

COMMUNITY DEVELOPMENT

Recognizing the vital role of community development within the rural revitalization arsenal, Governor Kelly has worked to reestablish the Community Development Division in the Kansas Department of Commerce (KDC). To maximize impact for rural communities, ORP directly supports the Community Development Division's operations and programs.

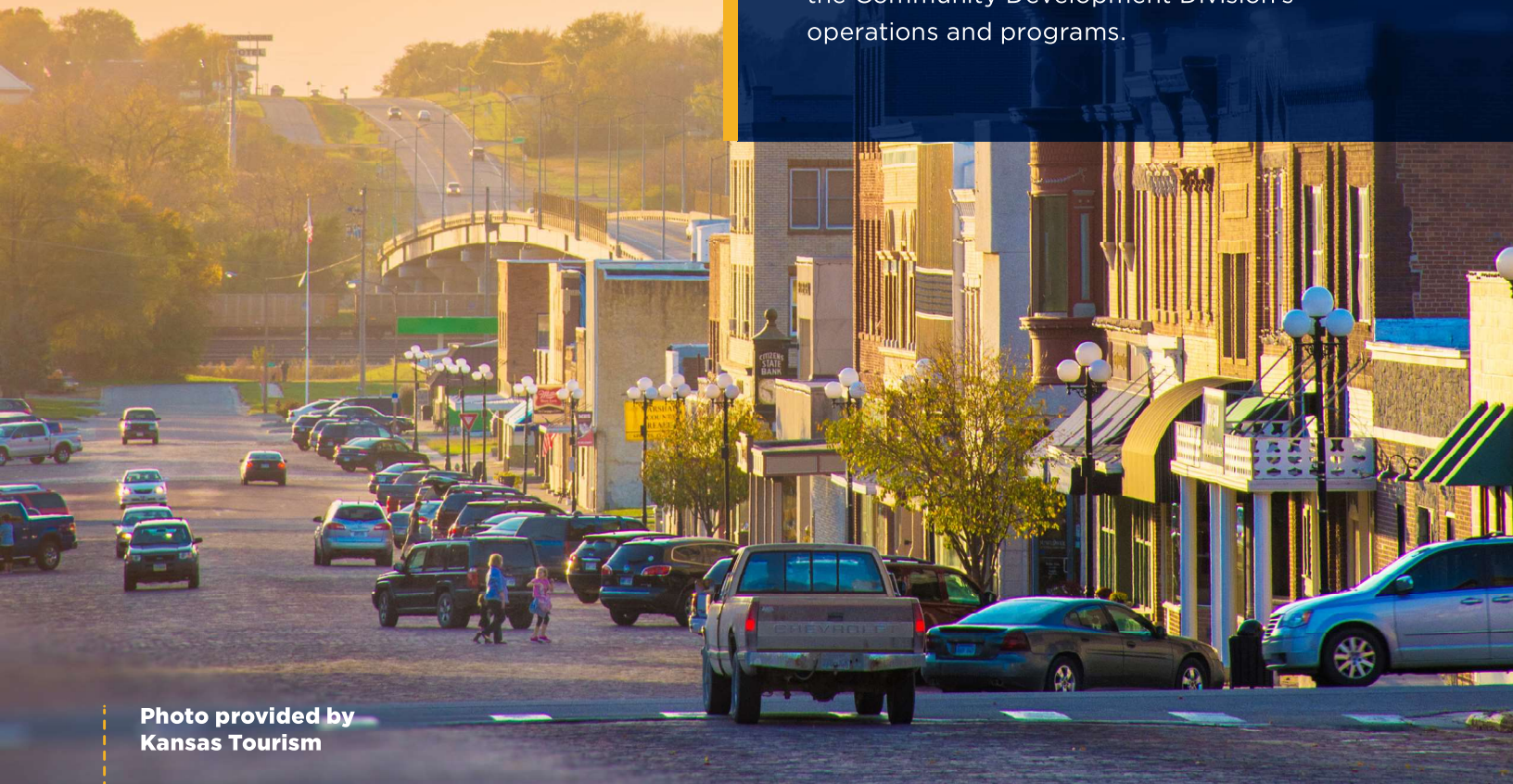


Photo provided by
Kansas Tourism

“ We’re committed to a multifaceted approach of proven programs that are helping communities across Kansas connect with the tools they need to move forward. Our team is innovative and visionary in partnering with communities of all sizes and locations to encourage positive growth and ongoing prosperity statewide. ”

- Kayla Savage, Kansas Department of Commerce

COMMUNITY SERVICE TAX CREDIT PROGRAM

Through discussions with rural Kansans, ORP learned that one of the major obstacles facing rural development is difficulty funding projects locally. One of the state's main tools in addressing this issue is the Community Service Tax Credit Program (CSP).

CSP is a tool that enhances private fundraising efforts, providing a 70% tax credit to qualified donors in rural communities of less than 15,000 in population, and 50% in larger communities. Tax credits are allocated each year and awarded on a competitive application basis to nonprofit organizations to improve their ability to undertake major capital fundraising drives.

In 2020, 25 organizations were awarded a total of \$4.1 million in CSP tax credits to support education, healthcare, and housing projects across the state. For the first time, the decision was made in 2020 to distribute \$1 million in awards for childcare and early childhood development projects, specifically for services to those under the age of 5.



Community Development Division staff provide local partners with technical assistance and resources for communities to invest in their infrastructure, housing, community facilities, downtowns, and non-profit organizations. These are key assets for investment that enhance Kansans' quality of life regardless of proximity to an urban center.

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community-development/](https://kansascommerce.gov/community-development/)

Artist rendering of the Grow & Learn Childcare Center in Leoti, Kansas

Rendering provided by Kraybill Associates

Wichita County Economic Development was one of 25 organizations to receive CSP credits. The funding will go towards the construction of a 3,565 square-foot building that will house four classrooms; providing care and early learning for 35 children, ages 5 and under. The project is expected to be completed and operational by Fall 2021.



COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

During the ORP tours, Kansans cited infrastructure issues as a significant barrier to growth and prosperity. The Community Development Block Grant (CDBG) program exists to provide vital assistance to Kansas communities. CDBG allows KDC to distribute federal funds to eligible Kansas cities and counties for specific projects ranging from water system upgrades to street repairs and many other possible improvements. To receive funds, projects must meet at least one of the federally mandated criteria: benefits low to moderate income individuals, removes or prevents slum or blight conditions, or eliminates an urgent need created by a disaster when local funds are unavailable.

ORP has been dedicated to ensuring this tool is used efficiently and with maximal impact for rural communities. In 2020, two rounds of CDBG funding were awarded to communities in Kansas. In February, \$17 million was awarded to 39 Kansas communities. These funds assisted with rural projects including new firefighting equipment, street repairs, water system improvements, and more.

When COVID-19 became the central issue for many Kansas communities, community funding became an even more urgent need. In two rounds, one in June and one in July, CARES Act CDBG-CV funds totaling more than \$16.9 million helped 122 Kansas cities and counties respond to the pandemic and its economic effects. Focused on helping businesses stay open and keeping Kansans employed, these funds also could be used for food programs serving seniors and school-aged children. The grants were awarded to cities and counties, allowing Kansans closest to their neighbors to decide where funds were needed most.

Nearly \$34 million was awarded in 2020 in Community Development Block Grants for various rural community development initiatives. These funds have proven critical for local development projects, as CDBG continues to be a vital resource for rural Kansas growth and development.

Abilene Nutrition received funds from the CDBG-CV program through the City of Abilene. These funds were essential for small businesses during the pandemic and helped more than 122 communities.



OFFICE OF BROADBAND DEVELOPMENT

In October 2020, by signing Executive Order 20-67, Governor Kelly established the Office of Broadband Development within KDC creating the first state office dedicated to improving high-speed internet access for communities across the state. This is the most focused effort by the state of Kansas to enable high-quality internet access in all parts of the state. Working together with public, private, and non-profit partners, the Office of Broadband Development will not only facilitate broadband access through state grants, it will also work with local communities, state agencies, and others to build a strategic approach to comprehensive broadband access in Kansas.

Within the first few months of its creation, the Office of Broadband Development launched the new Broadband Acceleration grant program. The program provides up to \$1 million of funding for broadband infrastructure projects that target unserved areas, economically distressed communities, and areas of compelling need. Applicants are required to provide a 50% match and engage community leaders and stakeholders in developing projects that are strategic, scalable, and bridge critical access gaps to address quality of life considerations and economic viability for Kansas citizens and communities.

In addition to the long-term state funding for a broadband grant program, Governor Kelly announced the distribution of nearly \$50 million in Connectivity Emergency Response Grant (CERG) funds through the SPARK Taskforce to increase broadband access in communities across Kansas.

A total of 67 projects were awarded funds for broadband infrastructure improvements, a majority being rural. For more information about the projects and to see the interactive map, visit: www.kansascommerce.gov/broadband-map/

ROZ 2.0

Rural Opportunity Zones, or ROZ, was a tax incentive established in 2012 with the stated purpose of reversing rural population decline in a set number of Kansas counties meeting certain population loss thresholds. In order to make the program more widely utilized across the state, ORP supports efforts to increase the program's flexibility by allowing local communities to use it to help potential homebuyers put down roots. This is consistently one of the biggest obstacles ORP and its partners encounter when discussing the challenges that rural communities face in attracting new workers. The new program, ROZ 2.0, would also have a 5-year community "Rural Capacity Building" program that communities could opt into for assistance with marketing, placemaking, and long-term housing needs.





KANSAS MAIN STREET

The Kelly administration knows that a downtown often serves as the heart of a rural community no matter the size. Throughout Kansas, downtowns represent the historic fabric and character of their respective communities. These commercial districts have long histories of ups and downs, successes and failures — and through it all, the majority have survived and are working to stay healthy and viable in the 21st century. Downtowns remain the very foundation on which communities grow and thrive.

In many communities, the Kansas Main Street program was the driving force for downtown revitalization efforts. Beginning in 1985, the program had a successful 27-year history serving Kansas communities before being suspended in 2012. Before the discontinuation, hundreds of Kansans in dozens of communities were empowered to revitalize their downtown districts to make them stronger and more vibrant. More than \$600 million in reinvestment took place and more than 3,800 small businesses were started or expanded, creating over 8,600 new jobs. In 2012 alone, 25 designated communities established 194 new businesses and business expansions, which led to 568 new jobs and \$18 million in reinvestment.

The impact of the program was clear, and the Kelly administration saw the resurrection of the program as an essential part of the state's commitment to rural prosperity. By reinvesting in this program through ORP, 25 Kansas Main Street communities were reconnected, providing them access to tools and resources with a proven record of breathing new life into communities and historic commercial districts. Almost all of these programs have done remarkably well during the eight-year absence of a state program, but there's still a significant need for state-level and national resources and coordination. Many local directors and organizational volunteers have come on board in these local programs since 2012 with little or no training or guidance in how to apply the Main Street Four-Point Approach in their communities. One of the main objectives of the state office is to help rebuild these 25 programs to represent models for success both locally and statewide.

Beginning in 2020, the state provided on-site and virtual assistance to the 25 designated communities and helped them build back their local programs. This included an in-person training session on retail promotions to more than 70 participants in March, as well as an organizational training in July. Additional virtual trainings on historic preservation and economic vitality occurred in the fall. Virtual year-end evaluations were conducted in each of the communities to help them successfully move to the next level in 2021.

Belleville Main Street



Holtan Main Street

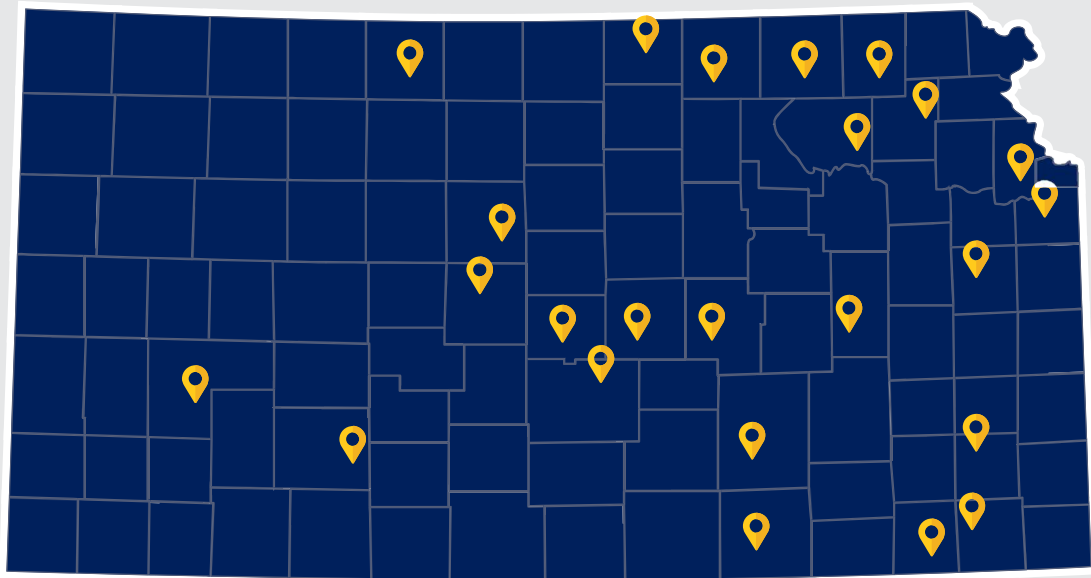


Chanute Main Street



2020 MAIN STREET COMMUNITIES

Augusta	El Dorado	Hutchinson	Ottawa	Russell
Belleville	Emporia	Independence	Overland Park	Seneca
Chanute	Garden City	Leavenworth	Parsons	Sterling
Coffeyville	Holton	Marysville	Peabody	Wamego
Dodge City	Hoisington	McPherson	Phillipsburg	Winfield



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While engaging with and ensuring the success of new and existing communities, Kansas Main Street is also starting the Affiliate Community Program to encourage Main Street-style efforts and opportunities in more communities. This program will allow communities an opportunity to participate in Main Street quarterly trainings and technical assistance for a low, reasonable fee while educating them on the benefits and advantages of becoming a full-fledged Kansas Main Street community, including enhanced program support and technical assistance.

Since the inception of the National Main Street program in the 1970s, nearly 2,000 communities in more than 40 states have proven that the Main Street Approach is one of the most effective economic development tools available. Kansas Main Street has a long history of success for rural communities, and Governor Kelly and ORP want to make sure this state program helps communities achieve prosperity for years to come.