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Economic Development in Selected Kansas Communities: Update 2000

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Economic Development in Selected Kansas Communities: Update 2000

Introduction

The Kansas Center for Community Economic Development (KCCED) at the University of Kansas has conducted several surveys about economic development in medium- and mid-sized Kansas communities (1989, 1993, 1996 and 1998).¹ These surveys looked at how communities organize, plan, and finance their economic development efforts. In 2000, a survey (Update 2000) was conducted to update organizational and financial information obtained from previous KCCED surveys. Specifically, Update 2000 looked at:

- What group is primarily responsible for economic development in the community (and county);
- Whether or not the community has an economic development director;
- Whether or not the community has an economic development budget and its amount; and,
- How the community finances economic development.²

Medium- and mid-sized Kansas communities (populations between 5,000 and 50,000) were the target group for this study.³ Forty-seven communities were selected to participate in Update 2000 and 35 surveys were completed, representing 37 communities from 28 counties for a response rate of 79 percent. **Figure 1** illustrates the location of the communities participating in Update 2000.

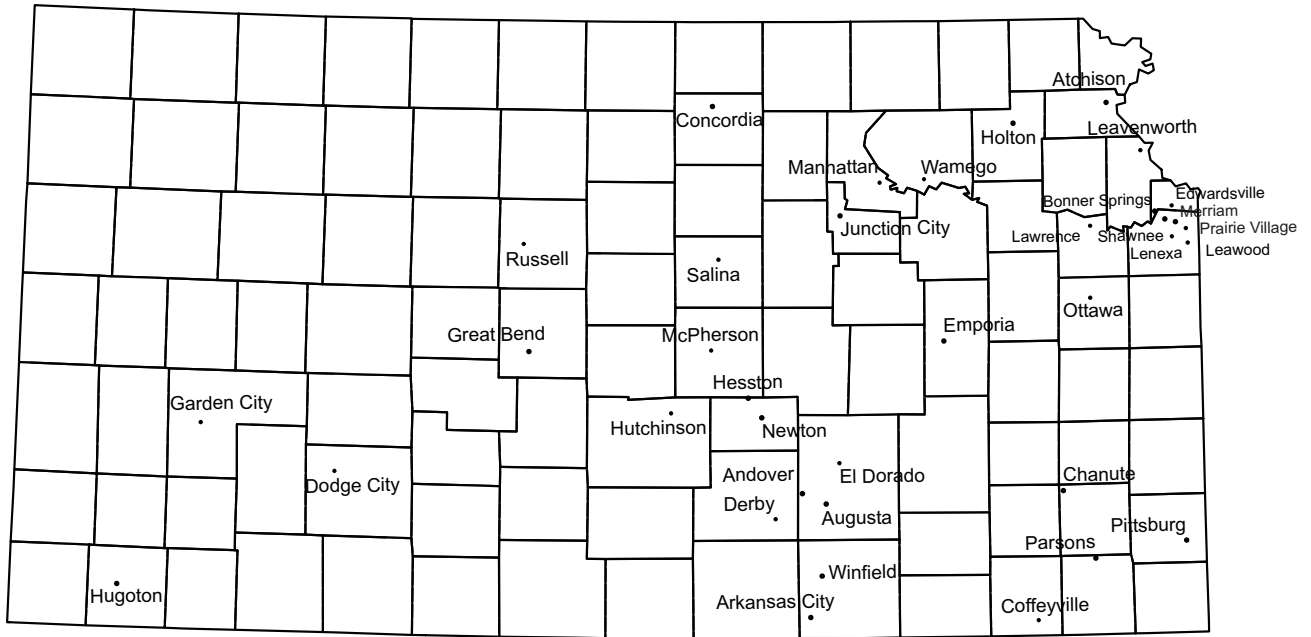
Initial contact with the community was made through electronic mail with follow-up occurring by telephone, fax, and/or mail in order to solicit participation, complete the survey, and/or clarify responses. The person most knowledgeable about economic development in the community was sought to complete the survey. This included economic development directors (for the city, chamber or county), the executive directors/presidents of the local economic development organization, and city managers. **Table 1** lists those communities participating in Update 2000 as well as the organization interviewed.

¹ Most recent publication: "Economic Development in Medium-Sized Kansas Communities: 1989 to 1998," by Genna M. Hurd and Fernando T. Conde, *Kansas Business Review*, 23, No. 1 (1999) 10 – 18.

² See Appendix A for a copy of the Update Survey.

³ The community list was generated from the previous survey lists – the 1998 medium-sized community list and the 1996 mid-sized community list. While all the medium-sized communities were included in the 2000 survey population, mid-sized communities were selected based on whether or not the community is part of a countywide economic development organization and its proximity to an urban area.

Figure 1. Kansas Communities Participating in Update 2000



Source: KCCED, Policy Research Institute, University of Kansas, 2001.

Findings

Organization and Responsibility

Economic development organizations in Kansas can be categorized into three groups: public sector, private sector, and public/private.⁴ The public sector includes city governments, county governments and multi-government agencies while the private sector, for the purpose of this study, includes the chambers of commerce and private corporations. The public/private category consists of corporations (usually non-profit) and partnerships. The public/private partnership arrangement includes a combination of public and private sector groups working together in a cooperative way, but not necessarily through a corporation. Examples of partnerships include a city and chamber sharing staff or a public/private advisory council or committee.

⁴ Previous studies classified the organizational structure under three models: government, chamber of commerce, and partnership. The Government Model is now called Public Sector while the Chamber Model is called Private Sector, because it also includes private corporations. In keeping with the public/private terminology, the Partnership Model is referred to as Public/Private.

Table 1. Organizations Interviewed and Organizations Primarily Responsible for Economic Development: 2000

Community	Organization Interviewed	Organization Primarily Responsible in Community	Organization Primarily Responsible in County
Arkansas City	City Government	Multi-Government	Multi-Government
Atchison	Chamber of Commerce	Chamber of Commerce	Chamber of Commerce
Butler County*	Public/Private Corporation	Public/Private Corporation	Public/Private Corporation
Chanute	City Government	City Government	City Government
Coffeyville	City Government	Public/Private Partnership	Public/Private Corporation
Concordia	Private Corporation	Private Corporation	Private Corporation
Derby	City Government	City Government	Chamber of Commerce
Dodge City	Public/Private Partnership	Public/Private Corporation	Public/Private Corporation
El Dorado	City Government	Multi-Government	Public/Private Corporation
Emporia	Public/Private Partnership	Public/Private Corporation	Public/Private Corporation
Garden City	Multi-Government	Chamber of Commerce	Multi-Government
Great Bend	Chamber of Commerce	Chamber of Commerce	County Government
Hesston	Public/Private Partnership	Public/Private Partnership	Multi-Government
Holton	Public/Private Corporation	Public/Private Corporation	Public/Private Corporation
Hugoton	Multi-Government	Multi-Government	Multi-Government
Hutchinson	Chamber of Commerce	Public/Private Partnership	Public/Private Partnership
Junction City	Multi-Government	Multi-Government	Multi-Government
Lawrence	Chamber of Commerce	Chamber of Commerce	Chamber of Commerce
Leavenworth	Public/Private Corporation	Public/Private Corporation	Public/Private Corporation
Leawood	Chamber of Commerce	Chamber of Commerce	None
Lenexa	Chamber of Commerce	Chamber of Commerce	None
Manhattan	Chamber of Commerce	Chamber of Commerce	Chamber of Commerce
McPherson	Public/Private Partnership	Public/Private Partnership	Public/Private Partnership
Merriam	City Government	Public/Private Corporation	Public/Private Corporation
Newton	Multi-Government	Multi-Government	Multi-Government
Ottawa	Public/Private Corporation	Public/Private Corporation	Public/Private Corporation
Parsons	City Government	City Government	Public/Private Corporation
Pittsburg	City Government	City Government	None
Prairie Village	City Government	Public/Private Corporation	None
Russell	Public/Private Corporation	Public/Private Corporation	Public/Private Corporation
Salina	Chamber of Commerce	Chamber of Commerce	Chamber of Commerce
Shawnee	Public/Private Corporation	Public/Private Corporation	None
Wamego	Public/Private Corporation	Public/Private Corporation	Public/Private Corporation
Winfield	Multi-Government	Multi-Government	Multi-Government
Wyandotte County**	Private Corporation	Private Corporation	Private Corporation

*Includes Andover, Augusta, and El Dorado.

**Includes Bonner Springs and Edwardsville.

Note: A public/private partnership includes a combination of public (city &/or county) and private (chamber) groups working together in a cooperative way, but not necessarily through a corporation.

Source: ED Update Survey 2000, KCCED, Policy Research Institute, University of Kansas.

For the 35 surveys completed, fourteen public sector organizations (or 40 percent) were interviewed, followed by eleven (or 31 percent) public/private organizations, and ten (or 29 percent) private sector organizations (**Table 1**). Fifteen respondents, or 43 percent, indicated that a public/private group was primarily responsible for economic development in their community. The remaining respondents were evenly split at 10 each for the public and private sectors having primary responsibility for economic development in the community.

Update 2000 also asked the respondent to designate primary responsibility at the county-level. Those responses are also listed in **Table 1**. The majority of communities surveyed (69 percent) utilize the same organization for economic development efforts at the county-level and the community-level. Almost all the communities surveyed reside in a county that also has an organized countywide economic development effort.⁵

Table 2 shows the various organization types that have participated in previous economic development surveys of Kansas communities as well as the organizations that have been designated as primarily responsible for economic development in those communities. In 2000, 42 percent of the communities surveyed had public/private groups that were primarily responsible for economic development, followed by 29 percent private sector and 28 percent public sector. Mid-sized communities (population under 10,000) rely more on public sector and public/private partnerships to take the lead in economic development for their community. The larger communities in this study (population above 40,000) rely more on the private sector, mostly the chamber of commerce, for their community's economic development efforts.

Thirty-one of the 35 respondents for Update 2000 said that their community has a director of economic development (**Table 3**). The director usually works for the organization that is primarily responsible for economic development.⁶ Eleven of the economic development directors (or 35 percent) work for a public/private corporation or partnership. Ten directors (or 32 percent) work for the private sector (the chamber or a private corporation) and nine (or 29 percent) work for the public sector (the city or a multi-government agency).

⁵ Respondents from Johnson and Crawford counties indicated that there was no one responsible for economic development at the county-level.

⁶ El Dorado, Hesston, Hutchinson, and McPherson indicated that the director did not work for the organization primarily responsible for economic development; however, in all of these instances, the director's organization is involved with the primary organization as part of a public/private partnership.

**Table 2. Organization and Responsibility Changes
from 1989 to 2000* (Percent of Total)**

Organizations Interviewed	<u>Medium-Sized</u>			<u>Mid-Sized</u>	Mid- & <u>Medium-</u>
	1989	1993	1998	1996	2000
<i>Public Sector:</i>					
City	43%	53%	33%	57%	26%
County	0%	0%	0%	4%	0%
Multi-Government	3%	7%	13%	4%	14%
<i>Private Sector:</i>					
Chamber	27%	20%	27%	11%	23%
Private Corporation	0%	0%	0%	2%	6%
<i>Public/Private:</i>					
Corporation	27%	20%	27%	15%	20%
Partnership - Combination	0%	0%	0%	6%	11%
Total	30	30	30	47	35

Organizations Responsible	<u>Medium-Sized</u>			<u>Mid-Sized</u>	Mid- & <u>Medium-</u>
	1989	1993	1998	1996	2000
<i>Public Sector:</i>					
City	27%	17%	13%	34%	11%
County	0%	0%	0%	2%	0%
Multi-Government	7%	17%	17%	11%	17%
<i>Private Sector:</i>					
Chamber	30%	13%	23%	4%	23%
Private Corporation	0%	7%	0%	6%	6%
<i>Public/Private:</i>					
Corporation	37%	40%	40%	21%	31%
Partnership - Combination	0%	3%	7%	19%	11%
No Organization	0%	3%	0%	2%	0%
Total	30	30	30	47	35

*1989, 1993, and 1998 were studies of medium-sized communities while 1996 was a study of mid-sized communities. The 2000 study combined medium- and mid-sized communities.

Source: KCCED Surveys of Kansas Communities: 1989 - 2000, KCCED, Policy Research Institute, University of Kansas.

**Table 3. Economic Development Directors and
for Whom They Work: 2000**

City Has a Director	Organization Director Works for	Organization Primarily Responsible
Arkansas City	Multi-Government	Multi-Government
Atchison	Chamber of Commerce	Chamber of Commerce
Butler County*	Public/Private Corporation	Public/Private Corporation
Chanute	City Government	City Government
Concordia	Private Corporation	Private Corporation
Derby	City Government	City Government
Dodge City	Public/Private Corporation	Public/Private Corporation
El Dorado	Multiple Organizations	Multi-Government
Emporia	Public/Private Corporation	Public/Private Corporation
Garden City	Chamber of Commerce	Chamber of Commerce
Great Bend	Chamber of Commerce	Chamber of Commerce
Hesston	City and Chamber	Public/Private Partnership
Holton	Public/Private Corporation	Public/Private Corporation
Hugoton	Multi-Government	Multi-Government
Hutchinson	Chamber of Commerce	Public/Private Partnership
Junction City	Multi-Government	Multi-Government
Lawrence	Chamber of Commerce	Chamber of Commerce
Leavenworth	Public/Private Corporation	Public/Private Corporation
Lenexa	Chamber of Commerce	Chamber of Commerce
Manhattan	Chamber of Commerce	Chamber of Commerce
McPherson	Private Corporation	Public/Private Partnership
Newton	Multi-Government	Multi-Government
Ottawa	Public/Private Corporation	Public/Private Corporation
Parsons	City Government	City Government
Pittsburg	City Government	City Government
Russell	Public/Private Corporation	Public/Private Corporation
Salina	Chamber of Commerce	Chamber of Commerce
Shawnee	Public/Private Corporation	Public/Private Corporation
Wamego	Public/Private Corporation	Public/Private Corporation
Winfield	Multi-Government	Multi-Government
Wyandotte County**	Private Corporation	Private Corporation

*Includes Andover, Augusta, and El Dorado.

**Includes Bonner Springs and Edwardsville.

Note: A public/private partnership includes a combination of public (city &/or county) and private (chamber) groups working together in a cooperative way, but not necessarily through a corporation.

Source: ED Update Survey 2000, KCCED, Policy Research Institute, University of Kansas.

Budgets and Financing

The 2000 budgets for economic development ranged from no budget to over \$650,000 (**Table 4**).⁷ Merriam reported no budget for economic development although the City of Merriam does fund certain activities, such as the Merriam Chamber. The City of Parsons reported the highest budget for economic development of the communities responding. Financing comes from a city sales tax for economic development and an industrial fund. The City of Parsons also has additional funds available for economic development through a revolving loan fund, which was not included in the \$651,799 reported.

For communities over 40,000, Manhattan reported the highest budget for economic development at \$431,610 (**Table 4**). The economic development budget is part of the Manhattan Area Chamber of Commerce. The next highest economic development budget for the larger communities was Lenexa's at \$329,000. This is the budget for the Lenexa EDC, which is part of the Lenexa Chamber of Commerce. In 2000, Hutchinson had the smallest budget of the larger communities, budgeting \$146,000 for economic development with the Economic Development Department of the Hutchinson/Reno County Chamber of Commerce.

For communities with populations between 20,000 and 40,000, Dodge City reported the largest economic development budget in 2000 at \$266,222 (**Table 4**). This is the budget for the Dodge City/Ford County Development Corporation. Prairie Village and Leawood, both Johnson County communities, spend the least on economic development in this population category with budgets of \$10,000 and \$56,000, respectively.

Communities with populations from 10,000 to 20,000 had the highest and lowest budgets of the communities surveyed (**Table 4**). As previously mentioned, Parsons had the highest budget for economic development in 2000, while Merriam indicated no separate budget for economic development. Junction City had the second highest budget in this population group with a 2000 budget of \$250,000 for the Junction City/Geary County Economic Development Commission.

⁷ Please use caution in interpreting this table. Read the Notes to the table carefully. Some budgets are for the community and some are for a countywide organization that has primary responsibility for economic development in the community. The Notes also indicate what is included and not included in the budget; i.e., the community may have other resources available for economic development that did not get included in the total.

The communities are listed by population size. While Butler County and El Dorado have two separate lines in the other tables, for budget purposes they are listed as one and listed under El Dorado's population size. Arkansas City and Winfield are also listed as one for the budget table. Wyandotte County is listed under the combined population of Bonner Springs and Edwardsville.

For those communities with populations under 10,000, Wamego reported the highest budget for 2000 with a budget of \$190,000 (**Table 4**). This is the budget for the Pottawatomie County Economic Development Corporation. Hesston reported the smallest budget at \$32,000. However, Hesston is also part of the Harvey County Economic Development Council Inc. and through this organization has access to other economic development resources.

In most of the communities surveyed, the financing of economic development is a partnership between the public and private sectors (**Table 4**). All the communities that listed only one source of funding listed the City as that source. City government finances its economic development effort through a variety of ways – mill levy, sales tax, transient guest tax, and general fund.

Table 5 shows how economic development budgets have changed for the community over time.⁸ Economic development budgets fluctuate from year to year, depending on projects and special funds available. Therefore, it is important to refer to the notes for **Tables 4** and **5** in order to see what was included in the budgets. For example, Parson's budget shows a percent increase from 1998 to 2000 of 219.5 percent. However, the 1998 budget did NOT include \$135,000 for industrial park improvements, \$294,000 for property acquisition, and \$140,000 for the One-Stop Employment Center. The 2000 budget did NOT include a revolving loan fund of \$531,037 but it did include an industrial fund of \$155,317. The City of Parson's budget also included \$496,482 that was available from the city sales tax for economic development.

The city continues to be the major source of funding for economic development in the communities surveyed (**Table 6**). In 1989, they financed around 45 percent of the economic development budgets reports; by 2000, city government was financing a little over 61 percent of the economic development budgets. The financial role of the county has declined from around 38 percent in 1989 to around 17 to 20 percent in 2000, depending on which communities are included. Private sources of financing have remained fairly steady ranging from 13.3 percent in 1989 to 15.5 percent in 2000.

Eleven cities responded that they have a city mill levy for economic development and eleven cities in nine counties said that their county has a mill levy for economic development (**Table 7**). Six cities indicated that they have a city sales tax for economic development and one community responded that its county has a sales tax dedicated to economic development. Eleven cities said that they fund economic development from the city's general fund while six cities said that they receive county general funds for economic development.

⁸ For medium-sized communities, budget information goes back to 1989; for mid-sized communities, budgets for 1996 and 2000 are displayed.

Table 4. Economic Development Budgets in Selected Kansas Communities: 2000

City	Budget	City	County	Private	Other
<i>Population over 40,000:</i>					
Lawrence	265,125	88,375	88,375	88,375	-
Shawnee	217,626	173,046	-	44,580	-
Salina	280,000	85,000	15,000	160,000	20,000
Manhattan	431,610	125,000	55,000	251,610	-
Hutchinson	146,000	63,000	63,000	20,000	-
Lenexa	329,000	285,000	-	44,000	-
<i>Population 20,000 - 40,000:</i>					
Leavenworth	161,000	58,000	50,000	38,000	15,000
Garden City	110,000	38,000	72,000	-	-
Leawood	56,000	56,000	-	-	-
Emporia	187,700	187,700	-	-	-
Dodge City	266,222	123,097	50,000	70,125	23,000
Prairie Village	10,000	10,000	-	-	-
<i>Population 10,000 - 20,000:</i>					
Pittsburg	130,000	130,000	-	-	-
Junction City	250,000	150,000	100,000	-	-
Derby	127,300	127,300	-	-	-
Newton	227,000	225,500	-	-	1,500
Great Bend	100,000	100,000	-	-	-
McPherson	51,000	16,000	35,000	-	-
El Dorado/Butler County*	250,000	45,000	160,000	45,000	-
Arkansas City/Winfield	200,000	120,000	60,000	-	20,000
Ottawa	99,000	50,000	47,000	2,000	-
Parsons	651,799	651,799	-	-	-
Coffeyville	70,000	70,000	-	-	-
Merriam	no budget				
Wyandotte County**	209,500	152,760	-	56,740	-
Atchison	148,325	98,325	50,000	-	-
<i>Population Under 10,000:</i>					
Chanute	159,250	120,650	-	-	38,600
Concordia	98,968	25,000	25,000	48,938	-
Russell	90,000	25,000	65,000	-	-
Wamego	190,000	-	160,000	-	30,000
Hesston	32,000	32,000	-	-	-
Hugoton	47,600	20,500	20,000	-	7,100
Holton	58,973	10,355	25,000	4,275	19,343

*Includes Andover, Augusta, and El Dorado.

**Includes Bonner Springs and Edwardsville.

Source: ED Update Survey 2000, KCCED, Policy Research Institute, University of Kansas.

Notes for Table 4

Arkansas City/Winfield: Budget for the Cowley County Economic Development Agency, which includes Arkansas City, Winfield, and other cities in the county. Other = Strother Field Airport/Industrial Park – estimated in-kind support (office space, utilities, etc.).

Atchison: Budget for the Atchison Chamber of Commerce.

Chanute: Budget for the City of Chanute. Other = guest tax revenue (Tourism Fund). Does NOT include \$27,900 for Main Street Organization or \$270,000 for Industrial Fund (1% mill levy contribution), from which \$225,000 was loaned in 2000. Does include the average expenditures from the Industrial Fund of \$30,000 per year.

Coffeyville: Budget for the City of Coffeyville.

Derby: Budget for the City of Derby. City includes \$45,000 Development Fund.

Dodge City: Budget for the Dodge City/Ford County Development Corporation. Other = grants, crop income from industrial park land, interest, and in-kind printing.

El Dorado/Butler County: County = Budget for Butler County Economic Development (13 cities in the county including El Dorado, Augusta, Andover, Rosehill, and Benton). City = City of El Dorado. Private = El Dorado, Inc.

Emporia: Budget for the Regional Development Association of East Central Kansas, which is primarily used for marketing, recruitment and expansion efforts. The total annual revenue from the City Sales Tax for Industrial Development (sunsets 12/31/14) is approximately \$900,000 less the \$187,700 for RDA. The balance is used for land acquisition, infrastructure development, and performance based cash incentives.

Garden City: Budget for the Finney County Economic Development Corporation.

Great Bend: Budget for the Great Bend Chamber of Commerce, which contracts with the city for economic development.

Hesston: Budget for the Hesston Economic Development Office. Does NOT include in-kind contributions from the Hesston Chamber of Commerce. City money is evenly split between the Chamber and the Harvey County Economic Development Council. The City of Hesston also has \$165,000 for economic development that was a one-time administrative fee collected on an IRB project. It is designated for infrastructure incentives.

Holton: Budget for the Jackson County Development Corporation. Other includes state action grant, misc. income, carry-over from previous year, and Tourism Council.

Hugoton: Budget for the Stevens County Economic Development. Other = grants.

Hutchinson: Budget for the Economic Development Department with the Hutchinson/Reno County Chamber of Commerce.

Junction City: Budget for the Junction City/Geary County Economic Development Commission.

Lawrence: Budget for the Economic Development Division of the Lawrence Chamber of Commerce.

Notes for Table 4 (continued)

Leavenworth: Budget for the Leavenworth Area Development Corporation, which includes the cities of Leavenworth, Basehor, Lansing, and Tonganoxie. Other = service contracts, interest, meetings, and misc. income.

Leawood: Budget for the Leawood Chamber of Commerce.

Lenexa: Budget for the Lenexa EDC. City funds include city transient guest tax and guest funds.

Manhattan: Budget for the Economic Development Department with the Manhattan Chamber of Commerce.

McPherson: Budget for the McPherson Industrial Development Company. MIDC funding comes from tax levies by both the City of McPherson and McPherson County.

Merriam: No economic development expenditures reported by the City of Merriam. However, the City does fund certain activities, such as the Merriam Chamber, but does not earmark or label these expenditures as economic development.

Newton: Budget for the Harvey County Economic Development Council Inc. Other = grants, other events.

Ottawa: Budget for the Ottawa/Franklin County Economic Development Inc.

Parsons: Budget for the City of Parsons from sales tax (\$496,482) and industrial fund (\$155,317). Does NOT include Revolving Loan Fund of \$531,057.

Pittsburg: Budget for the City of Pittsburg from a city sales tax for economic development.

Prairie Village: Budget for the City of Prairie Village.

Russell: Budget for the Russell County Economic Development Committee. Does NOT include \$5,000 Wal Mart leadership grant, which is a Revolving Loan Fund.

Salina: Budget for the Salina Area Chamber of Commerce. Other = airport authority.

Shawnee: Budget for the Shawnee Economic Development Council with the Shawnee Chamber of Commerce.

Wamego: Budget for the Pottawatomie County Economic Development Corporation. Other = interest, farm lease (industrial park), and lot sales.

Wyandotte County: Budget for Wyandotte Development Inc. City source includes three cities (Bonner Springs, Edwardsville, and Kansas City). The county is a unified city county government. Private = memberships and utilities.

Table 5. Change in Economic Development Budgets for Selected Kansas Communities: 1989 - 2000 (continued on next page)

City	1989	1993	1998	2000	Percent Change	
					98 - 00	89 - 00
MEDIUM-SIZED KANSAS COMMUNITIES						
<i>Population over 40,000:</i>						
Lawrence	130,000	171,000	246,501	265,125	7.6%	103.9%
Shawnee	NA	40,000	196,133	217,626	11.0%	***
Salina	169,600	187,500	273,000	280,000	2.6%	65.1%
Manhattan	180,000	130,000	263,000	431,610	64.1%	139.8%
Hutchinson	215,000	227,255	92,100	146,000	58.5%	-32.1%
Lenexa	163,000	167,212	246,807	329,000	33.3%	101.8%
<i>Population 20,000 - 40,000:</i>						
Leavenworth	100,000	109,440	153,000	161,000	5.2%	61.0%
Garden City	100,000	151,387	231,756	110,000	-52.5%	10.0%
Leawood	NA	15,000	-	56,000	***	***
Emporia	72,365	105,000	209,726	187,700	-10.5%	159.4%
Dodge City	NA	139,468	209,900	266,222	26.8%	***
Prairie Village	NA	-	25,000	10,000	-60.0%	***
<i>Population 10,000 - 20,000:</i>						
Pittsburg	151,000	134,521	126,100	130,000	3.1%	-13.9%
Junction City	175,000	260,000	220,000	250,000	13.6%	42.9%
Derby	NA	70,000	-	127,300	***	***
Newton	154,000	174,836	248,839	227,000	-8.8%	47.4%
Great Bend	131,500	227,000	214,900	100,000	-53.5%	-24.0%
McPherson	125,000	77,000	46,000	51,000	10.9%	-59.2%
El Dorado/Butler County*	189,000	242,200	243,250	250,000	2.8%	32.3%
Arkansas City/Winfield	NA	19,000	135,000	200,000	48.1%	***
Ottawa	84,000	86,000	95,045	99,000	4.2%	17.9%
Parsons	NA	140,000	204,000	651,799	219.5%	***
Coffeyville				70,000	***	***
Coffeyville/Independence	103,000	142,500	158,100		***	***
Merriam	NA	104,000	75,000	no budget	***	***
Atchison	94,100	110,775	169,500	148,325	-12.5%	57.6%
<i>Population Under 10,000:</i>						
Chanute	48,500	83,050	90,790	159,250	75.4%	228.4%

NA = Not Applicable. City was not part of 1989 financial survey and therefore data are not available.

*Includes Andover, Augusta, and El Dorado.

**Includes Bonner Springs and Edwardsville.

***Can not calculate percent change.

Source: KCCED Surveys of Kansas Communities: 1989 - 2000, KCCED, Policy Research Institute, University of Kansas.

Table 5. Change in Economic Development Budgets for Selected Kansas Communities: 1989 - 2000 (continued)

MID-SIZED KANSAS COMMUNITIES			
City	1996	2000	Percent Change 96 - 00
<i>Population 10,000 - 20,000:</i>			
Wyandotte County**	200,000	209,500	4.8%
<i>Population Under 10,000:</i>			
Concordia	68,600	98,968	44.3%
Russell	70,000	90,000	28.6%
Wamego	310,881	190,000	-38.9%
Hesston	31,323	32,000	2.2%
Hugoton	69,000	47,600	-31.0%
Holton	49,000	58,973	20.4%

NA = Not Applicable. City was not part of 1989 financial survey and therefore data are not available.

*Includes Andover, Augusta, and El Dorado.

**Includes Bonner Springs and Edwardsville.

***Can not calculate percent change.

Source: KCCED Surveys of Kansas Communities: 1989 - 2000, KCCED, Policy Research Institute, University of Kansas.

Notes for Table 5 (regarding 1998 Budgets for Medium-Sized Communities and 1996 Budgets for Mid-Sized Communities)

MEDIUM-SIZED COMMUNITIES

Arkansas City/Winfield: Budget for the Cowley County Economic Development Agency. Includes an EDA grant.

Atchison: Budget for the Atchison Chamber of Commerce.

Chanute: Budget for General Expenditures for Economic Development for the City of Chanute. Does NOT include \$26,000 for Main Street support and \$230,000 for Industrial Development.

Coffeyville/Independence: Budget for the Montgomery County Action Council. Does NOT include \$25,000 from RDA (Dept. of Agriculture) to establish revolving loan fund for business incubator and the \$25,000 local match from reserves. Includes Wal Mart grant and misc. income.

Derby: Budget information from the City of Derby telephone survey.

Dodge City: Budget for the Dodge City/Ford County Development Corporation. Includes grants, CROP, interest, expense reimbursements, and contributions.

El Dorado/Butler County: Proposed budget for Butler County EDC (\$155,000) funded by the county's industrial mill levy. Does NOT include \$25,000 for the Industrial Park. Budget does include \$88,250 for El Dorado, Inc.

Emporia: Budget for the City of Emporia's Industrial Development Sales Tax Fund. Does NOT include \$100,000 for land acquisition, \$97,350 for infrastructure financing, and \$584,150 in reserve funds for special projects. It does include job-creation incentive grants (\$67,726) and an appropriation to the RDA (\$142,000).

Garden City: Budget for the Finney County Economic Development Corporation.

Great Bend: Budget for the Mid-Kansas Economic Development Commission.

Hutchinson: Operating budget for the Reno County Economic Development Council.

Junction City: Budget for the Junction City/Geary County Economic Development Commission.

Lawrence: Budget for the Economic Development Marketing Program of the Lawrence Chamber of Commerce. Includes a one-year commitment of \$24,000 by Douglas County Development, Inc. Does NOT include \$100,000 for the Kansas Innovation Center and \$30,000 for the SBDC, both Horizon 2020 initiatives, which are equally funded by the City of Lawrence and Douglas County.

Leavenworth: Adopted budget for the Leavenworth Area Development Corporation, a countywide organization that includes Leavenworth, Basehor, Lansing, and Tonganoxie. Includes interest, meetings' income, Wal Mart grant, Port Authority, and CDC fees.

Leawood: The City of Leawood has not had an economic development budget in place since 1995. The newly formed Leawood Chamber of Commerce was exploring the feasibility of an ED Director in 1998.

Notes for Table 5 (continued)

Lenexa: Budget for the Lenexa Economic Development Council.

Manhattan: Budget from the Manhattan Chamber of Commerce.

McPherson: Projected expenses for the McPherson Industrial Development Company. Does NOT include salary expenses paid by the McPherson Board of Public Utilities.

Merriam: Economic development budget from the City of Merriam.

Newton: Budget for the Harvey County Jobs Development Council, Inc. Includes funding from the cities of Burton, Halstead, Hesston, N. Newton, Sedgwick, Walton, and Newton.

Ottawa: Economic development budget for the Ottawa Area Chamber of Commerce.

Parsons: Anticipated expenditures for the City of Parsons. Does NOT include \$135,000 for Industrial Park improvements, \$294,000 for property acquisition, and \$140,000 for One-Stop Employment Center.

Pittsburg: Amended budget for the City of Pittsburg's Expenditures for Industrial Promotion.

Prairie Village: Budget for the City of Prairie Village.

Salina: Budget for the Salina Area Chamber of Commerce.

Shawnee: Budget for the Shawnee Economic Development Council.

MID-SIZED COMMUNITIES

Concordia: Budget for Cloud County Development Corporation. Does NOT include \$69,000 for the Concordia Chamber of Commerce.

Hesston: Budget for the City of Hesston. Includes \$11,000 to the Hesston Chamber of Commerce. Does NOT include economic development funds available through a revolving loan fund administered by the Hesston Area Economic Development Corporation. Does NOT include \$11,523 from the City of Hesston to the Harvey County Jobs Development Council.

Holton: Budget for the Jackson County Development Corporation.

Hugoton: Budget for the Stevens County Economic Development.

Russell: Budget for the Russell County Economic Development Committee.

Wamego: Budget for the Pottawatomie County Economic Development Corporation. Includes \$157,000 federal funds for Rural Business Enterprise grant.

Wyandotte County: Budget for Wyandotte Development Inc., which includes three cities (Bonner Springs, Edwardsville, and Kansas City). Does NOT include \$1,000,000 available from other sources.

**Table 6. Change in Funding Sources (Percent of Total):
1989, 1993, 1998, and 2000**

Year	Total Budgets	City	County	Private	Other
1989*	\$ 2,663,335	45.1%	38.2%	13.3%	2.9%
1993	\$ 3,671,553	47.7%	28.2%	14.2%	10.6%
1998	\$ 4,726,832	54.6%	24.1%	14.0%	7.4%
2000**	\$ 4,923,957	64.9%	17.2%	15.5%	2.4%
2000***	\$ 5,650,998	61.3%	20.2%	15.5%	3.1%

*Does NOT include Arkansas City, Derby, Dodge City, Leawood, Merriam, Parsons, Prairie Village, Shawnee, and Winfield, which were not part of the 1989 Financial Survey.

**Does NOT include Hays, Liberal, and Independence, which did not participate in Update 2000.

***Includes the mid-sized communities of Edwardsville and Bonner Springs (Wyandotte County), Concordia, Hesston, Holton, Hugoton, Russell, and Wamego. These communities were NOT part of the 1989, 1993 and 1998 studies.

Source: KCCED Surveys of Kansas Communities: 1989 - 2000, KCCED, Policy Research Institute, University of Kansas.

**Table 7. Financing Economic Development for
Selected Kansas Communities: 2000**

Responses to "How is Economic Development Financed?"

*Cities with **City** Mill Levy for Economic Development:*

Chanute, Coffeyville, Derby, El Dorado, Emporia, Holton, Junction City, Leawood, McPherson, Ottawa, and Winfield

*Cities with **County** Mill Levy for Economic Development:*

Andover, Augusta & El Dorado (Butler), Garden City (Finney), Hugoton (Stevens), Junction City (Geary), Leavenworth (Leavenworth), Manhattan (Riley), McPherson (McPherson), Ottawa (Franklin), and Wamego (Pottawatomie)

*Cities with **City** Sales Tax for Economic Development:*

Emporia, Great Bend, Hugoton, Hutchinson, Parsons, and Pittsburg

*Cities in Counties with **County** Sales Tax for Economic Development:*

Russell (Russell)

*Cities that Under "Other Sources" Indicated **City** General Fund as a Source for Financing Economic Development:*

Atchison, Chanute, Concordia, Dodge City, Hesston, Hutchinson, Lawrence, Leavenworth, Lenexa, Newton, and Shawnee

*Cities that Under "Other Sources" Indicated **County** General Fund as a Source for Financing Economic Development:*

Atchison (Atchison), Concordia (Cloud), Dodge City (Ford), Hutchinson (Reno), Lawrence (Douglas), and Leavenworth (Leavenworth)

Source: ED Update Survey 2000, KCCED, Policy Research Institute, University of Kansas.

Conclusions

All the cities in Update 2000 recognize the need for economic development. Each city, however, defines economic development according to its own standards. The economic development programs in Kansas communities and counties continue to adapt and change to meet their needs. However, several conclusions can be drawn from the survey update.

- Kansas communities are split in their organizational approach to economic development between three groups taking primary responsibility – the public sector, the private sector, and a public/private organization. For the communities surveyed in 2000, the public/private approach was the most common.
- Cities continue to play an important role in economic development through leadership and financing. In 2000, cities financed over 60 percent of the economic development budgets reported. Cities fund economic development through a variety of sources – property tax mill levy, sales tax, general fund, transient guest tax, and franchise tax.
- Economic development budgets have increased for over 75 percent of the communities surveyed since 1989.

Communities continue to look towards cooperative efforts to accomplish their economic goals - more partnerships exist between the public and private sectors and more formalized economic development programs have been developed in the last 10 years. Kansas communities will continue to modify their organizations and strategies for economic development to increase their chance for success.

Appendix A

ED UPDATE SURVEY - 2000



Kansas Center for Community Economic Development

Economic Development in Selected Kansas Communities Survey Update - 2000

The Kansas Center for Community Economic Development (KCCED) at the University of Kansas has conducted several surveys about economic development in medium- and mid-sized Kansas communities (1989,1993,1996 & 1998). We are in the process of updating organizational and financial (budget) information previously collected from these studies.

We are looking for the person most knowledgeable about economic development for your community to update our information. Are you that person? If so, please take a few minutes to respond to the following survey. If not, please pass along the survey to the appropriate person or contact me at the address below.

Your participation in this update study is completely voluntary. The data collected for this study will be used to update our records and will be shared with the communities that choose to participate in the study. As with previous studies, the list of individual names participating in the study will be kept confidential while the kind of organization for the community will be shared.

Return your responses to me via e-mail (ghurd@ku.edu) or fax (Genna Hurd, 785-864-3683) or mail to the address below.

If you have any questions about the study, please do NOT hesitate to contact me.

Thank you for your assistance,

Genna Hurd
Co-Director, KCCED
The University of Kansas
Policy Research Institute
Blake Hall, 1541 Lilac Lane, Room 607
Lawrence, KS 66044-3177
Phone: 785-864-4618
Fax: 785-864-3683
E-mail: ghurd@ku.edu

**Economic Development in Selected Kansas Communities
Survey Update - 2000**

Background Information (Person completing the survey.)

Name: _____

Title: _____

Organization: _____

Community: _____ County: _____

Phone: _____ Fax: _____ E-Mail: _____

Organization

Q1 What is the group primarily responsible for economic development in your community?

What organization type best describes this organization?

1) city government, 2) county government, 3) multi-government agency, 4) public/private corporation (usually non-profit), 5) chamber of commerce, 6) private corporation, or 7) other (please specify)

Q2 What is the group primarily responsible for economic development in your county?

What organization type best describes this organization?

1) city government, 2) county government, 3) multi-government agency, 4) public/private corporation (usually non-profit), 5) chamber of commerce, 6) private corporation, or 7) other (please specify)

Q3 Does your community have an economic development director? (Yes/No)

If so, for whom does the director work?

Q4 Does your economic development organization have a membership dues structure?

If so, briefly explain how it is structured and what the dues amounts are?

Budget and Financing

Q5 Do you have a separate budget for economic development? (Yes/No)

Q6 What is the total current budget (2000) allocated for economic development from all sources, including private?

- a. What is the amount of funding from city government?
- b. What is the amount of funding from county government?
- c. What is the amount from the Chamber or private sources?
- d. What is the amount from other sources? And, what are those sources (i.e., interest, investments, fees, carryover, grants - state, federal, local - etc...)?

Q7 How is economic development financed? Do you have the following: (Yes/No)

- a. City property tax mill levy for economic development?
- b. County property tax mill levy for economic development?
- c. Citywide sales tax for economic development?
- d. Countywide sales tax for economic development?
- e. Other sources? (Please specify what they are.)