



## Senate Commerce Committee (2/13/19)

Testimony provided by:  
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Support of SB90

Chairperson Lynn and members of the Senate Commerce Committee,

Thank you for the opportunity to provide this testimony. On behalf of the City of Atchison and the Atchison small business community, it's an honor to voice our support for Senate Bill 90 for NetWork Kansas and their efforts to grow the culture of entrepreneurship throughout the State of Kansas.

The City of Atchison became a NetWork Kansas Entrepreneurship Community in January of 2017. In the year prior to the initiation of that partnership, our Economic Development Advisory Group (EDAG) developed a new strategy that focused on four core priorities:

1. Focusing our development efforts downtown
2. Building the culture of entrepreneurship and small business opportunity
3. Incentivizing housing investments
4. Seeking opportunistic employer growth opportunities

Unequivocally, the component of our strategy in which we've seen the most success is our effort to build the culture of entrepreneurship. The single biggest reason for that success is our partnership and relationship with NetWork Kansas and their staff. NetWork Kansas is not the only gap financing program out there, but it is exponentially more accessible and the only such program to my knowledge that has committed to thorough community engagement and a relationship focused "ground game" with every one of their community partners.

The partnership with NetWork Kansas has engaged a full community of Atchison's small business stakeholders. Partners from the City, the County, the Chamber, bankers, entrepreneurs, attorneys, accountants and small business owners are meeting regularly to discuss strategy, share information about resource availability, and build relationships with each other. Atchison is blessed with two engaged and community minded local banks. Exchange Bank and the Bank of Atchison are without exception the E-Community Program's biggest supporters.

In just 25 months of existence, Atchison's E-Community Program, in partnership with our local banks, has provided seventeen gap financing packages for small business startups, expansions, or acquisitions in the Atchison community, twelve of which have been in our downtown core. Furthermore, the program has helped fund training opportunities for over 20 local businesses.

The next three paragraphs highlight just three of the seventeen gap financing packages that our E-Community Program has been able to provide:

Luxe Steel Window and Door is a startup manufacturing company that builds high end thermally broken steel windows and doors. To start the company, the owners purchased a long-vacant commercial property with plenty of square footage to accommodate their aggressive expansion plans. The company currently employs about five people and expects to grow several times over in the next five years. Luxe Steel has a legitimate opportunity to become a top 20 employer in the Atchison community over the next decade.

Wagner Plumbing has been a staple of the Atchison small business community for several decades. As the founder of that company looked to retire, we were approached by a 10+ year employee of the company about the possibility of using the E-Community Program to help finance a succession/acquisition. Many small communities are seeing small business contraction as longtime business owners look to retire. Atchison has utilized the E-Community program to help transition ownership to a new generation of ownership for Wagner Plumbing and two other small businesses in just the last two years.

Muddy River Guitars is a startup guitar and instrument retail store with an impressive inventory and a bit of a cult following for their regular jam sessions. Muddy River Guitars has become a destination retail business in Atchison's downtown and supplements their in-store revenue with robust online sales. Muddy River Guitars is a perfect example of how small-town retail can succeed in the digital age.

All three of these examples leveraged private sector investments that would not have been realized without our partnership with NetWork Kansas and the resources they make available to our small business community.

It's critically important to the Atchison small business community that our E-Community partnership with NetWork Kansas continue to flourish.

Thank you for your time,

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