

## Additional Information for Businesses Focused on Phillips County

### Transportation Accessibility:

This site location has the availability of access directly from Highway 183, which is a major transportation link between Interstate 80 (in Nebraska) and Interstate 70 (in Kansas). There are two major trucking companies based out of the Phillipsburg area (Coomes Trucking, Inc. and Greondyke Trucking) can both provide additional support for any of your product needs. If further contact information is needed for these local trucking companies, they can be acquired through the PCED office.

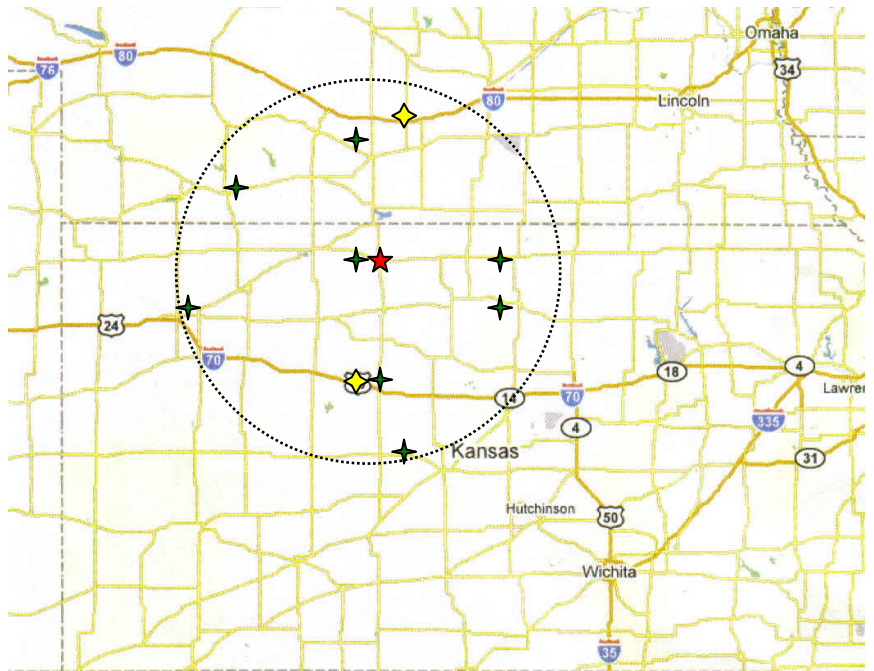
The Kyle Railroad, which has its offices located in Phillipsburg, could look at the possibilities of off-loading raw materials for the manufacturing business, just a short ½ mile away with Site #1 and direct access to the transitioning line at Site #2. Steve Coomes, General Manager, would be coordinating any such activities at their Phillipsburg location. Although designated as a short line rail, the Kyle is very unique as to having access points both with BNSF and UP from both sides of the line. This would afford easier access for raw product, if railed in.

### Workforce:

The local workforce is defined into three categories: 1) Migratory 2) Retention/Recruitment, and 3) Hidden

The Migratory labor forces are those that live in surrounding counties. These possible employees are those that do not want to relocate to a new county and in many situations can drive to work between 15 to 40 minutes from outside our county for the proper job. In rural settings, we have found this to be very beneficial and very workable to both the employee and employer.

The Retention/Recruitment labor force is one of our growing categories, especially with all the changes, growth and housing incentives being made in our rural communities in the region. The promotion & awareness of non-agricultural jobs and the development of manufacturing /construction jobs in the area to the colleges, universities and training centers has encouraged more of this workforce to move from urban areas with higher cost of living expenses, back to their roots. This same cost of living expense factor is enabling employees from the Kansas City and Denver, Colorado (eastern plain) areas to look at us as a rural growth area.



The Hidden labor force has always been located in our area and other rural areas, but until new, non-traditional (non-agricultural) businesses started placing themselves into the area, they were never apparent. These hidden workforces are those individuals (agricultural or rural spouses) with high levels of education of which for either family reasons or time related opportunities related to their degrees, chose not to be employed in the past, but currently are looking for jobs. These are identified as our under-

utilized/unemployed workforce. Another hidden labor force, can be identified as an under-employed workforce. This workforce related directly to individuals that are currently employed (in one or more part-time jobs or one under-paid job) that are seeking to utilize their education in a more worthy manner. The Prairie Horizon Agri-Energy (PHAE) manager interviewing over 300 job applicants for 34 new positions at the newly opened ethanol plant in Phillipsburg showed a sizable number of this type of worker. Workforce availability in this category was shown as a long, hidden resource in workforce for the area. Recruitment of new families and employees to the area shows very strong promise with the growth of community development in the area.

Our skilled workforce availability comes from the two state universities (Fort Hay State University <FHSU> and University Nebraska Kearney), three community colleges (Colby Community, Barton County, & Cloud County) and two Vo-tech schools (Beloit Technical and FHSU Technical – Northwest Kansas Tech) all located within 90 miles from Phillipsburg. As seen in the map on the above page, the yellow stars indicate universities, the green stars are community colleges or workforce training centers, and the red star is Phillipsburg (county seat). Our workforce reliability and dedication come from the rural lifestyle work ethic that our residents are raised with and they show through volunteerism toward community development projects and youth involvement. Additional business support for workforce training can be provided for by the Kansas Department of Commerce – KIT, KIR or IMPACT programs. We also have additional training assistance through both the Small Business Development office in Hays, Kansas and our own Entrepreneurial Center located in the Fischer building in Phillipsburg.

#### Area Amenities:

Our rural location affords our communities the advantages of the key essentials for a strong business growth environment and a healthy rural lifestyle. It is not uncommon to see corporate executives in business shirts and ties eating and conversing together with blue collar farmers or manufacturer workers at a local restaurant. There is a sense of community family due to rural environment. Because of the work ethic and community belonging, organized unions are not represented in Phillips County and in most cases strongly frowned upon by general residents. We have many attributes in our county that add to the quality of life for our residents. The following attributes touch on some of the many available within our area:

#### ➤ Recreation –

- The Huck Boyd Performing Arts Center provides 550 seats for live performances and area for conferences and special occasions. Plus a working toy train museum for entertaining guests.
- The Hansen Museum provides a permanent gun & art display and has special traveling exhibits including the Smithsonian, which changes monthly. The Hansen Foundation supplies scholarships to local youth yearly to the entire region and supports many community development projects within the area.
- The Kirwin Wildlife Refuge affords a beautiful scenic setting for the area residents, their families and visitors to camp, fish, boat, and view wildlife in a nature setting. Proactive recreational projects and activities are being pursued, such as a new ultra modern playground facility completed in 2005 and other projects in the planning stages such as a rollerblade park, youth activity center, driving range, and a Frisbee golf course.
- Phillipsburg and Logan support unique and challenging nine-hole golf courses. Along with community and school sports events including baseball, football, basketball, track and field, wrestling, gymnastics and dance, special organizations such as FFA and 4-H offer additional recreational and educational activities for both the youth and adults.

➤ Education – We have three school districts located within Phillips County. Located in Phillipsburg, Logan and Agra, these schools offer K-12 educational programs. Due to the rural atmosphere children are raised in, one-to-one educational care and instruction, and the secure rural environment in these

schools, the graduation rates are very high. This educational atmosphere creates large pools of high school graduates which desire secondary educational experiences through community colleges, regent universities, and vocational technical schools. The Eastern Heights school district provides a unique scholarship, whereby everyone graduating with a specific grade point and above will receive a considerable higher education scholarship.

- Emergency Services & Health Services – Medical services for the county are currently provided by 2 medical doctors, 1 surgeon, 2 physician’s assistance, and a nurse practitioner. We are located between two regional hospital facilities, one at Kearney, Nebraska (approximately 80 miles north) and the other at Hays, Kansas (approximately 65 miles south), of which both have emergency air services providing support to either facility or one of our choice. Medical specialists routinely visit local patients in the hospital in Phillipsburg. Other health specialists include: 3 dentists, 1 optometrist, 2 chiropractors, physical therapy hospital staff, a community wellness center, and two registered massage therapists. The Phillips County Emergency Medical Service provides emergency ambulance services (7 ambulances across the county) and has 61 certified emergency medical technicians, 5 paramedics, 11 registered nurses who volunteer their services to staff the ambulance providing 24/7 coverage. Many Phillips County residents are trained as first-time responders.
- Community Development – Most recently a new steering committee is formulating a twenty-five year strategic plan to meet and improve upon the needs in order to achieve our goal of making Phillips County one of the best rural area’s for residents to live and work and for businesses to be created, grow and prosper. This project, Discover Phillips County, is a pilot and model project facilitated through the Huck Boyd National Institute of Rural Development by which rural areas across the state of Kansas and the nation will gain direction and insight in the future. Economic development has been very active within the Phillips County area with over 161 jobs created over the last three years. New business growth is on the rise and Phillips County is being looked upon as a developing regional area for business, due to its transportation, technology, existing infrastructure, developing community programs/projects, business atmosphere and quality of life.
- Housing – With the Discover Phillips County Initiative continuing as a pilot program for community development in the area, local towns have envisioned and have been actively looking at creating incentives for future workforce and families to acquire properties and homes.
  - A demolition grant through the city of Phillipsburg enabled approximately 58 old housing structures to be cleaned up and be more easily prepared for new families to acquire with less cost.
  - Other towns within the county have been creating local non-profit groups to acquire properties by the use of grants and then prepare them for clean up and then selling them at a very discounted rate to encourage homesteading
  - Logan, the second largest town in the county, is currently working with the local developer to construct 20 to 25 new homes within 35 acres. Along with this newest housing development, this community is working with other communities to share the knowledge of duplicating this effect.

The Phillips County Economic Development committee and staff will work with this business to assist with growth of this business in our area. We will commit our selves to the following:

- Assisting the business to network with Department of Commerce to utilize tax incentives programs
- Utilize our contracted grantwriter to help business locate and possibly acquire additional funds for building or equipment development
- Utilization of our Entrepreneurial Center (located in Phillipsburg) for workforce training, which has video conferencing education and connectivity to anywhere in the world. It currently accesses one of the most sought after business training and entrepreneurial trainers (Dr. Don Hackett) through

Wichita State University's Entrepreneurial Center. Don Hackett helped pilot this workforce training center in Phillipsburg and still teaches executives and production individuals from such companies as Raytheon, Papa Johns, Cessna, and other national companies.

The Phillips County area is located within an authorized Enterprise Zone of which could allow the business incentives by the State of Kansas through the Kansas Department of Commerce to participate in. Additional, if your business would be interested in completion of the KEOIF program and would qualify, there could be the possibilities of low-interest monies and forgivable interest monies available for plant development. These programs are explained in general on the attachments.

### **Kansas Enterprise Zone Program (EZ)**

Kansas offers significant and comprehensive tax incentives to encourage the retention, expansion, and location of business and industry in the state. The Kansas Enterprise Zone (EZ) Program offers job creation and investment tax credits to offset a company's state tax liability up to 100%. Unused tax credits may be carried forward indefinitely and applied to subsequent tax years until exhausted, providing that the minimum jobs created for eligibility are maintained. Sales tax exemption on the construction or remodeling of a building, machinery, equipment, and services for the project may also be obtained. **A sales tax exemption certificate must be obtained before the start of the project (before making purchases) in order to receive maximum benefit.**

To qualify for EZ benefits, a manufacturing company must create at least two net new positions in the year that their project becomes operational.

**Job Creation Tax Credits:** With eligibility established under the above-stated conditions and the fact that Phillips County may qualify for enhanced incentives; your business could be entitled to claim job creation tax credits of \$2,500 per job. Job creation tax credits are claimed on your corporate income tax return using Schedule K-34.

**Investment Tax Credits (ITC):** A business may be eligible for an investment tax credit which is 1% of the capital investment. This ITC would also be claimed on Schedule K-34.

A sales tax exemption certificate would need to be obtained prior to making such purchases. In order to request the exemption certificate, you would need to complete and submit Kansas Department of Revenue Form PR-70b (*Request for Project Exemption Certificate*).

**Please note that the final benefit to this energy manufacture is in part, dependent upon your company's ability to qualify for and your choice to participate in each program.** It is important that your company submit the appropriate documentation through the Department of Commerce to ensure that the company could receive the maximum possible return from the incentive programs that are available.

The Kansas Department of Commerce regional office representative is Dan Steffen. He can be contacted at (785) 625-4732 or via e-mail at [dsteffen@kansascommerce](mailto:dsteffen@kansascommerce), if you have any questions regarding the Enterprise Zone incentives, tax incentives, and additional funding programs (ie: KEOIF, CDBG and Training funds, via the State of Kansas).