

## Chapter Four: Economic Development

### **4.1 MISSION**

To enable quality business retention, expansion and recruitment in the Fort Scott area by coordination of the community assets.

Our goal is to facilitate business retention and the growth of employment and wage levels. We accomplish this by working with current employers as well as the recruitment of businesses that improve the quality of life for the citizens of Fort Scott.

### **4.2 VISION**

Fort Scott seeks to be a community that has a well-rounded balance of commercial, service, tourism and industrial employers to give citizens varied and increased opportunities to work and live in Fort Scott. Fort Scott further strives to provide to employers a high quality, educated, labor force capable of taking businesses to a higher level of production or service.

There are some principles that will guide the community to this vision, including the following:

- **Integrated Approach.** Local governments, businesses, educational institutions and the community must work together to create a vibrant economy, through a long-term strategy that: encourages local businesses serves the needs of citizens, workers and businesses promotes stable employment and good incomes.
- **Local Focus.** Economic development efforts should give first priority to supporting existing businesses and entrepreneurs as the best source of local job growth.
- **Poverty Reduction.** Economic development efforts should be targeted to reducing poverty, by promoting jobs that match the skills of citizens, and by improving the skills of low-income citizens.
- **Long-Term Investment.** Economic development programs paid for with public dollars should be evaluated on their long-term benefits and impacts on the entire community, not on short-term job or income increases.
- **Public Investment.** The City's economic development efforts should help provide citizens with lifelong skills and learning opportunities by promoting investment in public schools and the Community College.

### 4.3 BACKGROUND

The three principal local economic development agencies are:

(1) The City of Fort Scott's Office of Economic Development, which coordinates and oversees economic development efforts (except as noted below) and serves as the clearinghouse for much of the data on land, labor, incentive programs, community resources and so forth that prospective businesses need when making locational decisions.

(2) The Fort Scott Chamber of Commerce, which promotes and supports business, educational, cultural and economic growth and development in the community. The Chamber also serves as the public relations arm for the community, providing support and guidance for existing businesses. Both the City and the Chamber recognize the need for close coordination and communication regarding their ongoing economic development efforts.

(3) BEDCO, the Bourbon County Economic Development Council Inc., has as its main function the operation and enhancement of the Fort Scott Industrial Park. It's Board, comprised of businesses, city and county government leaders, and provides loans for new and expanding businesses.

The Fort Scott Industrial Park, located at the southeast corner of the City, is a successful employment center. Major tenants include VMC, Timken, Mid-Continental Restoration, Tri-Valley Developmental Services, Firstsource, Key Apparel, Labconco, and Niece Products of Kansas.

The park encompasses over 130 acres. It is four miles from the Fort Scott Municipal Airport and is located alongside 4-lane U.S. Highway 69. All utilities are provided to the park, with water and sewer service from the City and solid waste disposal from private haulers. Natural gas is from Kansas Gas Service via a four-inch high-pressure line, and electricity from Westar with 12 KV, 3-phase service. Telephone and fiber optics are also in place from AT&T and Suddenlink.

While engaged less in economic development than the three agencies noted above, Fort Scott Community College has joint ventures with local businesses and industries for industrial training and supervision management, with on-the- job training programs. Those training programs are customized to meet the specific needs of a particular industry.

Among the incentives which are available to existing or new businesses are the following:

#### Local Incentives

- Downtown Building Improvement Grant
- New Downtown Business Grant
- Neighborhood Revitalization Program (NRP)
  - Residential Rebates*
  - Commercial Rebates*
  - Historic Rebates*
- Revolving Loan Fund
- Downtown Paint Grant
- BEDCO Economic Development Assistance

#### Regional Incentives

- Small Business Development

Southeast Kansas Regional Planning Commission  
 Southeast Kansas Prosperity Foundation  
 USDA Rural Energy for America Program (REAP)  
 State Incentives  
     Brownfields  
     Industrial Revenue Bonds  
     STAR bonds  
     Historical Tax Credits  
     Heritage Trust Fund  
     CDBG Downtown Commercial Rehabilitation Grant  
     Historic Preservation Partners (HPP)

Major Employers in Fort Scott

<b>Company</b>	<b>Employees (*2016)</b>
Peerless Products, Inc.	420
Ward Kraft Inc.	369
Mercy Hospital Fort Scott	345
USD 234 School District	334
Firstsource Solutions USA, LLC	280
Walmart	225
Timken	216
VMC	132
Extrusions, Inc.	150

#### **4.4 GOALS & STRATEGIES**

Goals represent overall vision and desired outcomes. They describe the kind of community we hope to develop in the future. The following goals are offered in an attempt to implement the overall vision for economic development and to focus community resources on identified economic development issues and opportunities. The goals also provide the basis and direction for action.

Economic growth should not be a goal for its own sake, but should reflect the desires of the community as a whole, to better provide for the common good. For instance, population growth, coupled with more employment opportunities, will result in an expanded tax base. In addition, targeted growth can result in raised incomes, increasing the standard of living. Growth can also result in a more diversified economy, minimizing the negative effects of cyclical economic trends. It is important that a dedicated, stable source of funding exist for economic development purposes. Without funding for economic development initiatives, without the ability to actively recruit businesses to Fort Scott, and without the means to extend the infrastructure necessary to accommodate new business growth, the community is vulnerable to economic stagnation and decline.

In order to grow, the City's Economic Development Office shall maintain productive coordination between the Chamber of Commerce, Bourbon County Economic Development Council Inc., Bourbon County and the Kansas Department of Commerce to promote economic development goals of the community. As well as serve as an active participant on the Visioning Committee.

The City in recent years has taken significant steps towards enabling economic development in the community. Most notable is the upgrading of public infrastructure. The public's investment in this infrastructure, while costly, is vital to any effort to grow the community's economy whether by expansion of existing businesses or the attraction of new businesses to Fort Scott.

The economic development strategies for Fort Scott set forth the process by which goals can be accomplished. The following statement of goals and actions is based upon an evaluation of local economy strengths, weaknesses, and opportunities, and the development assets and actions most conducive to job creation and achieving economic prosperity for all citizens. Given competitive environment and resource constraints, the goals have been classified as short term (one to two years) and long term (three to five years).

**SHORT TERM GOAL:** Retain existing businesses and support their expansion.

Existing businesses and industries are the foundation of our economy and are the source of the greatest percentage of job growth in the community. Any economic development strategy must recognize the importance of these businesses within the community and target programs and resources aimed toward enhancing and protecting the well-being of these employment generators.

Develop the means to identify when a local company may be considering relocating or closing, and provide services to address the firm's business needs and keep it in Fort Scott.

- In cooperation with the Kansas Department of Commerce and Fort Scott Area Chamber of Commerce, conduct a business retention and expansion survey addressing local business needs, including: business climate (advantages and disadvantages of doing business in Fort Scott); labor and training needs, financing needs, regulatory issues, barriers to growth, and satisfaction with public services and facilities. This should be done every two years.
- Analyze responses and identify businesses at-risk of closing or relocating and those with opportunities for expansion.
- Update businesses on efforts the City is making to improve the business climate.

Build local capacity for business retention and expansion services.

- Organize periodic meetings of local businesses with regional, federal, state and private economic development organizations that aid with business retention.
- Arrange for training for local economic development agencies on effective business retention strategies such as survey evaluation, negotiation skills and financing.

Enhance business expansion opportunities through land-use plans and zoning regulations that designate ample land for business growth and protect the quality of new commercial investments.

- Aid companies planning to expand in finding suitable land.
- With consultation from BEDCO, designate an appropriate amount of land for commercial and industrial use in the Comprehensive Plan.
- Ensure that the City's zoning and related regulations promote good site design and protect businesses and commercial development from inappropriate development on neighboring properties.
- Provide appropriate incentives to developers of industrial properties.
- Maintain an on-line database of vacant commercial and industrial properties.

Expand and refine business retention incentives, including property tax exemptions and programs for technical assistance, loan guarantees, job training and direct financial incentives to stay and grow in Fort Scott.

- Amend the Neighborhood Revitalization Program as necessary to provide the greatest property tax rebates in planned, strategic locations in downtown and other priority locations.
- Provide educational opportunities for local businesses about Federal Small Business Administration Programs, including business expansion loan guarantees for new construction, financing, and operating capital.
- Consider the use of Industrial Development Bonds for acquisition, construction and renovation of major employment facilities.
- Establish an incentive fund program designed to provide grants and loans for qualified businesses.

Create new jobs by assisting expansion of local businesses.

- Increase employment base with emphasis on jobs which pay wages adequate to sustain a household.
- Broaden and diversify Fort Scott's economic base.
- Secure state and federal resources to further economic development goals.

**SHORT TERM GOAL:** Maintain Downtown Fort Scott as viable retails and office center and expand residential development.

The historic downtown area has potential for further redevelopment as a primary housing, entertainment, cultural, civic and retail center. Its character should be maintained as new development and redevelopment occurs.

Develop a master plan for the downtown area.

- A master plan can enhance the sense of place that already exists downtown and help the downtown hold its place as a focal point of the community.
- A master plan should carefully examine the potential for fuller integration of the Fort Scott National Historic Site with the downtown.
- Landscaping and preservation of unique architectural features that distinguish the downtown from other areas can be part of a master plan.
- Parking needs should be addressed in ways consistent with maintaining the downtown character.

Develop a housing market through rehabilitation of vacant upper floors, renewal of neighborhoods adjacent to downtown, and development of mixed-use neighborhoods.

- Implement a program to assist commercial property owners in adapting upper floors as residential and/or office spaces.

Preserve historic properties and unique 19th century architecture.

- Identify historic buildings that may be eligible for state and federal historic preservation tax credits and encourage their restoration.
- Adopt design standards for the renovation of existing buildings and construction of new buildings. These standards would help ensure that the present character of the downtown is preserved.
- Provide loan and grant funding to support uses such as museums and art galleries to locate in downtown Fort Scott.
- Identify and acquire specific parcels at strategic locations for the development of public parks and other public space within the downtown area.
- Encourage civic organizations and philanthropic organizations to contribute public art to be located in and around downtown Fort Scott.

**SHORT TERM GOAL:** Enhance the quality of availability of the local workforce to meet the employment needs of a variety of businesses.

Helping local businesses meet their workforce needs is a critically important business retention and expansion goal. A well-trained workforce, combined with effective training programs, will allow Fort Scott to compete favorably with other communities.

Work with Fort Scott Community College, the Kansas Department of Commerce, Kansas Works and other entities to develop cooperative programs with local employers to provide flexible vocational/technical training opportunities to meet the changing needs of area businesses.

- Support area vocational training institutions in the provision of expanded job training programs in critical local job categories, including manufacturing/distribution, information and communication, health care and computer technologies.
- Work with Fort Scott High School career path planning to identify opportunities in Fort Scott, including tours of local industries.

Increase the number of high school graduates and community college students who live and work in Fort Scott.

- Facilitate communication of employment opportunities of local firms to graduating students, e.g., conduct local job fairs and publish informational brochures about local companies looking to hire new graduates.
- Develop partnerships with area employment agencies, area educational institutions, and local businesses to determine and address skill training needs for new, unemployed and under- employed workers.



**LONG TERM GOAL:** Attract new industries that complement Fort Scott's economy and utilize its labor force.

The City should identify industries that prosper in this region because of geographic, market and/or labor force characteristics. The City should target industries that are most likely to benefit from Fort Scott's labor force, geography and market characteristics.

Recruit targeted key industries.

- Conduct a market analysis to identify strengths, weaknesses, and opportunities for targeted industry growth.
- Conduct regional and national marketing and recruiting campaign to induce targeted industries to locate in the region.
- Work with the Kansas Department of Commerce to utilize state economic development resources.
- Maintain current economic and demographic data, including available industrial buildings and sites.
- Maintain contact with site-selectors/consultants which advise employers on business location decisions.

Develop and fund competitive financial incentive programs and inducements for targeted businesses, including:

- Property discounts.
- Loan guarantees for new construction, equipment and land.
- Relocation costs.
- Street and other infrastructure construction.
- Industrial revenue bonds.
- Property tax incentives.

Create new jobs by recruiting new business and industry.

- Increase employment base with emphasis on jobs which pay wages adequate to sustain a household.
- Broaden and diversify the City's economic base.
- Identify regional, state and federal resources to further economic development goals.

**LONG TERM GOAL:** Increase the supply of development-ready industrial properties.

"Development-ready" means completion of sufficient pre-development work (ownership control, zoning, platting, and extension of utility service and other major infrastructure) so that property can be marketed to potential employers. This allows a prospective business to construct a new building and begin operation of its new facility within as short a period of time as possible following its decision to locate or expand in Fort Scott. Typically, this means that the site must be in "shovel ready" condition so that the builder can simply submit plans for a building permit without waiting for the property to be rezoned, or for streets, utilities or other infrastructure to be extended to the site.

Work in close cooperation with BEDCO to expand the current industrial park and/or establish a new industrial park in order to develop properties matched to the needs of targeted industries.

- Conduct a targeted business analysis to identify specific industries for recruitment to Fort Scott.
- Identify the location requirements of each target industry and match specific properties in Fort Scott to the needs of each targeted industry.
- Identify whether additional public infrastructure in the Industrial Park would promote greater utilization of the park.

Provide street and utility infrastructure to support targeted industrial and commercial growth in strategically located business sites.

- Identify key properties in the City for each type of targeted business.
- Utilize economic development funds to acquire options on key properties to hold for future industrial development.

Provide zoning regulations, land-use plans, and permitting processes that protect and promote quality business development.

- Ensure that the future land use map allocates sufficient land to accommodate projected needs for industrial-zoned land for the next 20 years.
- Develop and adopt Capital Improvement Plans and budgets to install necessary infrastructure improvements in areas planned for future employment growth.

**LONG TERM GOAL:** Create incubators for new manufacturing businesses in the City's Industrial Park and retail businesses for the Downtown.

**LONG TERM GOAL:** Promote entrepreneurship and increase the number of jobs created through the new business start-ups.

New business creation is another primary source of jobs and economic growth. The City, in partnership with the private sector, can help to provide a strong foundation for the success of new businesses.

Organize creative financing programs and improve entrepreneurs' access to risk capital.

- Utilize, and coordinate economic development efforts with Network Kansas, the Small Business Development Center, the USDA and the USEDPA.

Strengthen local small business development organizations' capacity to assist the creation of new businesses.

- Have a dedicated source of funding for economic development initiatives. The City should consider a sales tax dedicated to assisting the expansion of existing industries, the attraction of new industries, and the revitalization of downtown Fort Scott.
- Create frequent networking opportunities among local small business assistance organizations, including Network Kansas, the Kansas Department of Commerce, SBDC, the Fort Scott Chamber of Commerce, the Bourbon County Economic Development Corporation, and the Center for Innovation and Business Development at Pittsburg State University.

Assist local firms with permitting, licensing and environmental regulations.

- Ensure there are adequate resources for the City's Economic Development Office to guide businesses through local, state and federal permitting processes.