

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 February 7, 2008 in Room 519-S of the Capitol.

All members were present except:
Robert Olson- excused

Committee staff present:
Emalene Correll, Kansas Legislative Research Department
Ryan Hoffman, Kansas Legislative Research Department
Jason Long, Office of the Revisor of Statutes
Matt Todd, Office of the Revisor of Statutes
Ann Deitcher, Committee Assistant

Conferees appearing before the committee:
Secretary Dave Kerr, Commerce Department
Carole Jordan, Commerce Dept., Dir. of Agricultural Marketing & Commercial Development
Renee Lippincott, Representative, Office of Rural Opportunity, Sterling, KS
Wally Kearns, State Director, Kansas Small Business Development Center

Representative Hill offered a conceptional motion to introduce legislation relating to the economic impact on Emporia by the closing of Tyson businesses. This was seconded by Representative Treaster and passed on a voice vote.

The Chair introduced Wally Kearns whose testimony focused on disaster recovery assistance and the use of the additional funding provided the KSBDC. (Attachment 1).

Mr. Kearns told the Committee that between May 10, 2007 and February 1, 2008, the Kansas Small Business Development Center provided 2,383 hours of staff time to disaster recovery assistance at the Disaster Recovery Centers (DRC) in Greensburg, Haviland, Trousdale and southeastern Kansas.

The KSBDC assisted home owners and business owners through one-on-one counseling, over the phone or online in the following areas: Personal financial statements; applying for direct loans from SBA; reconstructing profit and loss statements and balance sheets; rebuilding databases/computer recovery; business plans; financial projections and, goals and business recovery strategy.

Their goal is to meet with approximately 60 businesses that desire to rebuild in Greensburg. They will utilize the diverse expertise within the KSBDC and over 400 resource partners enrolled in NetWork Kansas.

Questions and answers followed.

Appearing next was Carole Jordan who gave a status report on the Office of Rural Opportunity. (Attachment 2).

Ms Jordan spoke of the Governor's Rural Initiative which was passed by the Kansas Legislature in 2007 and offered five rural development "enhancements". These consisted of Office of Rural Opportunity, (ORO); Small Communities Improvement Program (SCIP); Community Capacity Building Grant (CCBG); Kansas Small Business Development Center (KSBDC) Enhancement and Kansas Main Street Enhancement.

Renee Lippincott spoke briefly regarding her role as an ORO Representative saying that her personal motto is "whatever it takes to get the job done" and she appreciates the far-sitedness used in the creation of her position.

CONTINUATION SHEET

MINUTES OF THE House Economic Development and Tourism Committee at 3:30 P.M. on February 7, 2008 in Room 519-S of the Capitol.

Secretary Kerr spoke to the Committee in answer to the question as to how Sterling College was chosen initially to partner with the Commerce Department. He said that the president of Sterling College called and asked what role they could play in the process. He felt that since there were more "rural kids" enrolled in the smaller colleges around the state, tapping into their creativity and knowledge of rural Kansas would be helpful in solving the problems in rural Kansas.

When the college president was asked if he would be willing to provide office space as well as additional resources if the Department were to relocate on their campus. In turn, the Department would tap into their faculty and students in terms of real live value-added resources they had to help these small towns do things like market research, strategic planning and business plans.

Following this, Secretary Kerr approached the Community College System to see if they would be willing to host two other sites as trials to provide the same type of service.

The thought was that it not only would provide a whole level expertise for the community but also would provide those students with real life work experience before they get out of school and also builds their ties with rural Kansas and how they can be involved in communities so they'd be less likely to leave Kansas.

Secretary Kerr pointed out that the bottom line was they got free office space, a free computer system and all the resources they have to offer without cost to the State.

Questions and answers followed.

The meeting was adjourned at 4:25. The next meeting is scheduled for Monday, February 11, 2008.

House Economic Development and Tourism Committee

February 7, 2008

**Testimony by:
Wally Kearns, State Director
Kansas Small Business Development Center**

Chairperson Gordon and members of the House Economic Development and Tourism Committee, I'm Wally Kearns, State Director of the Kansas Small Business Development Center Network. Thank you for the opportunity to appear before your committee today. My testimony will focus on disaster recovery assistance and the use of the additional funding provided the KSBDC.

Disaster Recovery Assistance

Between May 10, 2007 and February 1, 2008, the Kansas Small Business Development Center provided 2,383 hours of staff time to disaster recovery assistance at the Disaster Recovery Centers (DRC) in Greensburg, Haviland, Trousdale, and southeastern Kansas.

KSBDC team members from the eight KSBDC regional and two outreach centers worked in the DRCs from early May until mid-July. Mark Buckley, a KSBDC consultant, has been assigned to work with entrepreneurs, business owners, community and business leaders, SBA, FEMA, USDA, KDOC and other resources during 2008. We feel it is important to have the same consultant provide services and maintain relationships with community organizations.

Initially, the primary role of the KSBDC was to provide support to the U.S. Small Business Administration (SBA), Office of Disaster Assistance, Field Operations – West, Sacramento, at the DRCs. The SBA is the primary, federal, funding partner of the KSBDC.

The KSBDC assisted home owners and business owners through one-on-one counseling, over the phone or online in the following areas:

- Personal financial statements
- Applying for direct loans from SBA
- Reconstructing profit and loss statements and balance sheets
- Rebuilding databases/computer recovery
- Business plans
- Financial projections
- Goals and business recovery strategy

The KSBDC goal is to meet with approximately 60 businesses that desire to rebuild in Greensburg. We will utilize the diverse expertise within the KSBDC and over 400 resource partners enrolled in NetWork Kansas.

Actions:

- Attended and presented information about KSBDC assistance and services at the Greensburg Town Hall meeting on May 11.
- Organized and scheduled a conference call between the Kansas Department of Revenue and U.S. Small Business Administration, Office of Disaster Assistance, Field

Operations – West, to discuss the Kiowa County Business Assistance Restoration Assistance Program that was approved by the 2007 Kansas Legislature. The purpose of the call was to discuss federal statutes that could impact on any business that received a direct loan from SBA and assistant payments from the \$5,000,000.

- Provided the Kansas Department of Commerce \$50,000 of KSBDC's additional FY 2008 funding for the new Greensburg economic development position.
- Invited Mike Hiebert, business proprietor, to attend the weekly Kiowa County Business Redevelopment Board meeting to discuss the availability and cost of using 14' X 60' trailers to jump start some businesses.
- Prepared and submitted a Portability Grant Proposal to the U.S. Small Business Administration for \$100,000 to provide dedicated KSBDC support to Greensburg for a minimum of twelve months.
- Organized and coordinated a bus tour for entrepreneurs and community leaders from Greensburg to six Kansas communities in an effort to generate ideas for reconstructing Greensburg.
- Participated in the Greensburg Public Square Steering Committee Vision Retreat facilitated by Terry Woodbury, President, Kansas Communities, LLC.
- Coordinated the Tax Relief brochure prepared by the KU Tax Club at the University of Kansas School of Business with IRS and the Kansas Department of Revenue. The brochure was distributed to Greensburg residents by the KSBDC and other resources.
- Talked with ten businesses that were not previously located in Greensburg but now see it as an opportunity to support the community and expand their business into Greensburg. We met with two manufacturers, three service and five retail businesses.
- Participated in the planning of the downtown incubator with community leaders and USDA Rural Development.

Ongoing actions:

- Provide one-to-one confidential consulting assistance to business owners.
- Attend weekly meetings with the Kansas Department of Commerce to discuss and respond to disaster recovery needs.
- Attend and participate in the weekly Kiowa County Business Redevelopment Board meetings in Greensburg; the KSBDC has been attending the Tuesday meetings since May 29.
- Attend the weekly Greensburg Steering Committee meetings.
- Attend the weekly Green Committee meetings.
- Meet with Kelly and Mike Estes, leaders of the Kiowa County Business Redevelopment Board, about business redevelopment ideas and strategies.

- Meet with Jeannette Siemens, Economic Development Director, Greensburg, about the needs of the community and businesses.

A total of 46 businesses have now reopened with 37 more that have plans to reopen in Greensburg. There are 21 new businesses in the planning stages that want to open there. The KSBDC has had contact with 81 businesses and individuals regarding business opportunities. This number grows weekly as people continue to contact our office.

Greensburg will need many resources to rebuild. One of the most important resources will be teams with expertise and unselfish reasons that can provide guidance and help residents determine a path for the future of Greensburg.

Use of Additional Funds

The Governor recommended and the 2007 Legislature approved a \$1 million budget enhancement for the Kansas Small Business Development Center Network (KSBDC). The table below provides the planned use of the additional funds.

Use of Additional Funds	\$1,000,000	
Salary and Fringe Adjustments		\$153,199 ¹
Marketing/External Outreach Position – State Office		69,850 ¹
KSBDC Consultants – 9 New Consultant Positions		566,901 ¹
Operating Expenses: Travel, new equipment, professional development, supplies, etc.		210,050
Total		\$1,000,000

¹ Includes Benefits at 27%

Status – Use of Funds

- \$50,000 was provided to the Kansas Department of Commerce for Greensburg.
- Salary and fringe adjustments have been completed for 13 KSBDC positions.
- Two new consultants have been hired. The Johnson County Community College consultant will provide dedicated services to Wyandotte County. Washburn University hired the other consultant. In addition, a new marketing position was established and filled at the state office. Anne Woods is the Assistant Director for Marketing and Training and will initially be working on a new virtual training program for our website; the KSBDC signed a contract with Virtual Advisor for \$3,000. Virtual Advisor will provide the KSBDC will at least 18 virtual training programs that will be available on the KSBDC website in April 2008. Anne will also be developing additional collaborative partnerships with other resource partners.
- Signed a three-year, \$5,000 contract with Sageworks for the use of ProfitCents. This web-based, financial analysis tool will provide clients financial data on their businesses and suggestions for how to improve performance.
- Two KSBDC team members, at a cost of \$4,350, have been certified to conduct *The 7 Habits for Managers*, a Franklin Covey workshop; our goal is to collaborate with the Kansas Department of Commerce and offer it to the directors of the Main Street

Programs in August. In addition, it is being offered for businesses with less than 300 employees.

The KSBDC goal is to establish 6-8 new KSBDC outreach centers. An outreach center is a collaborative partnership between an existing regional center host and a Kansas community college or other resource partners.

An outreach center is a very cost effective strategy for establishing collaborative partnerships and expanding KSBDC services because it minimizes the overhead and maximizes the delivery of KSBDC consultant services. For example, Cloud County Community College (CCCC) is an outreach center host; the outreach center is a collaborative partnership between CCCC and Wichita State University. The full-time consultant located at CCCC is an employee of WSU and all administrative paperwork and reporting requirements are the responsibility of WSU, the regional center host. Attached are some of the handouts discussed during meetings with potential collaborative partners for establishing an outreach center.

The current regional center hosts are:

- Emporia State University
- Fort Hays State University
- Garden City Community College
- Johnson County Community College
- Pittsburg State University
- University of Kansas
- Washburn University
- Wichita State University

In October 2007, the KSBDC signed an agreement with six community college presidents (see below) in the Southeast Kansas System of Higher Education consortium, to establish two new KSBDC Outreach Centers in SE Kansas. PSU and ESU also are members of the Southeast Kansas System of Higher Education consortium and are KSBDC regional center hosts.

1. Allen County Community College
2. Coffeyville Community College
3. Fort Scott Community College
4. Independence Community College
5. Labette Community College
6. Neosho Community College

All six community colleges will be providing a cash match (\$40,597 total; PSU and ESU are providing \$81,194) and in-kind services. As a result, two KSBDC outreach centers rather than one (in our original plan) are being established in southeastern Kansas. A consultant will be housed at Allen County Community College in Iola and at Independence Community College in Independence. They will be employees of PSU; February 11 is the start date for the two consultants.

Our goal is to replicate what happened in SE Kansas in at least 4-6 of the other KSBDC regions.

In October 2007, we made a presentation to Butler County Community College, Cowley County Community College, Hutchinson Community College and Pratt Community College. As a result, we'll have a collaborative partnership between two KSBDC regional center hosts, Emporia State University and Wichita State University, and at least two community colleges, Butler and Cowley. The new outreach centers will be in Andover and Cowley. Another new outreach center may be located in Hutchinson. On February 5, we had our forth meeting with Hutchinson Community College; four

economic development directors also attended the meeting. Our goal is to leverage \$57,415 from the collaborative partners; thus far we have leveraged \$24,453. The KSBDC will provide \$114,830.

In January 2008, we met with David Reist, President of Highland Community College, about establishing at least one and possibly two new KSBDC outreach centers in northeastern Kansas. The outreach center would be a collaborative partnership with the Glacial Hills RC&D, the Washburn University KSBDC and the University of Kansas KSBDC. We should have a response from HCC by mid-March. Our goal is to leverage \$37,500; \$25,000 has already been committed. The KSBDC will be providing \$75,000.

In February 2008, the KSBDC will be making a presentation to resource partners and Colby Community College about establishing an outreach center in northwestern Kansas.

We also will be meeting with Barton County Community College, Dodge City Community College and Seward Community College in February or March about establishing new outreach centers.

Lastly, I'm pleased to inform you that the KSBDC Network is celebrating our 25th Anniversary in 2008.

Again, I thank you for this opportunity and would welcome your questions at this time.

Contact Information: Wally Kearns, State Director, Kansas Small Business Development Center Network. ksbdc.wkearns@fhsu.edu 785-296-6514

Number of Businesses that have reopened	46
Number of Businesses that plan to reopen	37
Number of New Businesses that plan to open	21
Number of Businesses and Individuals that KSBDC has had contact with	81
Number of Wind Farms (at this time)	1
Number of Bio-Diesel Plants	1
Number of New Manufacturing Businesses that plan to open	3
Total planned employment	85
Number of manufacturing jobs (Before the tornado)	0

All 10 Churches are now open and are planning to rebuild

The percent of students that returned for school in August 86%
 A new state of the art grade / high school will open in the fall of 2009

The number of residents living in the FEMA community/trailers 508
 Number of new building permits 49

The Kiowa County Hospital is in operation in temporary quarters and plans to rebuild a new \$15,000,000 16 critical bed hospital / clinic facility in 2009

Current Number of Doctors	1
Current Number of PA's/ARNP's	3
Current Number of RN's	12
Current Number of LPN & Nurse Aides	10

Greensburg is working with the USDA in building a new \$2,000,000 business / retail incubator which will open in the late summer of 2008

Greensburg is working with KSU in building a state of the art internet television/radio/bulletin board which will use the latest internet technology including WiMax. This new form of communication will provide coverage to **80%** of the residents in Kiowa County. Sprint, Intel and Magnavox are already on board to donate equipment. Also, all businesses, government offices, students, households and public access points will receive a **free** computer and training.

Bar-B-Q... Wednesday, July 25... 5:00 p.m. Proceeds go to support the remodeling of The Carrizo House.

VOLUME 121 NUMBER 29 USPS 295-960 GREENSBURG, KANSAS 67030

Bus tour shapes vision of the new Greensburg

By Mark Anderson... editor@kiowacountysignal.com

More than a dozen community leaders and entrepreneurs toured six Kansas towns last Friday, looking for ideas as to how they can best plan the reconstruction of Greensburg's downtown. The group, led by Mark Buckley of the Kansas Small Business Development Center, visited, in order, Hutchinson, Sterling, Lyons, McPherson, Lindsborg and Hesston.

Buckley directed the group's attention in the first five stops to specific elements of the towns' main streets, as well as aesthetic touches such as street lighting and strategically located mini-parks. He also arranged for community leaders to be available to explain their process of design, as well as answer questions.

After spending nearly 14 hours on the Greensburg High activity bus, the group spent the last 30 miles of their return trip brainstorming how their observations might be translated into an eye-catching business district that will both attract visitors and accommodate residents well into the 21st century.

Prompted by the questions of City Administrator Steve Hewitt and Mayor John Janssen, the passengers seemed to agree on several

key concepts, including the importance of sharing their impressions with as many back home as soon as possible, in order to coalesce around a common vision of how the business district should take shape.

"We need to get everyone who was on Main Street, or who will be involved in downtown together to stress how important (construction) guidelines are and to start to shape them," said Ruth Ann Wedel, owner of the former WB's Bulk Food Store.

It was at that point Hewitt stated, "Maybe not so much what you want on Main Street, as what you don't want," a comment referencing the earlier visit to Lyons, a city whose downtown largely rings a majestic courthouse and its square. Buckley had gone to great pains to point out the local hardware store which had been allowed to rebuild on the west side of the square without reference to the brick and mortar facade of the other structures in the square.

"They didn't put any expectations on how the hardware store should look when rebuilt, and now they have a brightly colored metal building that doesn't fit in with the rest of the square," Buckley pointed out. "I wouldn't recommend doing the same." The group on the bus voiced



Photo by Mark Anderson/The Signal

Members of the tour take in the sights of the antique district of Hutchinson's southern stretch of Main Street Friday morning, while Greensburg's mayor and city administrator (right) visit with Hutchinson's city manager. Deep

agreement. The group was also in agreement on the need for a central drawing card for the downtown district, such as the Anchor Inn Restaurant serves

for the "antique district" section of the made over southern blocks of Main Street in Hutchinson.

Erica Goodman of the tourism board said she thought the Big Well could and likely should serve as that focal point. When asked by Hewitt whether the City should play a role in helping to develop

specifications for the exterior/appearance of downtown structures, the bus rebounded with a unanimous "yes," as it

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did when he then asked if the buildings and streetscape should "blend together."

The liberal use of so-called "green spaces"—strategic planting of trees, seasonal flora, and recreational areas making use of such aesthetically pleasing features as fountains—was also a concept widely endorsed by the group.

"Every place we visited today made a big deal of trees planted along Main Street and in strategic places," Janssen noted. "If you mainly have trees along our new Main Street, how will you be a nickel's worth different from all the other towns we saw today?"

"We need a big green space, with a downtown park and maybe even a little stream or waterfall running through it. No one else around here has that, and it would really draw people's attention."

Another idea that gained traction as the miles slipped by, was that of possibly moving Main Street a block west to Sycamore Street in order to more intentionally incorporate the Big Well into the business district, ending its decades of being cut off from the retail area. Hewitt referred to envisioning the Big Well as becoming the CosmoSphere of southwestern Kansas, a destination point for school children's field trips.

Talk then shifted to conceiv-

ing of Main Street being more of a multi-block area of a leisurely mix of retail shops, small "pocket" parks and even family friendly features such as small wading pools for children. The business district would become something more than "strictly business," serving as a cozy spot where shoppers could park behind buildings, leaving space to stroll and "hang out" with one another while visiting shops or stopping in for a bite to eat at a local bistro or deli.

Discussion also centered on using the surviving Centra Bank building on Main as either a museum or even a visitor center, though some thought a visitors center/convention center would need a bigger venue.

Janssen spoke of getting "something started soon" on reconstruction of the Twilight Theatre, and possibly locating the new Senior Center next door on the lot formerly occupied by Duckwalks as a point of convenience.

"I know you may be tired of hearing me talk about Canadian, Texas, but their site here is open all the time," said Wedel. "Ours could maybe serve refreshments, rent videos, and serve as one more place for people to stop in and spend a moment."

"Money is going to limit what we can do," Janssen cautioned. "But it doesn't need to limit what we envision," Hewitt added.

Specific spots visited: Avenue A Park in Hutchinson with its "mini-river/walk" design, as well as the antiques district of South Main, where the streetscape of wide sidewalks and nostalgic street lamps is complete. All 13 blocks of Main Street will eventually be redesigned, though it's being done in three-to-four block sections at a time.

Main contact person was city manager John Deardorf, who asked Hewitt at one point, "Are you leaning toward a more traditional

main Street, how will you be a nickel's worth different from all the other towns we saw today? We need a big green space, with a downtown park and maybe even a little stream or waterfall running through it. No one else around here has that, and it would really draw people's attention."

...Greensburg Mayor John Janssen.

had in mind, but that needs to be dictated by the business people themselves," Hewitt replied.

Main Street and new offices of Jacom Chemicals in Sterling, rebuilt with state-of-the-art efficiency after a fire destroyed the former location in February of 2005. "Sterling has the best streetscape you're going to see today," Buckley said. "It's by far the most functional."

Gene Zaid, president of Jacom, said he mothballed his old plant after building his new one north of town. "I decided to keep the old one as a backup after seeing what the tornado did to your town a couple of months ago," Zaid told the visitors.

Lyons city manager John Sweet (yes, he's the brother of KCMH administrator Mary Sweet) commented on the historic and architecturally eye-catching courthouse serving as the focal of the town square design of the city's business district.

Any town having a courthouse "looking like that" would be "nuts" not to make it the centerpiece of downtown, a Lyons chamber member commented. No one argued. The aesthetically challenged Woydzak Hardware metal building erected recently on the west side of the square was pointed out by Buckley as a move not to be duplicated.

in McPherson showed the advantage of having attractive rear entrances to businesses, where behind the store parking facilities mean greater use of Main Street space.

Stacia McClain later commented the same approach could be used by businesses locating on the north-side of US 34. "They would look attractive to traffic on the new freeway, and indicate how easy it would be to get off quickly and find a place to park," she said.

In addition to the advantage of having a strong cultural identity and liberal arts college in town, Lindsborg showed a significant plus in having a large number of two-story businesses in the downtown district, in which the top story is rented out as an apartment.

"It helps your viability in downtown since it puts some residents in your midst since that's where they live," said economic director Annette Duncan. She also pointed out having the steady rental income helps with cash flow in slow periods for retail businesses.

The trip to Hesston seemed to be dictated largely by it having also been hit by a tornado, though 17 years ago in March of 1990. Even in that, however, there was little for the Greensburg visitors to relate to as city manager John

largely was only downtown structures, and no lives. "The twister missed our college, major industry schools, and senior citizen area," Walton comments. "So I guess we were a luckier than you were."

Also striking was the diminutive size of the business district for a town 1,200, barely stretching to block-and-a-half. "The most touching moment of the day occurred in lunch stop at Shire Restaurant on the north side Lyons.

Owner Bob Shirer open over the Friday noon especially for the bus group serving all a taco salad pi nearly as high as Matherhorn, followed by chocolate cream pie nearby thick. Shirer later explain through several teary-eyed pauses, that he wasn't going to charge for the meal because the sympathy he felt for Greensburg visitors. It set Shirer experienced much his family's farmstead a Halstead being wiped out by twister, also in early May, years ago. "If ever in the area, remember that the restaurant is located on North Highway 14 (Gr. Street). Again, in addition the food being delicious, portions are nearly as big Shirer's heart."



Photo by Mark Anderson/The Signal

Mark Buckley gave a running commentary from the front of the bus for much of the trip, as here upon entering Sterling's Main Street.

1-7

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The group was also in agreement on the need for a central drawing card for the downtown district, such as the Anchor Inn Restaurant serves for the "antique district" section of the made over southern blocks of Main Street in Hutchinson.

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“But it doesn’t need to limit what we envision,” Hewitt added.

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*Avenue A Park in Hutchinson with its “mini-river walk” design, as well as the antiques district of South Main, where the streetscape of wide sidewalks and nostalgic street lamps is complete. All 13 blocks of Main Street will eventually be redesigned, though it’s being done in three-to-four block sections at a time.

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“The twister missed our college, major industries, schools, and senior citizens area,” Walton commented. “So I guess we were a lot luckier than you were.”

Also striking was the diminutive size of the business district for a town of 3,200, barely stretching for a block-and-a-half.

*The most touching moment of the day occurred in the lunch stop at Shirer’s Restaurant on the north side of Lyons.

Owner Bob Shirer opened over the Friday noon hour especially for the bus group, serving all a taco salad piled nearly as high as the Matterhorn, followed by a chocolate cream pie nearly as thick.

Shirer later explained, through several teary-eyed pauses, that he wasn’t going to charge for the meal because of the empathy he felt for the Greensburg visitors. It seems Shirer experienced much of his family’s farmstead near Halstead being wiped out by a twister, also in early May, 45 years ago.

If ever in the area, remember that the restaurant is located on North Highway 14 (Grand Street). Seafood night every Friday, steaks on Saturday. Again, in addition to the food being delicious, the portions are nearly as big as Shirer’s heart.

Establishing a KSBDC Outreach Center in Colby

February 15, 2008

- **Collaboration – Community Colleges and KSBDC**
- **Overview of KSBDC Program**
- **Impact of KSBDC Services**
Cloud County Community College
KSBDC Network
- **Use of Additional Funds**
- **Sample Contractual Agreement**
- **Sample Position Description/Announcement**
- **Community College Service Area**
- **Potential Funding Strategy for an Outreach Center**
- **Next Step**

Collaboration between Community Colleges and the KSBDC

- **Potential Opportunities with Community Colleges**
 - Outreach Center
 - Counseling and/or Training Center
 - Point of entry for entrepreneurial education and assistance
- **Sources of Funding**
 - Federal – U.S. Small Business Administration
 - Kansas Department of Commerce (KDOC)
 - Regional and Outreach Center Hosts
 - Economic Development Corporations, Chambers and Cities

Why would a Community College want to collaborate with KSBDC

- **It's an Investment**
 - It is an investment in the future of your community, service area, children, families, educational system and businesses.

 - It is an investment that enhances the economic viability of your community and the surrounding service area.
- **Connectivity**
 - A full-time counselor enhances the role of a community college in business assistance and entrepreneurship.

 - A full-time counselor meets and works with other resources in the region and state that will be used to respond to the needs of clients, a community, and a county.

 - SBDCNET provides market research to all SBDCs.

 - Provides a community college an opportunity to access and leverage other foundation dollars and programs that relate to entrepreneurship and business assistance.

 - Increased awareness of the capital food chain for startup and existing businesses.

Increasing Demand:

A recent article, "**Everyone Wants to Start a Business**", in *FORTUNE Small Business*, stated the following, "We are in the midst of the largest entrepreneurial surge this country has ever seen. According to the U.S. Small Business Administration's projections, nearly 672,000 new companies with employees were created in 2005. That's the biggest business birthrate in U.S. history; 30,000 more startups than in 2004, and 12% more than at the height of dot-com hysteria in 1996.



WSU CCCC OUTREACH CENTER KSBDC Clients Help Kansas' Economy Grow¹
March 30, 2007

WSU CCCC KSBDC helps create new businesses.
Long-term clients started **34 businesses** in year 2006.

WSU CCCC KSBDC helps create and save jobs.
Long-term counseling for small businesses and aspiring entrepreneurs helped generate **44 new jobs**, 16 full-time jobs and 28 part-time jobs and helped small businesses **save** an additional **167 jobs**, 57 full-time jobs and 110 part-time jobs in the year 2006.

WSU CCCC KSBDC helps increase sales.
Long-term counseling helped small businesses and aspiring entrepreneurs generate **\$3.48 million in new sales**.

WSU CCCC KSBDC helps create investment in our economy.
Long-term counseling helped **32** small businesses and aspiring entrepreneurs **obtain \$2.34 million in financing** which included **\$361,900 in equity injections** in the year 2006.

WSU CCCC KSBDC helps create more revenue than they cost the taxpayer.
Long-term counseling generated approximately **\$491.74 in state tax revenues for every \$1** the Kansas Department of Commerce (KDOC) spent on the WSU CCCC KSBDC program. Overall, long-term counseling generated approximately **\$60.48 in federal tax revenues** and **\$10.96 in state tax revenues for every \$1 spent on the WSU CCCC KSBDC program** by all partners in the year 2006.

WSU CCCC KSBDC helps clients create more jobs than the average business.
Established businesses that received long-term KSBDC counseling experienced job growth of **16.42%** – compared to **1.0%** for **Kansas businesses in general**.

WSU CCCC KSBDC helps clients have faster sales growth than the average business.
Established businesses that received long-term KSBDC counseling attribute **100% of their sales growth of 18.93%** to WSU CCCC KSBDC assistance – as opposed to **5.2%** sales growth for **Kansas businesses in general**.

WSU CCCC KSBDC helps bring together federal, state and private economic development resources.
For every federal dollar that is spent on the KSBDC program, at least one non-federal dollar must be raised by the recipient KSBDC.

The **focus of the Kansas Small Business Development Center Network (KSBDC)** is to use a team approach to provide, high quality substantive services to small businesses in the areas of retention, expansion and startup. The KSBDC has been an integral player in economic development in Kansas since its inception in October of 1983. KSBDC clients create new wealth in Kansas by starting and growing businesses, creating and saving jobs, and accessing capital.

In 2006, the WSU KSBDC Network provided **745 hours** of free one-to-one counseling to **687 clients**, conducted **26 workshops** for **212 participants**, and responded to **707 information requests**.

The Kansas Small Business Development Center Network (KSBDC), **consisting of eight regional centers and two outreach centers**, is a unique infrastructure that combines public and private resources to help Kansans start, manage and grow their own businesses...promoting free enterprise and economic prosperity.

The KSBDC is a partnership program with the U.S. Small Business Administration, the Kansas Department of Commerce, Cloud County Community College, Emporia State University, Fort Hays State University, Garden City Community College, Greater Topeka Chamber of Commerce, Johnson County Community College, Manhattan Area Chamber of Commerce, Pittsburg State University, University of Kansas, Washburn University, and Wichita State University. The state-wide host for the KSBDC is Fort Hays State University.

For additional information about WSU CCCC KSBDC services, call 1-785-234-1435 ext. 324 or browse their website at www.webs.wichita.edu/ksbdc

¹Based on a response rate of 43.0 percent (295 of 687 clients)

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CCCC ECONOMIC IMPACT CY 2003 - CY 2006

ITEM	CY 2002	CY 2003	CY 2004	CY 2005	CY 2006	TOTAL
New Businesses		13	32	21	34	100
New Jobs		48	118	45	44	255
Saved Jobs		178	284	106	167	735
Increased Sales (Million)		0.6	4.9	5.3	3.5	14
Clients Assisted with Financing		15	60	49	32	156
Financing (Million)		1.0	3.5	2.2	2.3	9
Equity Injection (Million)		0.2	1.1	0.7	0.4	2
Return On Investment (ROI):						
KDOC (EDIF) (\$ to 1)		356.06	764.74	1833.00	491.74	689.11
Federal - SBA (\$ to 1)		54.02	98.07	41.99	60.48	50.91
Total Funding (\$ to 1)		7.50	17.54	10.92	10.96	9.38
Job Creation % ¹		24.1 vs 1.1	31.5 vs 2.0	9.5 vs 1.2	16.4 vs 1.0	30 vs 0.46
Sales Growth % ¹		5.25 vs -1.7	29.1 vs 2.7	22.0 vs 3.8	18.9 vs 5.2	25.5 vs 1.64
Clients		88	172	149	0	409
Hours		397	914	785	0	2,096
Workshops		8	24	33	0	65
Attendees		55	273	277	0	605

¹ KSBDc Clients average change compared to the average change of all businesses in Kansas



Office of Rural Opportunity

Status Report to the House Committee on Economic
Development and Tourism

February 7, 2008

The Office of Rural Opportunity


“The Office of Rural Opportunity is a new entity designed to spur rural community development in Kansas. The Office will serve as a contact point for rural communities seeking assistance in the development of strategic plans to attract businesses, workers, and investment. The Office creates a community-driven, bottom-up approach to rural development in Kansas.”

Economic Development & Tourism


Date: 2-7-08

Attachment # 2-1

Governor's Rural Initiative

- **Passed by the Kansas Legislature in 2007**
 - **Five Rural Development "Enhancements"**
 - Office of Rural Opportunity (ORO)
 - Small Communities Improvement Program (SCIP)
 - Community Capacity Building Grant (CCBG)
 - Kansas Small Business Development Center (KSBDC) Enhancement
 - Kansas Main Street Enhancement
- 


Key Concepts

- **Community Focus**
 - **Regional Offices & Bottom-Up Approach**
 - **Connections and Networks**
 - **College Partnerships**
- 

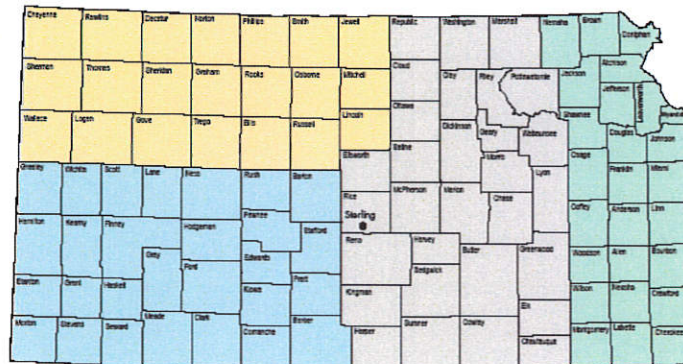
Community Focus

- **Holistic Approach**
 - Community development and strategic planning as precursor to business development
 - **Regional Planning**
 - Focus on volunteerism, grassroots activism, and community pride
 - **Connections Without Redundancy**
 - Liaisons for rural communities
- 

Regional Offices / Bottom-Up Approach

- **Four regional field staff**
 - Sterling (Central Region)
 - Colby (Northwest Region)
 - Chanute (East Region)
 - TBD (Southwest Region)
 - **Structure maximizes time spent in rural Kansas, not Topeka**
 - Efficiencies working within existing structure
- 

Office of Rural Opportunity Regions



- Northwest Kansas
- Central Kansas
- Eastern Kansas
- Southwest Kansas




Renee L. Uppincott
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Connections and Networks

- Access to Commerce Programs and Resources
 - Community Development Division
 - Agriculture Marketing Division
 - Business Development Division
 - Synergies with Business Development field staff
 - Travel and Tourism
 - Workforce Development
 - Synergies with local Workforce Centers

Connections and Networks (cont.)

- **Access to Commerce Resource Partners**
 - Kansas Department of Agriculture
 - Kansas Small Business Development Center
 - Network Kansas
 - USDA – Rural Development
 - Kansas State Center for Engagement and Community Development
 - Other State/Federal Stakeholders
- 

College Partnerships

- **Initial College Partners with Commerce**
 - Sterling College, Sterling
 - Colby Community College, Colby
 - Neosho County Community College, Chanute
 - TBD, Southwest Region
- 

College Partnerships (cont.)


- **Opportunities for Commerce**
 - Office space and some furnishings provided
 - Internet access
 - Integration into college resource pool and other regional school networks
- **Opportunities for College Partners**
 - Student involvement in community projects
 - Prestige as a regional ORO site

Office of Rural Opportunity Timeline

- **Central Region (Sterling) – Renee Lippincott**
 - *ORO Representative*
- **Northwest Region (Colby) – James Foster**
 - *ORO Representative*
- **East Region (Chanute) – TBD**
 - *Presently reviewing applications (March 2008)*
- **Southwest Region (TBD) – TBD**
 - *Planning stages*

Renee Lippincott (Sterling)

Renee Lippincott is the first representative of the Office of Rural Opportunity. Renee is responsible for the Office's Central Region, headquartered at Sterling College. She previously served as the Executive Director of Kansas Main Street Sterling, where she managed more than 50 volunteers, assisted committees in the development of annual work plans and worked closely with various state and federal agencies to secure community development funding and assistance.



KANSAS
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What is the Office of Rural Opportunity?

The Office of Rural Opportunity is a new entity designed to spur rural community development in Kansas. Housed within the Kansas Department of Commerce, the Office will serve as a contact point for rural communities seeking assistance in the development of strategic plans to attract businesses, workers and investment. The Office will ultimately have four regional locations throughout Kansas, which will allow Office staff to maximize their time in the field and create a community-driven, bottom-up approach to rural development in Kansas.

How is the Office of Rural Opportunity structured?

The Office of Rural Opportunity currently has an office at Sterling College but will soon add offices at Colby Community College, Neosho County Community College and a soon-to-be-determined location in southwest Kansas, with a regional representative assigned to each location. This approach will allow Office staff to spend the majority of their time in rural Kansas communities rather than in Topeka.

Why are the Office of Rural Opportunity's four locations on college campuses?

The colleges at Sterling, Colby and Neosho have all volunteered space, staff assistance and other resources to the new Office of Rural Opportunity, creating a wonderful partnership for everyone involved. The new Office of Rural Opportunity benefits from low start-up costs and the proximity to the community colleges' incredible human and intellectual resources. Meanwhile, the community colleges benefit by getting their faculty and students involved in real-world community development planning and rural revitalization efforts.

With which other organizations will the Office of Rural Opportunity partner?

Because it is housed within the Kansas Department of Commerce, the Office of Rural Opportunity will have access to all of the Department's long-standing community and economic development services and resources. The Office will also partner with groups such as the Kansas Small Business Development Center, the Kansas Department of Agriculture and NetWork Kansas to provide comprehensive assistance to rural communities.

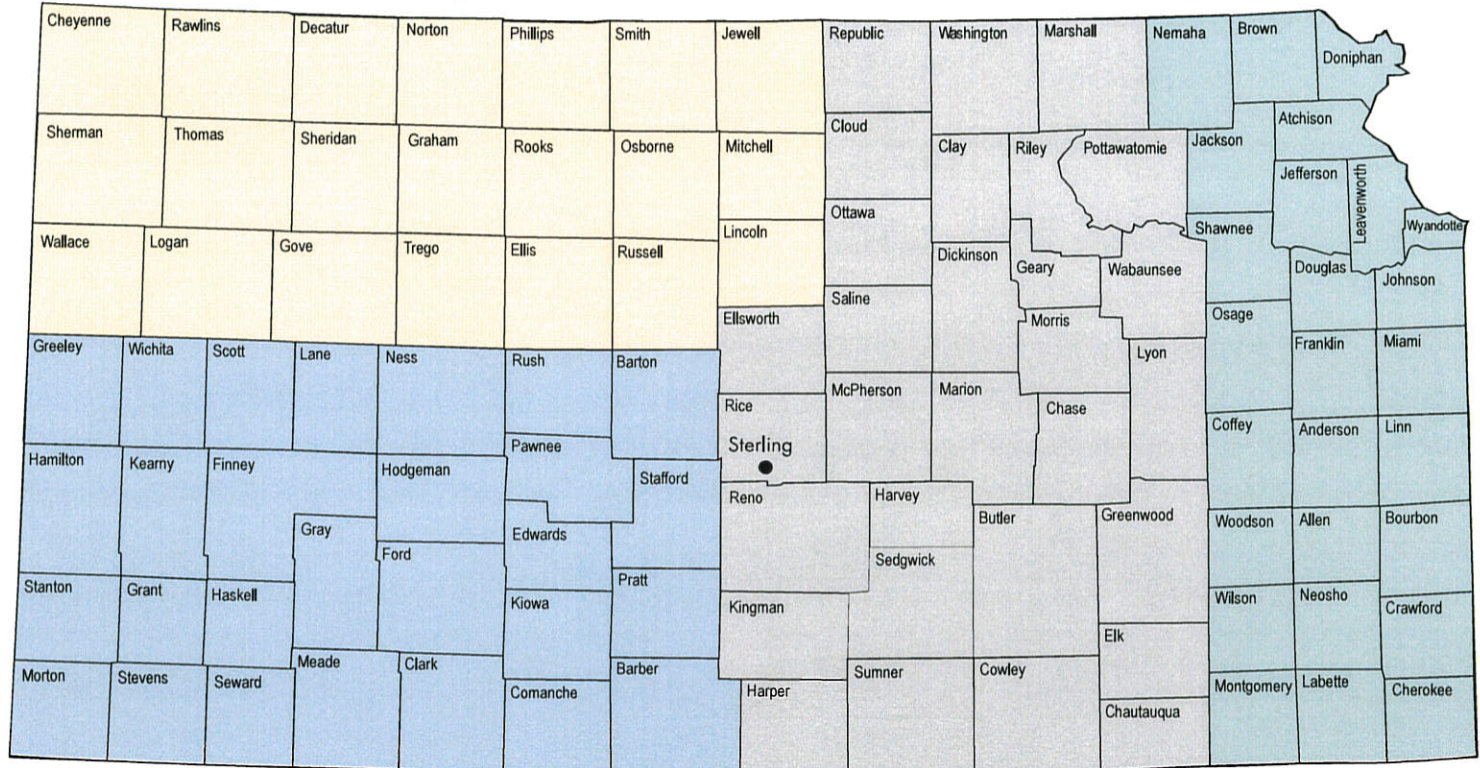
How does the Office of Rural Opportunity differ from other rural entities?

Many rural development organizations focus on luring businesses to rural communities through financial incentives. But the Office of Rural Opportunity takes a more holistic approach to rural development, focusing first on community development and strategic planning as a necessary precursor to business development. The Office will stress the importance of regional plans that incorporate volunteerism, grassroots activism and community pride.

Another key difference is that Office of Rural Opportunity staff will network with existing resources in Topeka and surrounding states, as well as those at the national level, to maximize financial and technical assistance for rural Kansas.

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Office of Rural Opportunity Regions



- Northwest Kansas
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January 18, 2008

Contact: Joe Monaco (785) 296-3760

FOR IMMEDIATE RELEASE

Kansas Department of Commerce to unveil Office of Rural Opportunity *Ribbon-cutting ceremony scheduled for Jan. 28 at Sterling Community College*

Kansas Department of Commerce Secretary David Kerr will join Sterling Community College officials and local leaders to unveil the Office of Rural Opportunity, a new entity designed to spur rural community development in Kansas, at a ribbon-cutting event Jan. 28 in Cooper Hall on the Sterling campus at 1:30 p.m.

The Office of Rural Opportunity (ORO), which officially began work in November, was created by the 2007 Kansas Legislature to address community development issues in rural Kansas. The ORO is currently operating solely out of Sterling College but will soon add regional offices at Colby Community College, Neosho County Community College and a soon-to-be-determined location in southwest Kansas, with a regional representative assigned to each location.

“This is an exciting first step toward better supporting community development in rural Kansas,” said Secretary Kerr. “Rural Kansas faces a unique set of challenges, and the Office of Rural Opportunity will help us address those challenges and keep our communities strong.”

The ORO will help rural communities develop strategic plans designed to attract businesses, families and capital investment. The Office’s programs and services will be aligned with longstanding community and economic development programs administered within the Department of Commerce.

“We’re pleased to have this new Office housed within the Department of Commerce,” Secretary Kerr said. “As the state’s lead economic development agency, Commerce is the state’s primary source of community development programs, services and financial assistance. The ORO will build on Commerce staff’s expertise and experience to make our efforts in rural Kansas better than ever.”

So far, only the ORO’s Sterling Community College location – which will also be called the Central Region office – has been staffed. Renee Lippincott was announced as the Central Region representative in November.

The creation of an Office of Rural Opportunity was suggested by Governor Sebelius’ Rural Life Task Force in 2006. The Governor endorsed the plan as part of her 2007 Rural Initiative, which also included enhancements to the Kansas Main Street Program and Kansas Small Business Development Center and funding to create the Small Community Improvement Program and the Community Capacity Building Grant. Legislators approved the proposals during the 2007 session.

For more information, contact Joe Monaco with the Kansas Department of Commerce at (785) 296-3760 or jmonaco@kansascommerce.com.

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