

MINUTES OF THE SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION

The meeting was called to order by Chairperson Al Ramirez at 1:30 p.m. on January 18, 1994 in Room 531-N of the Capitol.

All members were present except: Senator Lee - Excused

Committee staff present: Julian Efird, Legislative Research Department
Fred Carman, Revisor of Statutes
Jackie Breymeyer, Committee Secretary

Conferees appearing before the committee: Norine Kruse, Director of Division of
Travel and Tourism

Others attending: See attached list

Chairman Ramirez called the meeting to order and called on Norine Kruse, Director of the Division of Travel and Tourism, who was present to speak to **SB 470** - concerning the Kansas Film Commission.

Ms. Kruse began with background on the bill, telling of the development of the various regions. When the North Central area wanted to become its own region, the Travel and Tourism Commission took on the task of making sure this was acceptable to the people of the Northwestern and Northeastern regions. Ms. Kruse stated that to allay the fears of many regions being created the stipulation was made that for a region to be recognized, it would have to be made up of ten contiguous counties. The bill, in essence, simply names a representative from the North Central region to the film commission.

Ms. Kruse told of some of the things the film commission is doing and the successes it has had. She brought with her the Kansas Department of Commerce & Housing 1993 Annual Report. (Attachment 1) Ms. Kruse was accompanied by Dorene Seele, Location Coordinator, Kansas Film Commission.

Ms. Kruse ended her presentation and discussion was held and comments made by committee members.

The Chairman stated that what the bill basically does is to get a representative from the North Central region. It also adds the words 'and housing' to Commerce and Housing.

In answer to the question of why the bill was needed, Ms. Kruse responded that since the other five regions were specifically stipulated in the bill, it was felt that the sixth should be stipulated also.

One of the Senators made the response that with this bill there will be equal representation across the state. Appointments cannot be made from one area only.

It was commented that if this was the intent of the bill, why not simplify the words to say 'one representative of each of the Kansas tourism regions'. This would simplify the bill.

The Chairman thanked Ms. Kruse for appearing before the committee.

Senator Vidricksen moved to amend **SB 470** on page 1, in line 21, by striking all after "governor."; by striking lines 22 to 41, inclusive; in line 42, by striking all before "All" and inserting the following: "One of the members appointed by the governor shall be appointed from each tourism region recognized and designated as a tourism region by the secretary of commerce and housing." Senator Gooch gave a second to the motion. The motion carried.

Senator Feleciano moved to amend **SB 470** on page 2, in line 37, by striking "statute book" and inserting "Kansas register";
Senator Papay gave a second to the motion. The motion carried.

Senator Feleciano moved passage of **SB 470** as amended. Senator Vidricksen gave a second to the motion. The motion carried.

The minutes of the January 12 meeting were approved on a motion from Senator Papay and a second from Senator Gooch.

The next meeting is scheduled for January 19, 1994.

The meeting was adjourned.

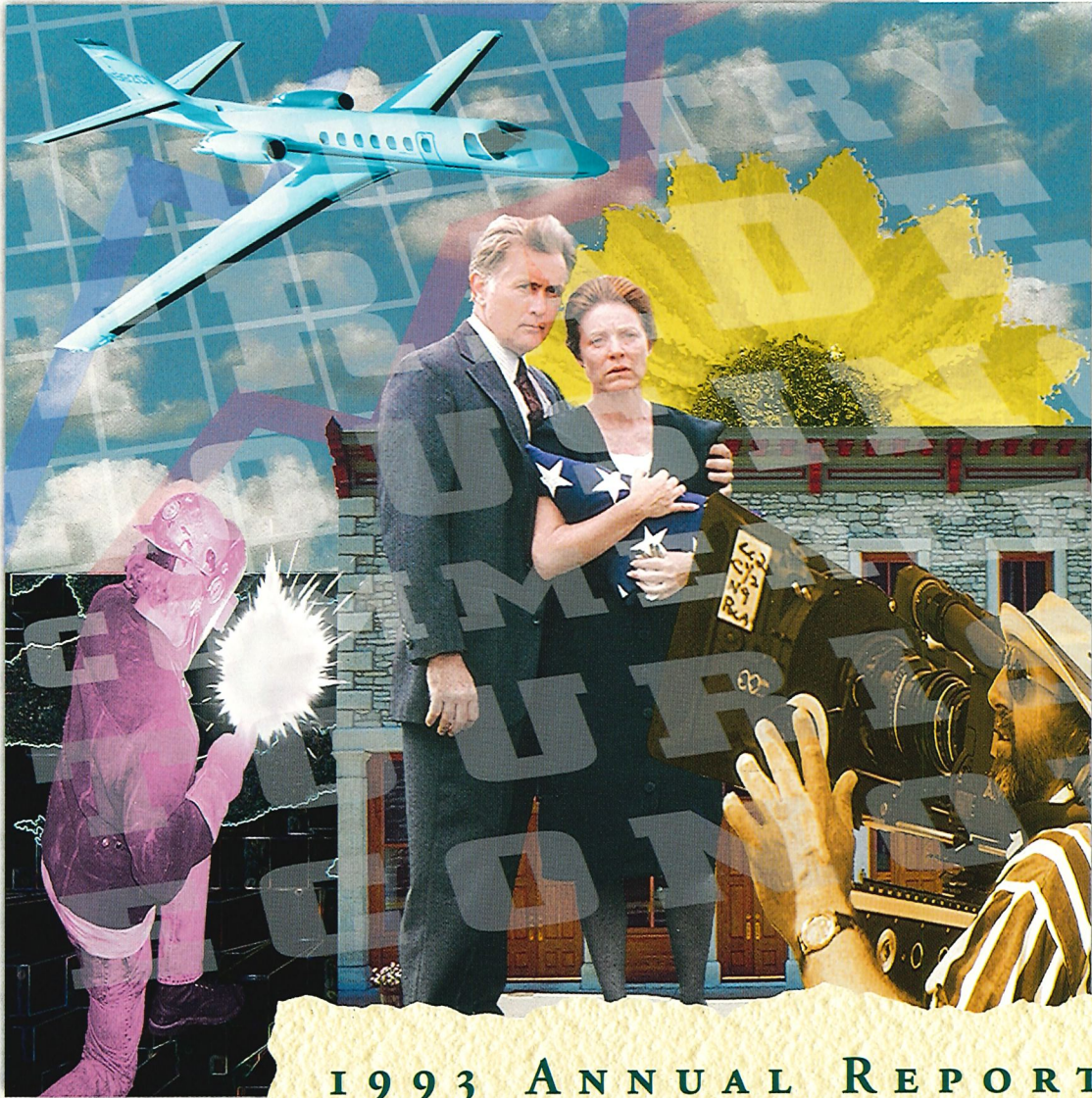
GUEST LIST

COMMITTEE : SENATE GOVERNMENTAL ORGANIZATION

DATE: Jan 18, 1994

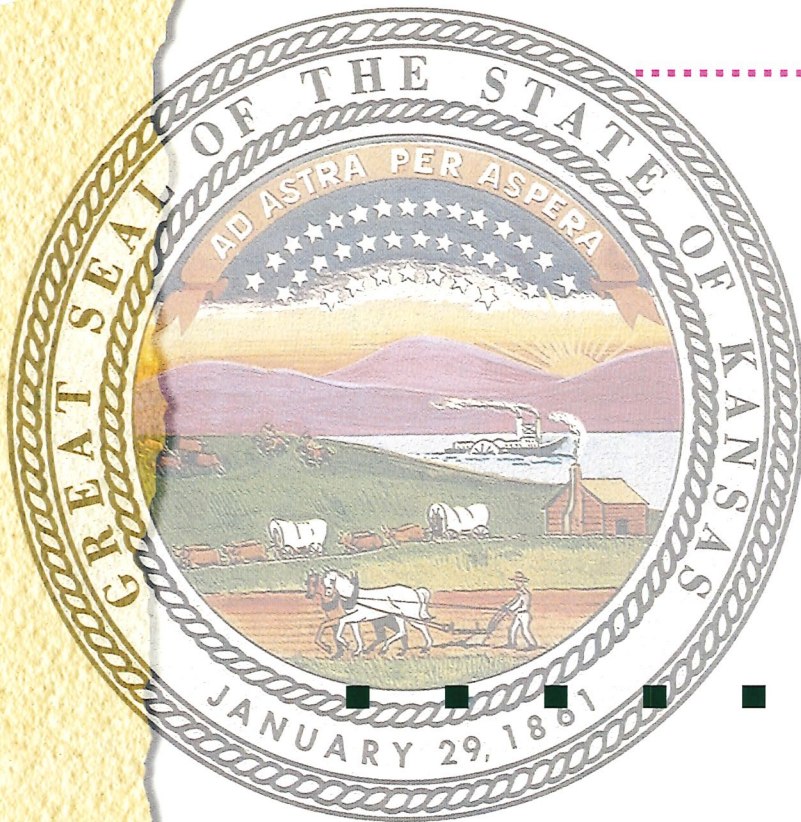
[illegible]

Kansas Department of Commerce & Housing



1993 ANNUAL REPORT

■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■
*G.O. Committee
Attachment 1
1-18-94*



SECRETARY:
Bob Knight

DEPUTY SECRETARY:
Carole Morgan

UNDERSECRETARY
FOR HOUSING:
Dennis Shockley

DIRECTOR
COMMUNITY DEVELOPMENT
DIVISION:
Marty Miller

DIRECTOR
EXISTING INDUSTRY DEVELOPMENT
DIVISION:
Cal Lantis

DIRECTOR
INDUSTRIAL DEVELOPMENT
DIVISION:
Bill Thompson

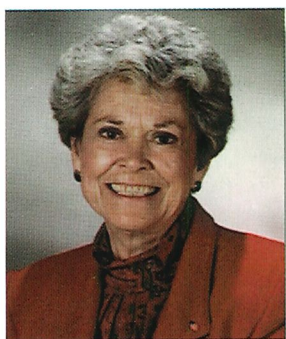
DIRECTOR
TRADE DEVELOPMENT
DIVISION:
Jim Beckley

DIRECTOR
TRAVEL & TOURISM
DIVISION:
Norine Kruse

DIRECTOR OF
COMMUNICATIONS:
Ruth Maus

1-2

Greetings



Dear Kansans:

The economic wealth and prosperity of Kansas continue to be among my top concerns. I am happy that the course we have taken to ensure the well-being of our state has met with much success.

By taking a leadership role in promoting and maintaining Kansas' growth and stability, the Kansas Department of Commerce & Housing has earned our praise and ongoing support. Their quality programs, comprehensive economic development delivery network, and dedicated staff are working hard on our behalf.

As you read of the many fine accomplishments of the Kansas Department of Commerce & Housing during 1993, I am sure you will agree. We can all be proud of such a positive force working to create an even better tomorrow for Kansas...today!

Sincerely,

A handwritten signature in cursive script that reads "Joan Finney".

*Joan Finney
Governor*



Dear Readers:

We're pleased to bring you this Annual Report of our activities during Fiscal Year 1993. This year marks many successes, a tribute to the dedication and initiative of both the Kansas Department of Commerce & Housing staff and of our many public and private partners throughout the state. Highlighted inside, you find the kinds of comprehensive programs I'm talking about, the ones that make economic development a reality. From foreign market development to job training, from attracting tourism to revitalizing rural communities, from small business assistance to shelters for the homeless, our goal is to make Kansas the best state in the nation.

Thank you for your support and interest in the Kansas Department of Commerce & Housing.

A handwritten signature in cursive script that reads "Bob Knight".

*Bob Knight
Secretary*

1-3

The Economy

We'd like to share with you some background and general information about the prevailing conditions in Kansas from July 1, 1992 through June 30, 1993 (FY93).

During this time, the **population** of Kansas reached 2,523,000 with a growth rate projected at 1.1%.

Total **employment**, as measured by civilian labor force estimates, decreased 0.1%. Non-farm wage and salary employment showed an increase of 37,100 jobs (3.3%) with a total of 1,142,500 persons employed. Despite heavy layoffs in the transportation sector (a staggering 10.6% loss) total manufacturing employment decreased only 1%. Layoffs by major employers in the wholesale and retail sectors were offset by general growth with an additional 6,800 jobs added during FY93, a 2.4% increase. The service sector added 5,400 jobs during this period, continuing a trend of strong growth.

The **unemployment** rate of 4.7% continued the long term pattern of the past several years, with the state having a percentage far below the national unemployment rate of 6.9% for the same period.

Real personal income grew at a sluggish 3.9% in 1992 and projected rate of 4.3% for calendar year 1993, both slowed by the loss of high-paying manufacturing jobs. Slow but steady personal income growth for 1994-98 is projected at a 1.7% increase per year. Manufacturing wage growth over the next two years is projected to be 2.8%, somewhat below the regional average. Kansas ranks 20th in the U.S. in average

per capita income of \$20,300. Average annual wage for 1993 was \$23,700 which ranks 32nd.

Average **weekly wages** for all Kansas manufacturing workers were up \$26.59 from a year earlier. Earnings in the durable goods segment were boosted by increased overtime in machinery production and higher hourly rates for transportation equipment workers following the layoffs of lower-paid workers.

Construction starts continued to be strong in FY93. Construction permits for 37,698 buildings were issued, which included permits for 17,878 housing units. Total housing starts are projected to increase 19% during FY94 as home sales continue to be buoyed by low interest rates.

Kansas continues to be among the nation's top **agricultural** states, ranking first in wheat and sorghum production. The total value of crops produced in Kansas was \$86.5 billion, with Kansas ranking seventh in cash receipts from farm marketing. Kansas also ranks fifth in the nation in livestock production, accounting for \$4.7 billion in farm income.

Total Kansas **exports** of manufactured goods increased 18% to \$2.38 billion during 1992 (the latest reporting period) while agricultural exports showed an increase of 25% to \$2.48 billion. These two export figures show the real diversity of the Kansas economy. Leading the way in exports for manufactured goods is transportation equipment with \$767 million. Agricultural exports continue to be led by wheat/flour as that group's leading export commodity.



The Department of Commerce & Housing

By statute the Kansas Department of Commerce & Housing (KDOC&H) is charged with promoting economic growth and prosperity in the state and with promoting decent, safe, affordable housing for all Kansans. To effectively accomplish these goals, we are organized into seven divisions (Administration; Community Development; Existing Industry Development; Industrial Development; Trade Development; Housing; and Travel & Tourism Development). Each division administers a number of programs which benefit businesses and communities throughout the state.

Our staff of 125 dedicated professionals operates from our home office in Topeka; from six Field Offices in Pittsburg, Hill City, Garden City, Manhattan, Lawrence,

and Wichita; and from four Travel Information Centers in Kansas City, Goodland, South Haven, and the State Capitol Building in Topeka. The agency also represents Kansas nationally and internationally with agents in Chicago; Los Angeles; Brussels, Belgium; Tokyo, Japan; Ottawa, Canada; and Sydney, Australia.

Funding for the KDOC&H comes from the State General Fund, the Economic Development Initiatives Fund (the Kansas Lottery), federal funds, and fee funds. In FY93, we channeled eighty percent (\$37,798,394) of that money to local communities and business in Kansas. Nine percent (\$4,154,927) of our budget went to pay salaries and wages of employees and 11% (\$5,401,455) was devoted to operating expenses.

FISCAL YEAR 1993 FINANCIAL REPORT

EXPENDITURES BY DIVISION

General Administration	\$ 1,436,005
Existing Industry Development	\$ 1,400,990
Trade Development	\$ 1,771,179
Industrial Development	\$ 6,660,766
Travel & Tourism Development	\$ 3,376,007
Community Development	\$ 15,829,332
Housing.....	\$ 16,880,497

EXPENDITURES BY OBJECT

Salaries and Wages	\$ 4,154,927	(09%)
Operating Expenses	\$ 5,401,455	(11%)
Federal and State Aid to Local Units	\$ 30,754,371	(65%)
Other Assistance	\$ 7,044,023	(15%)
TOTAL EXPENDITURES	\$ 47,354,776	

REVENUE SOURCES

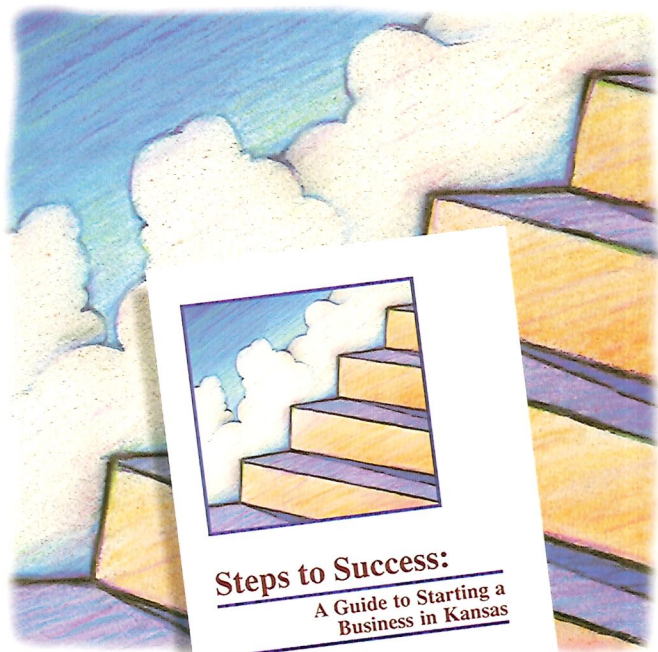
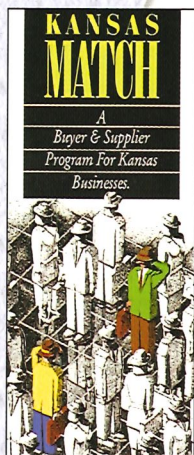
State General Fund	\$ 2,702,331	(06%)
Economic Development Initiatives Fund	\$ 9,130,655	(19%)
Federal Funds	\$ 31,330,294	(66%)
Fee Funds	\$ 4,191,496	(09%)
TOTAL REVENUES	\$ 47,354,776	

1-5

Strengthening Business

The backbone of the Kansas economy can be found in our businesses. Large and small, urban and rural, the vitality of these enterprises is essential for the state's well-being.

The KDOC&H works with a variety of public and private partners around the state to grow and strengthen business. This year our **First Stop Clearinghouse** provided business registration and incentive information to 5,000 new and expanding businesses and distributed 1,700 copies of "Steps To Success, A Guide To Starting a Business In Kansas." Our **Kansas Match** program, putting Kansas buyers in touch with Kansas suppliers, registered 220 businesses and provided Kansas sources and services to 35 companies during the last six months. The **Business Retention and Expansion Program** assisted two counties identify the needs and trends of local business. Over 135 businesses participated in the survey, resulting in 140 requests for information and 30 follow-up visits. One **Operation Strongest Link** seminar was held in northwest Kansas to assist businesses there identify the types



and sources of available statewide business help. Celebration around the state of **Business Appreciation Week** in June was encouraged and coordinated by the KDOC&H to include a proclamation and television public service announcement by Governor Joan Finney, press releases, and suggestions for local promotions.

Other business-oriented programs this year include those conducted by our **Office of Minority and Women Business Development**. The office sponsored or conducted 14 seminars with 2,200 participants in 12 different cities, handled 500 phone requests, assisted 480 referrals for contract quotation,



■ *Winners of the Governor's Minority and Woman-Owned Business Awards pose with Governor Joan Finney at our annual Awards Banquet. Left to right: Billie Stephenson, Richard Haden, Glenna Borho, Dinah Terrill, Jan Howard, Bruce Shepherd, Melvin Jackson, Trinidad Maldonado, Governor Finney, and program administrator Tony Augusto.*

1-6

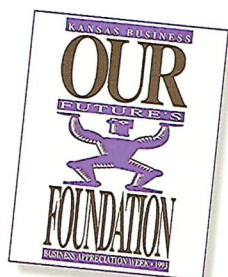


■ Working together to build Kansas through public/private partnerships. Here Southeast Kansas dignitaries celebrate the opening of the new Business & Technology Institute in Pittsburg. Left to right: Lee Ellis, KDOC&H Field Representative; Bob Nickolaissen, MAMTC; Harvey Dean, Director of the Business Technology Institute; Kathryn Richard, Director of the Small Business Development Center; Bob Baker, KEURP; Rex Richards, President of Mid-America, Inc.; Steve Davis, Regional Director of MAMTC; Jim Mitchell, Director of Mid-America, Inc.

and met with 15 companies individually for counseling.

Entrepreneurial businesses in Kansas received over \$4 million of investment financing last year through the **Kansas Certified Venture Capital Companies and Certified Local Seed Capital Pools**. Over 60 Kansas businesses have received private investment via these programs through calendar year 1992.

The KDOC&H continues to support the efforts of 15 regional



Certified Development Companies (CDC's), not-for-profit organizations providing financial and technical assistance to small businesses throughout the state. This year,

the state provided \$475,000 of supplemental funding to the CDC's, assisting their efforts to package 288 business loans totalling over \$74 million.

A KDOC&H program that is becoming increasingly important to state businesses is our **Waste Reduction, Recycling, and Market Development** program.

This year marked increased activity statewide for awareness and production of marketable products made of post-consumer waste, an effort boosted by the first Governor's Conference on Waste Reduction and Recycling. The office works closely with environmental groups, other government agencies, private enterprise, manufacturers, and industry to utilize post-consumer waste for a cleaner, more efficient and more productive state.



■ Governor Finney stars in a 30-second public service announcement promoting Business Appreciation Week. The spot aired throughout the state.



Photo by Jack Jackson

■ Secretary Bob Knight (right) presents the Exporter of the Year Award to Mike Richards of Interconnect Devices, Kansas City, Ks.



■ The KDOC&H's Waste and Recycling Office assists businesses and communities in this important endeavor.

1-7

Marketing Business

Enlarging the national and international markets for Kansas products is another way the KDOC&H helps businesses prosper and brings dollars into the state. This year we participated in seven **domestic trade shows**, presenting Kansas business as an excellent source for goods and services.

Fiscal Year 1993 saw the introduction of the "Made In Kansas" trade show, a three-day event focusing exclusively on the wide range of unique and appealing consumer and food products made in Kansas and sold coast-to-coast. Sponsored in cooperation with the Kansas State Board of Agriculture, this Wichita show presented 135 Kansas company booths to an audience of over 200 buyers and 8,000 consumers.

Our international efforts were extremely fruitful this year. Kansas successfully orga-

nized six midwestern states for an exclusive trade show in **Mexico City**. The MIDWEST USA EXPO '92 saw 13 Kansas companies present their products as well as meet with prospective local representatives, agents, distributors, and joint venture partners.

Another highly successful overseas mission was our two-week AMERICAN FRONTIERS promotion in the world famous Harrods department store in **London**. In the midst of tremendous media

exposure both in England

and the U.S., 43 Kansas companies, Kansas tourism, the Kansas State Board of Agriculture and the state itself gained international stature and increased our marketing clout.

Governor Joan Finney led a Kansas Cavalry mission to **Japan** this year to develop increased business ties with that country. Activities there included an investment sem-



■ The first annual "Made In Kansas" show in Wichita marketed 135 Kansas companies.



■ Opening the MIDWEST USA EXPO '92 international trade show in Mexico City is KDOC&H Director of Trade Development Jim Beckley. Thirteen Kansas companies exhibited at the show.



■ The attractions and products of Kansas dazzled European shoppers at the "American Frontiers" promotion in London's famed Harrods department store.



inar at the Osaka Chamber of Commerce, a business reception, and numerous individual calls on Japanese companies.

A resounding success of our international marketing efforts this year was the signing of a far-reaching, Cooperation Agreement between the state of Kansas and the Leningrad Region of Russia. Governor Finney became the first U.S. governor to lead a trade delegation to the Leningrad region, where she and Governor Alexander Belyakov inked the historic document in St. Petersburg, Russia. The Agreement paved the way for business, cultural, managerial, educational, and informational exchanges to expedite market development for Kansas businesses through both exports and joint ventures.

The rewards of the mission began almost immediately, with Russia purchasing millions of dollars of goods and services from Kansas companies. Cultural exchanges, such as the Russian Festival that performed in 36 Kansas communities in May, continue to strengthen the ties and good will which provide the basis for trade relations.

The KDOC&H assisted 43 Kansas companies during FY93 through our **Trade Show Assistance Program**. The program reimburses approved expenses for Kansas companies exhibiting at foreign trade shows. This year our program made 65 allocations to 45 companies for a total of \$160,000, resulting in an estimated \$32.23 million dollars in sales and a dollar return ratio of \$201 to \$1.



■ Honored guests in the Kansas Senate are (left to right) Russian Sergey Zoubrov of the Leningrad Regional Council and Yuri Pavlov, First Deputy Head of Administration of the Leningrad Region. Here they are greeted by Senate President Bud Burke as KDOC&H Deputy Secretary Carole Morgan looks on.



■ Signing an historic Cooperation Agreement in St. Petersburg, Russia, Governor Joan Finney and Governor Alexander Belyakov cement business, cultural, and educational ties between the two governments. At far left is KDOC&H Deputy Secretary Carole Morgan.

1-9

Attracting Business



■ Groundbreaking for the Big Toy Company in Strother Field. The plant brings 30 jobs to Kansas and a capital investment of \$2 million. It was recruited through our international investment staff.



■ Sanofi-Winthrop's John Durso breaks ground for construction of the McPherson plant. Witnessing are (left to right) Secretary Bob Knight, Jay Bremyer and Tom Berry. The plant will expand to employ 200 people with a \$20 million capital investment.

Recruiting domestic and foreign businesses to Kansas means additional jobs and money for our state. This year was one of our most successful ever, attracting 14 companies that located or expanded here creating over 3,100 jobs and investing more than \$105 million dollars. They are:

- Walmart Stores, Inc., Ottawa
- Russell Stover Candies, Inc., Abilene
- Sealright, DeSoto
- Multimedia Security Service, Wichita
- Dazey Corp., Osage City
- Sanofi Winthrop (expansion), McPherson
- A-1 Plank & Scaffolding, Hays
- American Poly Works, Columbus
- Creative Image, Newton
- Envirotex, Sabetha
- Rema Bakeware, Salina
- Allied Signal, Riverton
- Gunze Corp. (Japanese), Olathe
- Big Spielwarenfabrik (Germany), Strother Field

Providing tremendous assistance to KDOC&H recruitment efforts is the volunteer organization known as the **Kansas Cavalry**. This year, Cavalry members participated in 10 missions, calling on 210 executives from companies expressing an interest in Kansas. These missions resulted in 37 new prospect files and 69 new suspect files. Two plant openings, American Poly Works and A-1 Plank, located facilities in Kansas as a result of Cavalry missions.

Governor Joan Finney, actively involved in the state's recruitment and marketing activities, was in direct contact with 64 industrial prospects via Cavalry missions, industrial tours, telephone visits, and personal correspondence during FY93.

Other recruitment efforts include leading out-of-state business executives on indus-

trial tours of Kansas. This year four tours were conducted hosting 46 American executives in 26 Kansas communities. One hundred forty-seven foreign executives from Japan, Germany, China, Great Britain, the Netherlands, Australia, Taiwan, Korea, Ireland, Russia, Brazil, Chile, Ecuador, and Paraguay were hosted as they visited potential plant sites or explored business opportunities with Kansas firms.

Kansas **workforce training programs** are an important incentive when it comes to attracting outside business and retain existing business. This year, the combined impact of these three programs resulted in 3,086 new jobs and 10,200 jobs retained in 38 Kansas communities.

The **Kansas Industrial Training (KIT)** and **Kansas Industrial Retraining (KIR)** programs are jobs-creation and retention tools utilized in the training of new employees and the retraining of existing employees of Kansas basic industries. KIT and KIR served a record number of new, expanding, and restructuring Kansas businesses this year, granting over \$2.5 million to assist 69 companies. When training is completed, nearly 12,000 employees will be given training and retraining in the skills required of their jobs.

During this, its second year, the **State of Kansas Investments in Lifelong Learning (SKILL)** program has played a significant role in the recruitment of new



1-10



■ During the December mission to Japan, Governor Joan Finney met with top executives of Gunze Limited in Osaka to express appreciation for their decision to build a manufacturing plant in Olathe. Seated (left to right): Randi Tveitaraas, KDOC&H; Secretary Bob Knight; Spencer Finney, Governor Finney, Gentaro Endo, Chairman of the Board; Yoshiaki Hamuro, President. Standing (second from left): Bob Hitchner, KDOC&H representative in Japan; also other Gunze executives involved in the project.

jobs to the state. Like KIT, SKILL helps businesses offset the costs of training employees for new jobs. SKILL ties the amount of company funding to the number and average wages of the new-employee jobs. Immediate training project costs are financed through tax exempt, public purpose bonds which are retired through statewide withholding taxes from newly created jobs or new jobs.

This year, our five new SKILL projects assisted three existing and two new Kansas companies in major workforce expansions. These five will add 1,467 new jobs, with an average hourly wage of \$10.42, to the communities of Topeka, Edwardsville, and Dodge City. Over \$4.17 million in training funds was committed for the development and implementation of these projects.



■ Our workforce training programs, like this one through the Kaw Area Vocational-Technical School in Topeka, help thousands of Kansas workers gain new skills. This incentive is frequently used as part of a recruitment package to attract new businesses to Kansas.

1-11

Developing our Communities



■ The city of Bentley's new water tower and water system improvements were partially funded by a CDBG Grant.



■ Community Development grant monies also assisted this Pittsburg housing rehabilitation effort.

No state can thrive without healthy, viable communities. To assist Kansas communities be all they can be, the KDOC&H administers a variety of community development programs designed to encourage partnerships on the local level.

The largest is the small cities **Community Development Block Grant** program. During FY93, 89 CDBG grants totaling \$20,713,593 were awarded throughout the non-urban areas of the state. This included an annual grant from the U.S. Department of Housing and Urban Development, utilization of unexpended balances from prior year project grants and loan repayments from prior year business finance projects. Grants were utilized for the construction of 7 community buildings, rehabilitation of 315 homes, assistance to 46 low income families in purchasing a home, the removal of architectural barriers to the handicapped from public buildings in 19 different cities and counties, improvement of 32 water systems and sewer systems, replacement of seven county bridges and assistance to seven areas

recovering from property damage resulting from wind storms. Economic Development grants were awarded for 13 projects throughout the state. These grants resulted in the creation or retention of 395 jobs in those localities and leveraged an additional \$21,821,773 in non-grant funds into the state's economy.

To assist communities, counties, and regions formulate strategies for economic growth, ten **Strategic Planning Grants** were awarded to 13 counties for a total of \$160,000. In addition, thirteen **Strategic Planning Action Grants** for 15 counties were awarded for \$239,008.

Further assistance took the form of low-interest loans to help communities attract or retain businesses. Through the **Kansas Partnership Revolving Loan Fund**, a \$275,000 project was approved for the City of Wathena to assist with infrastructure improvements needed for business development and expansion. Over 150 jobs for the Doniphan County area will be created.

From July 1, 1992 through June 30, 1993, the **Kansas Enterprise Zone Program** approved 20 applications encompassing 32 counties for designation as a non-metropoli-



■ The Harper County Courthouse is now wheelchair accessible, thanks to assistance from a Community Development Block Grant.



tan region, thus receiving special tax credits and exemptions for new and expanding businesses in those zones.

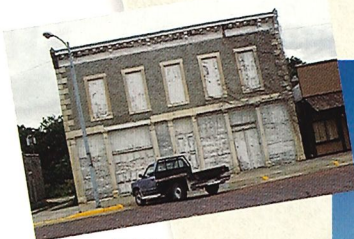
The heart of any community is its downtown. That's why the rejuvenation of a community's central business district carries a special place in our community development. Through the FY93 **Kansas Main Street** program, three new cities (Cherryvale, Clay Center, and Minneapolis) were added to the roster of communities actively committed to downtown redevelopment through historical preservation,

bringing the total number of Kansas cities enrolled in the Main Street program to twenty. Since the inception of the program in 1986, every \$1,000 in state funding invested in this program has resulted in \$101,754 in private investment and 3.29 new jobs in participating downtowns.

The Kansas **PRIDE** program is a community improvement self-help program with 101 communities enrolled throughout the state. This year, over 248,000 hours of volunteer labor were contributed by 52,196 persons to accomplish 2,238 PRIDE community betterment projects. This effort is conservatively valued at \$1,240,180. PRIDE is jointly administered through the KDOC&H and the Kansas State University Cooperative Extension Service.



■ Pittsburg Main Street volunteers turn a downtown vacant lot into "Europe Park" with landscaping and personalized bricks.



■ Vacant for more than 20 years, downtown building in Cottonwood Falls prior to purchase by National Farms.



■ National Farms building in downtown Cottonwood Falls after renovation. Design assistance provided by Bowman & Assoc., Architects in Manhattan through the Kansas Main Street Program.

Kansas Department of Commerce & Housing
700 SW Harrison Street, Suite 1300
V/TDD# (913) 296-3487



■ Interior of the National Farms Building after renovation.



■ Design Demonstration Project in downtown Independence completed by volunteers of Independence Main Street Program.

1-13

Housing our Citizens



■ Governor Finney, KDOC&H Deputy Secretary Carole Morgan, Undersecretary for Housing Dennis Shockley and Housing staff members officially dedicate the Kansas Division of Housing July 1, 1992.



■ This Berkshire I housing complex in Wichita was developed with the assistance of our Low Income Housing Tax Credit Program.



■ Division of Housing staff and numerous volunteers participate in this Habitat For Humanity house-raising in Topeka.



July 1, 1992 marked the official beginning of the Division of Housing and its emergence as a full-fledged division within the newly named Kansas Department of Commerce & Housing. In this, the new division's first full year, numerous programs and outreach activities have enabled thousands

of Kansans obtain the "decent, safe, affordable, energy-efficient housing" that is our mission. In recognition of our role in enhancing the state's involvement in affordable housing, the division received a **special recognition award** from the National Council of State Housing Agencies during a Chicago convention in October 1992.

Some of the many accomplishments include:

- Completed a statewide housing needs assessment per legislative directive.
- Received approval from HUD for the 1993 Comprehensive Housing Affordability Strategy (CHAS).
- Assisted 76 families purchase their first home (230 persons) with grants of \$672,000, leveraging an additional \$2.2 million.
- Awarded \$2.4 million in Community Services Block Grants benefitting over 33,000 Kansans.
- Awarded \$230,000 in Emergency Homeless Grants benefitting over 2,400 persons.

- Weatherized 2,600 homes (assisting 7,600 persons) with an average 22% energy savings.
- Awarded \$282,000 to 20 local governments to support 36 emergency shelters for homeless persons.
- Developed a rotating state-wide lenders consortium (64 lenders) to provide acquisition costs to first-time homebuyers.
- Granted \$1.6 million in rent assistance to seven local housing authorities benefitting 628 persons.
- Granted \$2.2 million to 10 communities for homeowner rehabilitation, improving 248 homes and benefitting 748 persons.
- Certified 10 Community Housing Development Organizations.
- Allocated \$1.2 million in federal tax credits for a ten year amount of \$12 million; this raised approximately \$6 million of equity investment and leveraged \$15.9 million of permanent financing for 331 units of rental housing.
- Awarded \$100,000 for Homeless Families with Children demonstration program in three cities.
- Assisted 36 families through Rural Operation Homeless.
- Supported 291 Section 8 units.
- Refunded (with Kansas Housing Development Corporation and Kansas Development Finance Authority) housing bonds recapturing \$3.8 million over a ten year period for the State Housing Trust Fund.
- Developed a plan for the contribution to the State Housing Trust Fund of fees generated through Mortgage Revenue Bond and Mortgage Credit Certificate programs.
- Began publication of a quarterly newsletter *Rooftops*.
- Established the Housing Hotline (1-800-752-4422) as a means of accessing housing information statewide.

Attracting Tourism

Tourists and filmmakers bring billions of dollars to the state each year and FY93 was no exception. In fact, this year marked record successes for the two industries with over \$10 million dollars brought into the state by filmmakers and an estimated \$2.4 billion spent on general tourism, \$124 million of that from international visitors.

Requests for travel information as a result of our 1993 advertising campaign reached an all time high of 117,335, with approximately 20% coming from the special promotion of the 150th anniversary of the **Oregon Trail**.

Requests for information from the media were correspondingly at an all time high, with particular interest in the Oregon Trail and **Cherokee Strip Land Rush** anniversary celebrations. Encouraging this interest, we hosted a major familiarization tour for members of the Midwest Travel Writers Association, resulting in over 25 articles about Kansas in magazines and newspapers.

Kansas Secrets, a popular travel incentive program that rewards travelers with a Coleman cooler for visiting Kansas attractions, staying in a participating Kansas lodging, or eating at a participating Kansas restaurant, brought an additional \$831,126 of tourism expenditures into the state. Sixty-four percent of participants reported changing their travel plans. Our three interstate Travel Information Centers (at Goodland, Kansas City, and South Haven) were major distribution points for the Secrets program, registering nearly a half-million visitors.

Interest in "America's Heartland" as a fresh destination is on the rise with the **group tour market**. Over 500 copies of our new Kansas Group Tour & Meeting Planner, complete with a can of Kansas popcorn, were mailed to targeted motorcoach operators across the country. This direct mail campaign resulted in three site visits to Kansas by motorcoach operators. In addition, KDOC&H participated in the National Tour Association Convention and Marketplace and the Ontario Motorcoach

Association Convention, resulting in over 100 one-on-one appointments with key tour operators. A major research effort has been initiated to determine the economic impact of the motorcoach business to Kansas.

Participation in another international travel show, the Discover America Pow Wow, resulted in one-on-one appointments with over 50 international tour operators, travel wholesalers, and journalists. Presently Canada, Germany, the Netherlands, and the United Kingdom are bringing group tours to our state.

To assist Kansas communities develop and market their local sites and attractions, the Travel & Tourism division funded 30 marketing grants totalling over \$58,000 and 15 development grants totalling \$650,000. These funds will work to increase the number of visitors to existing attractions and to improve the quality and quantity of tourist attractions in Kansas.

A record number of cameras rolled in Kansas this year and the dollars rolled in as a result, making this the best year yet for the **Kansas Film Commission** and film expenditures in the state. The most visible productions were four made-for-television movies, *Skylark* (Glenn Close, Christopher Walken), *Dead Before Dawn* (Cheryl Ladd, Jamison Parker), *They've Taken Our Children* (Karl Malden, Julie Harris), and *I Can Make You Love Me* (Richard Thomas, Brooke Shields).

Numerous other productions also filmed in the state, including 16 commercials, the four-hour television mini-series *Final Justice* (Martin Sheen, Patty Duke), two music videos, two one-half hour television shows, an independent feature, the educational program *Ninth Street*, three documentaries, and four still shots. Thirty-four productions in nine different categories received assistance from the Kansas Film Commission during their filming in Kansas.

The travel and tourism industry, containing many types of jobs and services, is the state's fifth largest employer.

Photo by Kevin Cozad

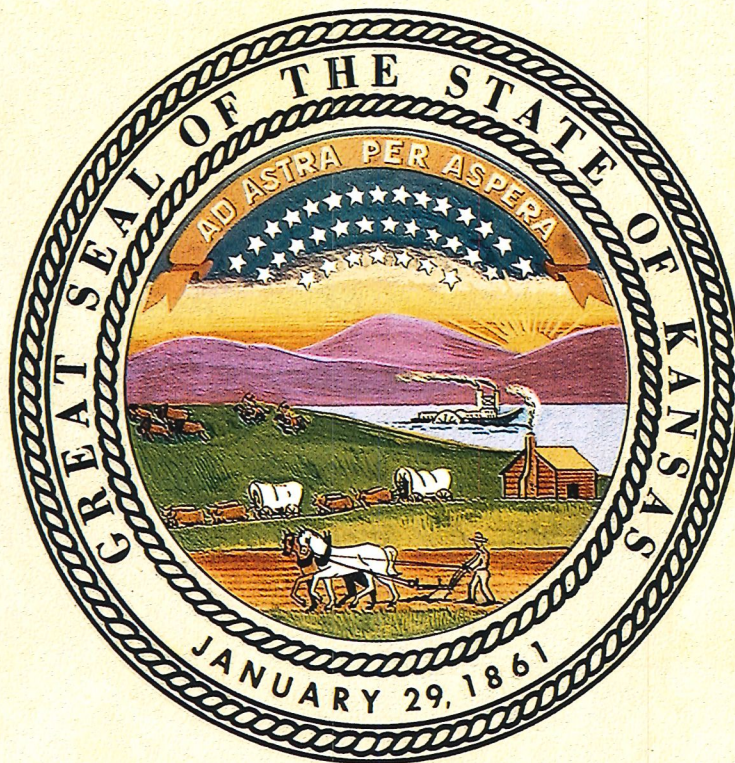


■ The Hallmark Hall of Fame presentation "Skylark," starring Glenn Close, shot on location near Emporia.



■ The Kansas! magazine and calendar offer readers a glimpse of the many colorful and scenic places and activities that abound in our state.

1-15



KANSAS DEPARTMENT OF COMMERCE & HOUSING

700 S.W. Harrison, Suite 1300
Topeka, Kansas 66603-3712
Phone: (913) 296-3481
Fax: (913) 296-5055
TTY: (913) 296-3487