



Rethinking Economic Development

Kansas Economic Policy Conference

October 22, 2020

Deputy Secretary
Bill Murphy



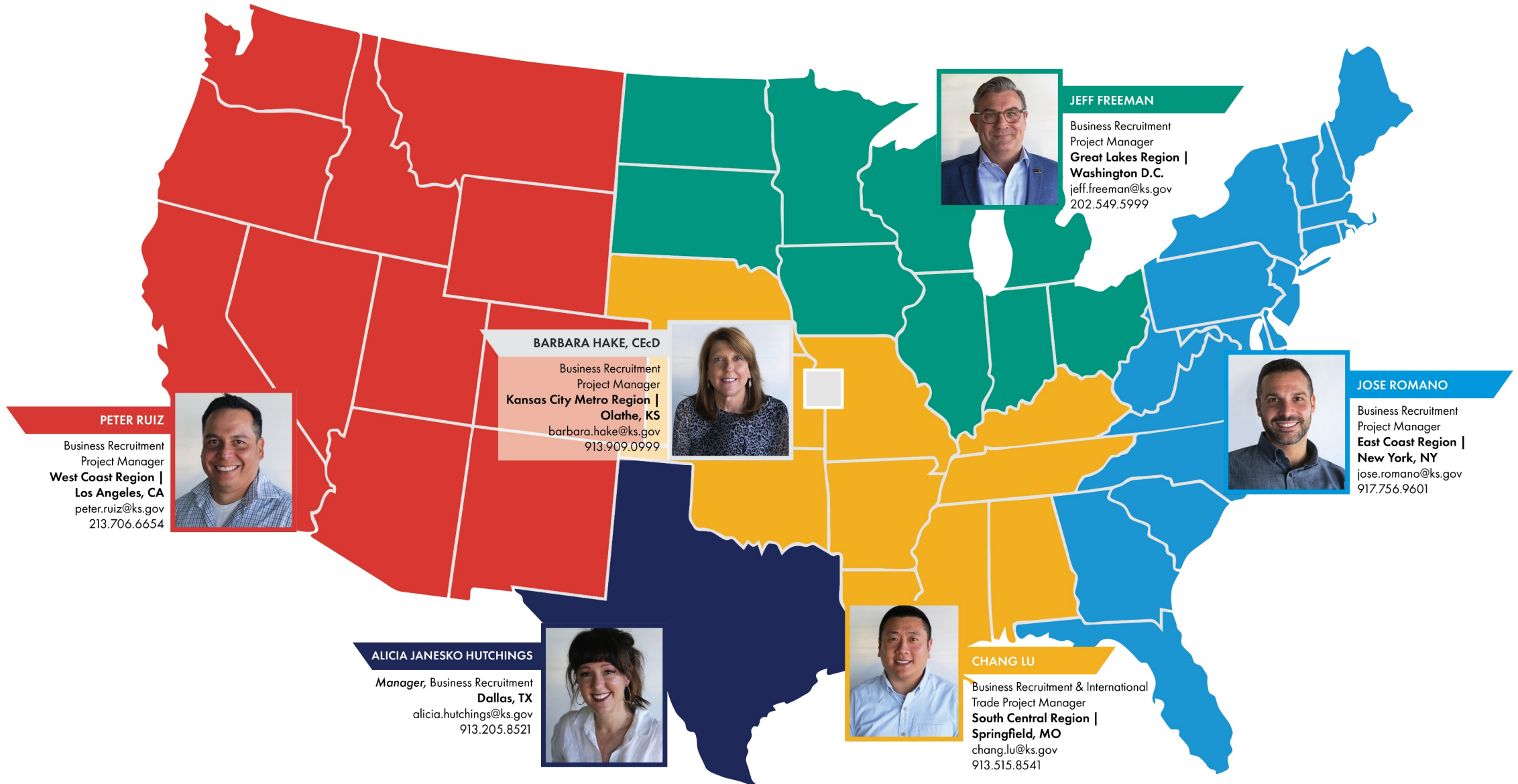
Leaning into Challenges and Focusing on Growth

1. Revamping Commerce
2. A Look at Recovery
3. Revisiting the Framework for Growth
4. Seizing New Opportunities
5. “SPARK”ing Future Development



KANSAS NOW

FOR THE FIRST TIME IN 7 YEARS, COMMERCE HAS A FULL BUSINESS RECRUITMENT TEAM



IN-STATE BUSINESS DEVELOPMENT TEAM IS ACTIVE STATEWIDE



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Reestablished Community Development Division

- Focusing on key Economic Development drivers:
 - Quality of Life
 - Placemaking
 - Infrastructure
 - Community Revitalization
 - Main Streets and Downtown Corridors
 - Recreation and Entertainment
 - Child Care

Reestablished International Division

New Leadership

- Staffing up our International Trade and Investment Team

Getting Kansas “Back in the Game”

- Fully re-engaged in trade missions and FDI recruitment





Other Commerce Reengineering

- Major Structural Overhauls
- Improved Communication:
 - Website Redesign
 - Live Chat Function
- Statewide Virtual Job Fairs
- Mobile Workforce Centers
- And Much More



CERTIFIED SITE KANSAS

APPLICATIONS NOW OPEN!

[KANSASCOMMERCE.GOV/CERTIFIED-SITES](https://www.kansascommerce.gov/certified-sites)

Sites Certified:

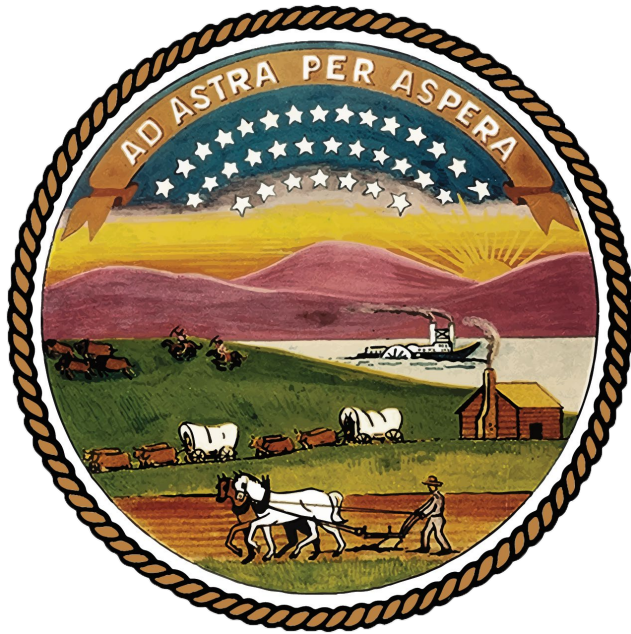
- Paola – 16.48 acres
- Paola – 13.63 acres

Pending Applications:

- 581.09 acres
- 60 acres

GOAL: 10 Certified Sites by December 31, 2021

What does this yield?



New Kansas Projects are up 25% compared to the start of 2019

Business Development Stats

January – October 19th	2019	2020	Change
New Projects	245	306	<u>+25%</u>
Potential New Jobs	25,443	26,673	+5%
Potential Capital Investment	\$5.2 Billion	\$3.3 Billion	-37%



What about the pandemic?



New Kansas Projects are up 27% since March, compared to last year

Pandemic Business Development

March 1st – October 19th	2019	2020	Change
New Projects	198	251	<u>+27%</u>
Potential New Jobs	17,451	24,675	+41%
Potential Capital Investment	\$4.2 Billion	\$3.1 Billion	-26%



Success in 2020 vs 2019

2019



\$1.32B
in capex

2020
TO DATE



\$1.65B
in capex

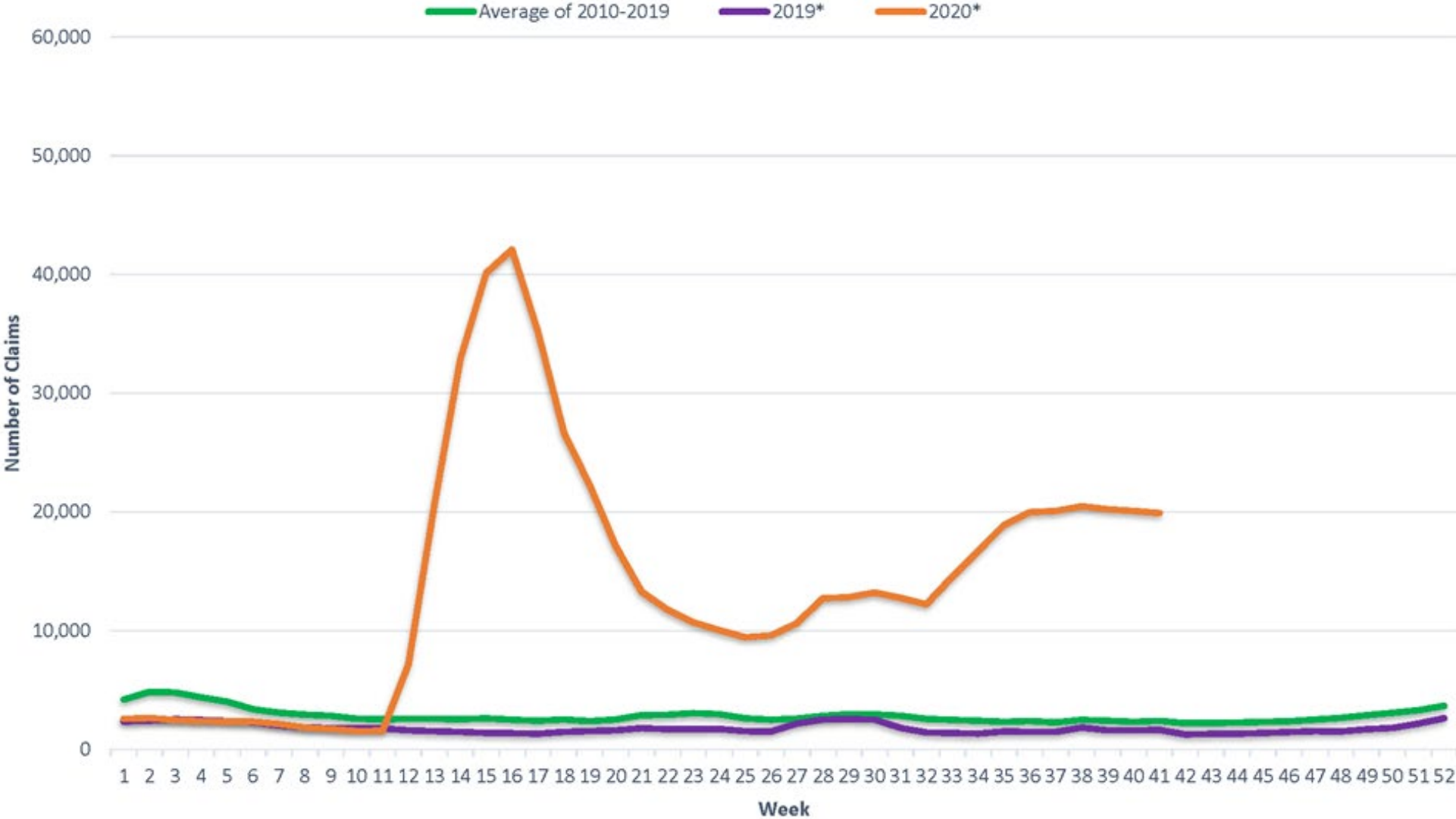
Kansas Recovery is Underway

- Unemployment Rate: 5.9% (Down from 11.9% in April)
- Total Spending (Consumption) Has Rebounded Since April
- Still Concerns and Sluggish Growth in Certain Industries



KANSAS UNEMPLOYMENT CLAIMS

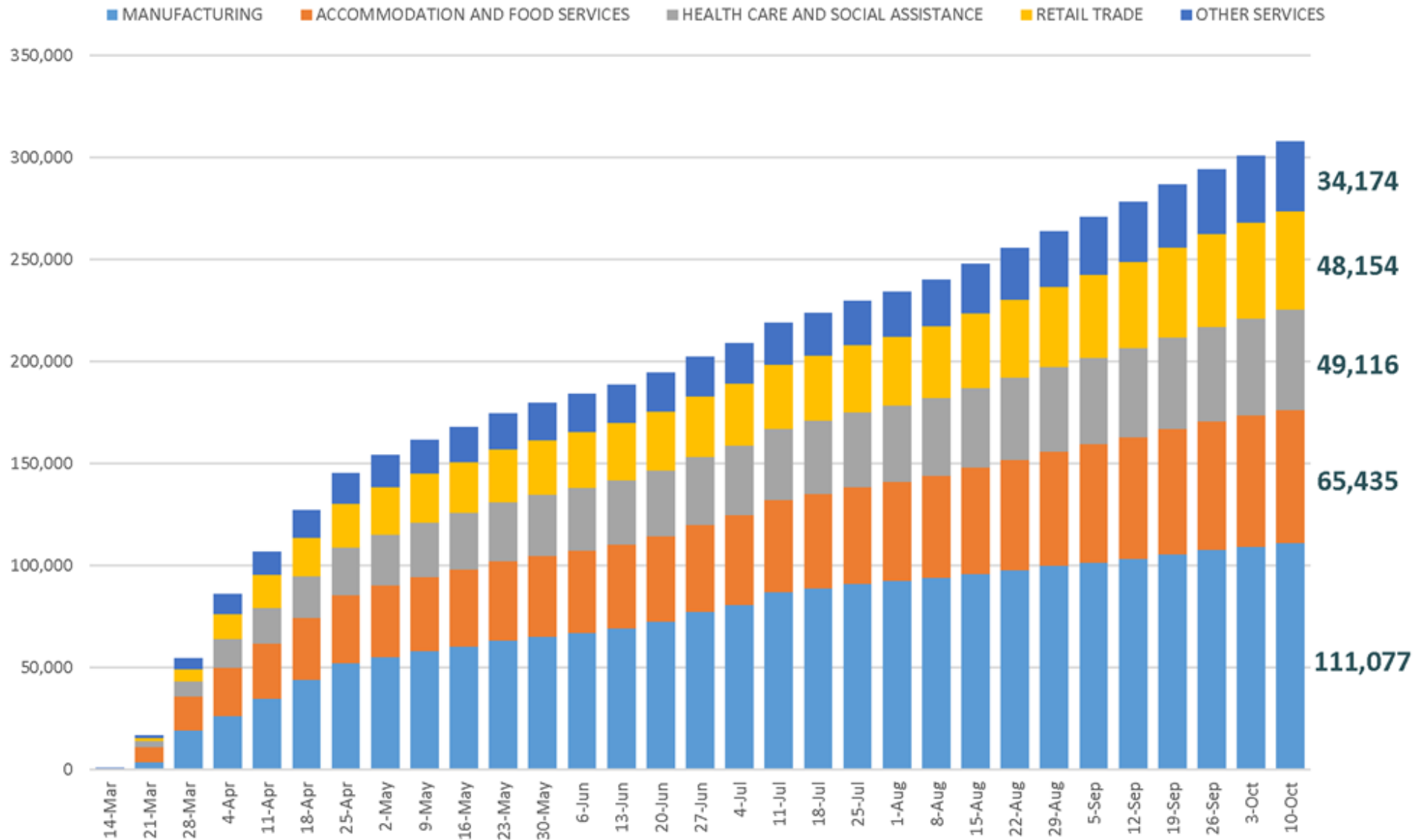
Jan 01, 2010 - October 10, 2020



* The values for 2019 and 2020 reflect 4-Week Moving Averages

CLAIMS BY INDUSTRY

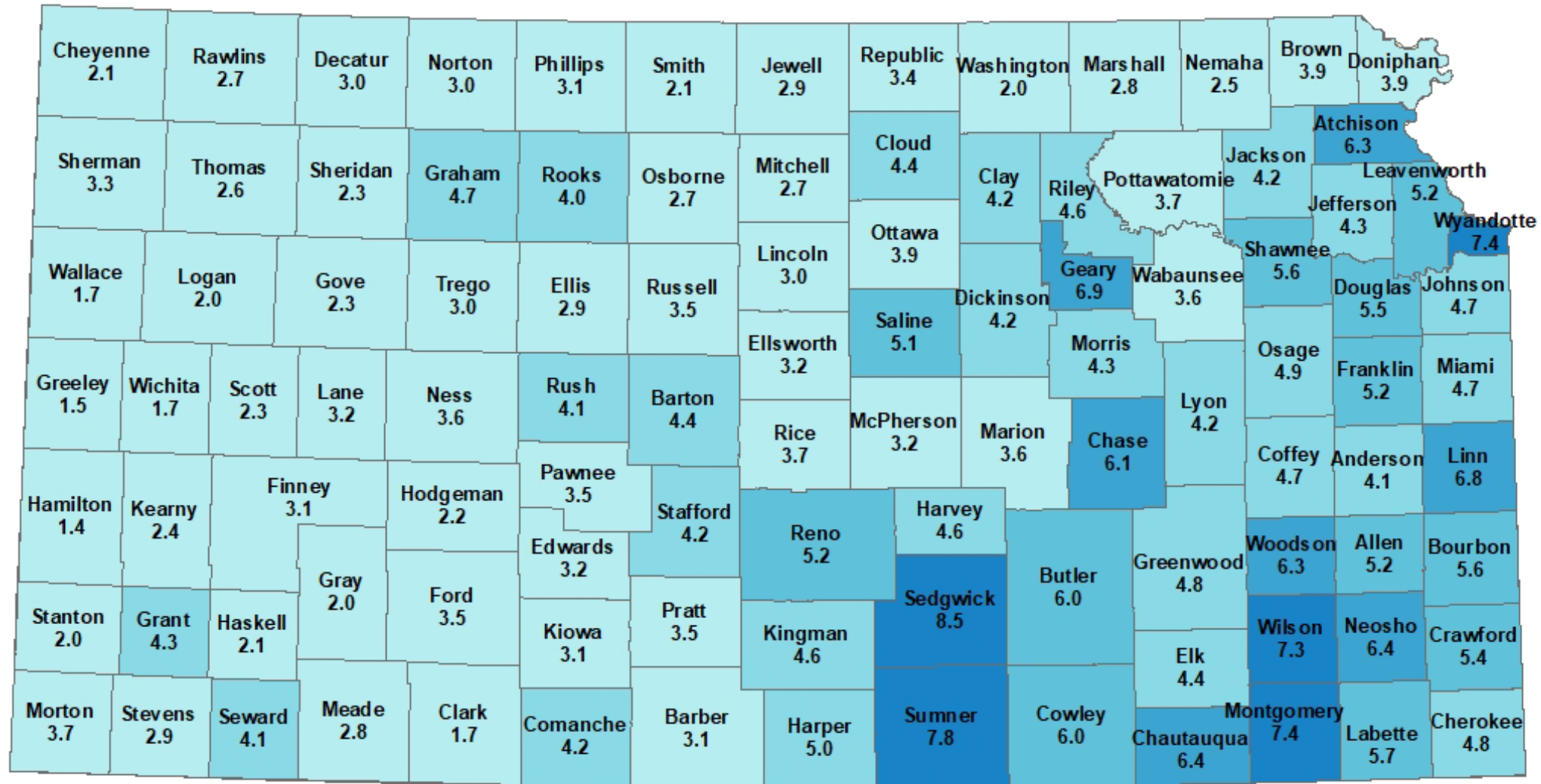
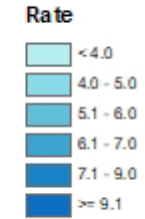
Weeks ending March 14th - October 10th



Source: Kansas Department of Labor, Labor Market Information Services; Unemployment Insurance Statistics Program
Kansas Claimants Only

UNEMPLOYMENT RATES

SEPTEMBER 2020



CONSUMER SPENDING REMAINS SLUGGISH

Percent Change in All Consumer Spending*

In **Kansas**, as of **October 04 2020**, total spending by all consumers **increased** by **0.2%** compared to January 2020.





www.KansasGrowth.com

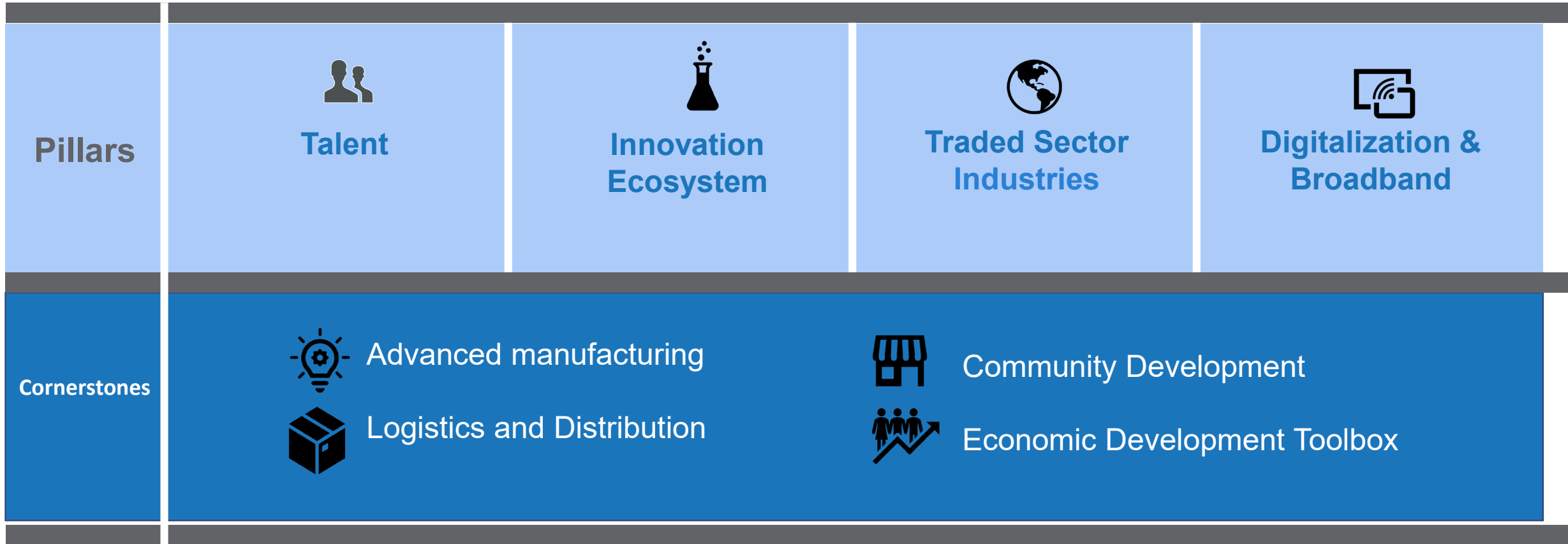
#KansasGrowth



Key Outcomes:

1. Analyzing Headwinds
2. Refocusing on Strengths
3. Evaluating Growth Tools
4. A New “North Star” for Economic Development

DRAFT INITIATIVES





THE KANSAS ADVANTAGE: OUR STRENGTHS ALIGN WITH NEW OPPORTUNITIES

**BUILDING THE NATION'S FIRST COMPREHENSIVE
ECONOMIC DEVELOPMENT STRATEGIC PLAN
THAT REFLECTS THE PANDEMIC**

COMING NOVEMBER 2020



Schwan's Pizza Plant Expansion



Urban Outfitters Distribution Center

Seizing New Opportunities

Reshore Kansas Initiative

Rapid Growth in: logistics, distribution, data storage, inventory management, food processing, transportation and e-commerce

SPARK Grant Categories

- Small Business Working Capital
- Connectivity Emergency Response
- ISP Partnership Adoption Plan
- Securing Local Food Systems
- PPE Procurement
- PPE Manufacturing
- COVID-19 Bioscience PD Accelerate
- Kansas Tech College Manufacturing
- Domestic Supply Chain Fortification
- IT, Cybersecurity and IT Project Management



BACK *to* **BUSINESS**

KansasCommerce.gov/CovidRelief

**MORE THAN 7,000
APPLICATIONS RECEIVED
AND PROCESSED**



CONNECTING KANSAS

67 Projects, \$50 Million Awarded:
KansasCommerce.gov/Broadband-Map



WE NEED TO GROW