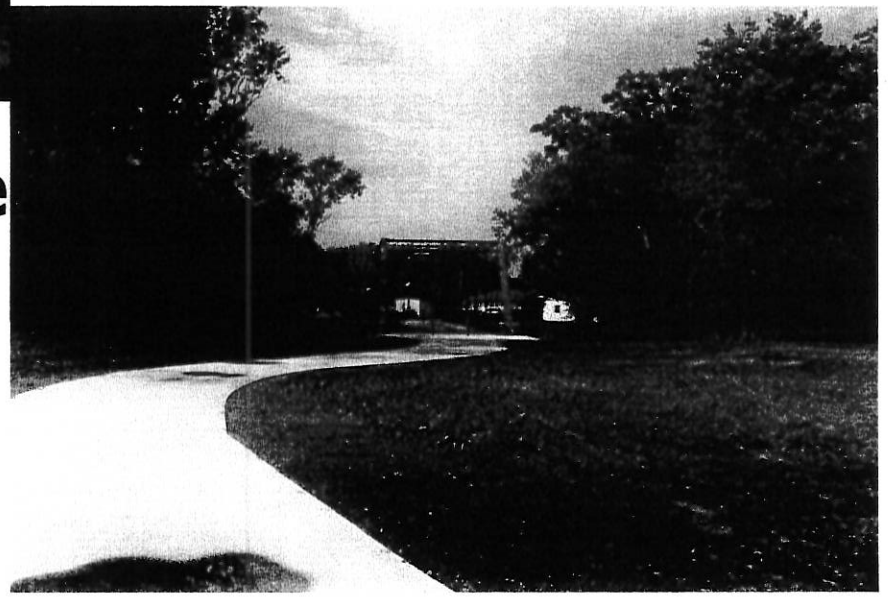


# Completed Historical Projects



**Salina - Lake Wood Bridge**  
Restoration and Multi-Use Path

**Cost: \$332,668**  
**Construction 2005**



# Completed Historical Projects



**Before**



**After**

## **Madison Brick Street Restoration**

**Cost: \$419,522**

**Construction - 2005**



# Completed Pedestrian/Bicycle Projects



**Before**



**After**

## **Lindsborg Valkommen Trail**

**Cost: \$1,563,585**

**Construction - 2006**

- ● ●

## Completed Pedestrian/Bicycle Projects



**Shawnee County-Topeka  
Shawnee Lake Trail**

**Cost: \$2,451,066**

**Construction -2006**



**Pedestrian Bridge**

**Agriculture Marketing Division**  
**Report on Wine Industry and**  
**Agritourism**

**Agriculture Marketing**

**Division Mission:**

*“To enhance the value of agriculture products through marketing and new uses, providing greater returns to Kansas producers, processors, and rural communities.”*

## Agriculture Marketing Division Programs

- Agriculture Value Added Center
- *From the Land of Kansas* trademark program
- MIATCO
- Agritourism Registration initiative

## Value Added Center

“Further processing and/or alternative marketing to capture more of the end consumer dollar at the producer level.”

- Value assessment
- Value creation
- Value capture
- Value preservation

## Value Added Center, cont'd.

- Loan Funding
- Technical Assistance

## Value Added Center, cont'd.

Total Winery Loan Funding: \$190,900

- Total Winery Sales Reported since 2004:
  - \$5,578,332.00

## Value Added Center Sales Generated 2006

Total Sales for fiscal year 2006:

- \$181,220,000
  - Biofuel projects: \$157,842,340.00
  - Food related projects: \$12,053,041.00
    - Wine projects: \$2,641,237.00
  - Other projects: \$10,363,347.30

### *From the Land of Kansas (FLOK) Trademark Program*

- 412 Registered members in the *FLOK* program
- Tradeshow Assistance Grants (TSAs)\*
  - \$9,500 to 33 companies
    - Sales generated by tradeshows amounted to \$101,000
- Business Enhancement Grants (BEGs)
  - \$25,914 to 13 companies
    - These grants helped to generate over \$404,000 in sales

*\*TSAs are now a component of the BEG program*

*From the Land of Kansas (FLOK)*

Eight Wineries are FLOK members

\$5000 has been awarded to Kansas wineries in  
business enhancement grants since 2005



## Kansas Farm Wine Industry

- Currently there are 18 licensed farm wineries in Kansas, with an additional 7 retail outlets, marketing grape and fruit wines
- Nearly 100 vineyards producing close to 225 acres of grapes
- Kansas Grape and Wine Advisory Council
- [www.winesofkansas.com](http://www.winesofkansas.com) and new wine industry logo unveiled in 2006

## Kansas Farm Wineries Currently in Production

- ❖ Campbell Vineyard and Winery, Holton
- ❖ Davenport Orchard, Vineyard and Winery, Eudora
- ❖ Dozier Vineyard and Winery, Ellinwood
- ❖ Graue Vineyards/Middle Creek Winery, Louisburg
- ❖ Heimhof Winery, Leavenworth
- ❖ Holy-field Vineyard and Winery, Basehor
- ❖ Jefferson Hill Farm and Winery, McLouth
- ❖ Kugler's Vineyard and Winery, Lawrence
- ❖ Pome on the Range Orchard and Winery, Williamsburg
- ❖ Slough Creek Vineyard and Winery, Oskaloosa
- ❖ Smoky Hill Vineyard and Winery, Salina
- ❖ Somerset Ridge Vineyard and Winery, Paola
- ❖ Storey Vineyards/Windswept Winery, Udall
- ❖ Wyldewoods Cellars Winery, Mulvane



Growth of the U.S. Wine Industry  
Prepared from TTB Data by WineAmerica

Wineries by State	1975	1995	2005	2006
Alabama		4	6	8
Alaska			6	7
Arizona	1	9	18	20
Arkansas	1	6	7	9
California	330	944	1,697	1,967
Colorado	2	13	59	66
Connecticut	2	9	23	27
Delaware	4	1	1	2
Florida	4	6	34	46
Georgia	1	9	19	21
Hawaii	1	2	4	4
Idaho	2	17	26	30
Illinois	9	11	64	73
Indiana	6	20	39	39
Iowa	14	10	36	49
Kansas		10	11	15
Kentucky		9	32	39
Louisiana	1	4	7	7
Maine	1	3	10	12
Maryland	4	14	19	24
Massachusetts	6	19	28	29
Michigan	10	28	35	103
Minnesota	2	7	20	22
Mississippi		4	6	4
Missouri	13	37	65	75
Montana		1	10	11
Nebraska		1	13	15
Nevada		2	4	4
New Hampshire	1	3	8	11
New Jersey	15	21	33	38
New Mexico	5	20	31	35
New York	43	125	207	228
North Carolina	1	12	54	64
North Dakota			6	8
Ohio	22	47	100	96
Oklahoma	3	2	29	36
Oregon	18	113	237	266
Pennsylvania	14	52	104	112
Rhode Island		4	7	7
South Carolina	1	3	7	6
South Dakota			10	12
Tennessee		15	27	28
Texas	2	30	101	117
Utah		3	7	7
Vermont	2	4	9	10
Virginia		48	107	122
Washington	18	95	336	394
West Virginia		10	16	17
Wisconsin	5	13	31	35
Wyoming		1	2	2
Total US Wineries	579	1,817	3,920	4,280
Number of States with Wineries	34	47	50	50

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**“Wineries are one of the fastest growing components of family farming throughout the nation. The economic benefits to states are increasing and wineries are quickly becoming a force in the agricultural sector.”**  
**Bill Nelson,**  
**WineAmerica**  
**President**

*Table obtained from  
[www.wineamerica.com](http://www.wineamerica.com) in the May 25,  
2006 press release*

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## Grape Crop Value

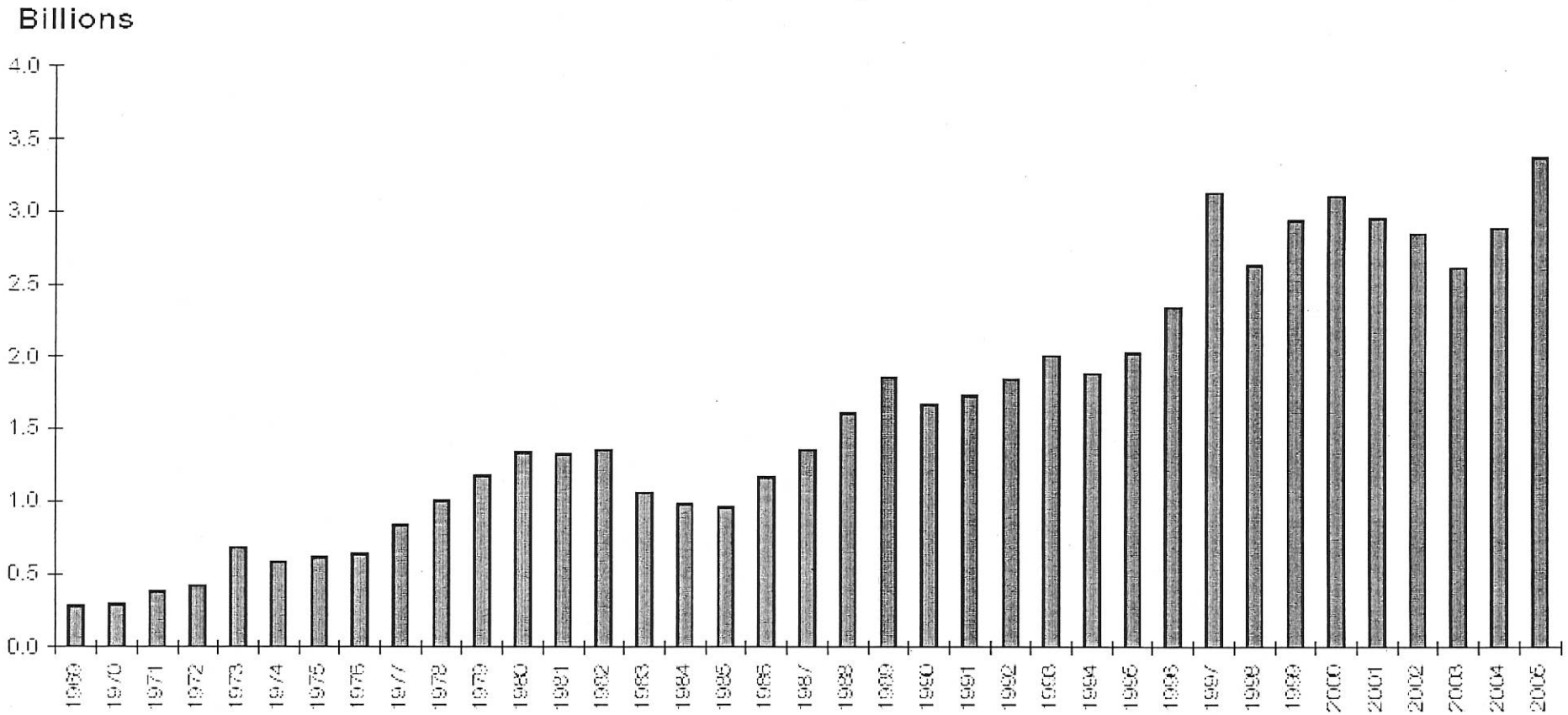


Table obtained from [www.wineamerica.com](http://www.wineamerica.com)

## Other Fruits Used in Kansas Wines

Rhubarb  
Sand Plum  
Apples  
Peaches  
Elderberries  
Blackberries  
Raspberries  
Cherries  
Blueberries  
Cranberries

## Kansas Farm Wine, cont'd.

### State Fair Initiative

#### – Kansas Agriculture Products Pavilion

- Currently in development
  - Wine Garden (Independent contractor) featuring Kansas wines and complementary food products
  - *From the Land of Kansas* display
  - Agritourism display
  - Travel and Tourism display
  - People's Choice Wine Judging
  - 4<sup>th</sup> Annual Grape Stomp (at separate venue)
- *Cooperative effort with the Kansas Department of Agriculture*

## Agritourism Promotion Act

To date, 217 agritourism operations have registered with the state of Kansas.

Benefits of registration to the operator:

- Agritourism Scholarships available to assist in funding participation in educational conferences or tours
- Tax credit (20%) available for the first five years after registration on the cost of agritourism liability insurance
- Promotion of agritourism operations through [www.travelks.com](http://www.travelks.com)
- E-newsletter and website at [www.kansasagritourism.org](http://www.kansasagritourism.org), sponsored by Frontier Farm Credit

## Agritourism in Kansas

These businesses include:

- Western Frontier Experience
- Farm and Ranch Experience
- U-Pick/Orchards/Corn Mazes
- Nature Based Tourism
- Hunting and Fishing
- Lodging/Bed and Breakfast
- Wineries and Vineyards

(785) 296-3481

[www.kansascommerce.com](http://www.kansascommerce.com)