

## Summary

North Central Kansas faces many of the same challenges that all of rural America faces, for the data presented in the background section of the NCRPC CEDS points out a number of issues and trends common to any rural area. That context sets the parameters within which economic development initiatives must function if the region expects to address the needs identified; and those parameters can be both daunting and limiting given the following statements.

We know the first concern of private enterprise in North Central Kansas is the cost of conducting business in a specific location, "cost" being defined by operational expenses associated with labor, utilities, taxes, transportation, etc. The second concern is access to needed infrastructure. This might be distance to an Interstate, four-lane highway, railroad, airport, water/sewer, industrial land, etc. And the third concern is labor availability, which is measured not only in numbers, but in skill sets.

Things change from labor's perspective, since labor is more concerned with the job opportunities of any given location and the wages paid; the availability of affordable housing; and the presence of "quality of life" infrastructure. The latter is measured in terms of good medical facilities, schools, parks, libraries, organized outdoor recreational facilities (i.e., bike trails, walking paths, etc.) - things that make a community fun to live in and raise a family.

The combination of those two perspectives set against the background of data describing conditions in North Central Kansas gives rise to the following set of issues that must be addressed and the strategies developed by the NCRPC to do just that.

# ANALYSIS OF ECONOMIC DEVELOPMENT ISSUES

---

## *Issue 1: Rural Isolation*

North Central Kansas spans 9,000 square miles with the average community possessing no more than 1,750 residents. The twelve (12) counties and eighty-four (84) corporate places (cities) that define the political landscape continue to operate independently with minimal effort given to the promotion of cooperative planning and development. Such a socioeconomic environment makes it difficult for each small community or county to individually possess both the critical mass and resource diversity so often necessary to successfully produce and sustain entrepreneurial business growth and development.

## *Issue 2: Regional Population Loss*

Since 1970 the population of North Central Kansas has fallen from 151,569 to 138,641 residents. Such continued loss is really not an indicator of the overall economic health and viability of the region for missed is the fact rural Kansas has lost population on a continuous basis for the past century and yet remains alive. This is exemplified by the fact job opportunities between 1970 and 2000 within North Central Kansas consistently increased from 46,067 to 70,323 wage and salary positions, although as of 2005 the number stood at 68,769 positions. Simple focus on population loss masks the reality that opportunities do exist and discourages private investment and labor immigration.

## *Issue 3: Labor Supply*

The region does not have the labor numbers it requires to fully address the production and service needs of its business community. USDA studies show unskilled and semi-skilled labor is moving from rural locations to more urban settings. This is especially worrisome, since one of the mainstays of the region's economy is the manufacturing sector which historically relies on such people. Other business sectors (i.e., education and the medical field) also utilize such workers and constantly seek such individuals to fill certain slots in their operations. State programs abound, but these are typically focused on training needs, not recruitment. As such most are inadequate in their approach to solving the region's problem in that they are more attuned to areas having an adequate labor supply. Add to that the lure urban areas have on young people and the problem is exacerbated.

## *Issue 4: Availability of Affordable, Quality Housing*

One difficulty all communities face is most suffer a net loss in housing each year as the number of demolitions exceed the number of new home construction. Access to affordable, *quality* housing is seen as one key to the future economic development of North Central Kansas, since members of the workforce not only seek out areas offering jobs, but those locations offering a choice in housing. Some thus believe the lack of a labor pool in the area may be in part attributable to the absence of such housing.

*Issue 5: Alternative Energy Resource Opportunities*

Oil and gas production have played a relatively minor role in the economic development of North Central Kansas in that such natural resources occur in but a small portion of the region. However, growing emphasis on alternative energy resources offers an opportunity to improve the area's economy by investment in wind energy, ethanol and bio-diesel. Such resources are far more dependent upon the human landscape than that of the natural.

*Issue 6: Community Development Resources*

Many resources available to the region are the product of federal or state action and bear the weight of the rules and regulations imposed by the legislative and administrative bodies creating the programs. Subsequently, numerous examples exist of where area needs go unmet since a local project does not qualify for federal or state aid and local resources are insufficient to address local need. Local capital unattached to such rules and regulations is thus needed.

*Issue 7: Absence of a Rural Perspective in Public Policy*

The state Legislature is now predominately composed of representatives from the Kansas City and Wichita urban areas, making it difficult for policy benefiting rural Kansas to be conceived, developed and instituted. This is exacerbated by the fact academic study continues to produce a product that focuses attention on traditional urban operation and structure, making it difficult to introduce a perspective more attentive to a rural geography. There is thus a need to create a mechanism that projects the rural perspective.

*Issue 8: Technical Assistance: NCRPC Staff Skill Sets, Capabilities, Capabilities and Needs*

The staff of the North Central Regional Planning Commission (NCRPC) serves to address the many needs of North Central Kansas as they are relayed to the office by the counties and cities forming its membership. In so doing the staff has developed skills that enable it to perform tasks on behalf of the NCRPC membership at their request. This activity has focused staff attention in given directions, with those directions not always keeping pace with arising needs or changing circumstances. There is a subsequent need for greater diversification in staff capacity and knowledge.

*Issue 9: Regional Leadership Quality and Focus*

The growth in non-profit organizations throughout North Central Kansas has introduced multiple interest groups working toward unilateral goals with most such organizations being set up to represent and/or benefit the interests of individual communities. This creates a competitive environment wherein limited resources are consumed in small geographies. The outcome is a traditional system of winners and losers with regional interests being ill-considered or addressed.

*Issue 10: The Absence of a Collective Future Vision*

Generally speaking, most communities lack a collective vision of the future other than that which follows the footprint laid down by those who originally founded the many communities of North Central Kansas over a century ago. This condition can be best defined by a quote authored by Jarislov Pelikan, who said, “Tradition is the living faith of the dead. Traditionalism is the dead faith of the living.” Translated, that suggests we live amidst the architecture of the past, which is a physical reflection of its originators’ view of the economic structure needed to bear forth their dream. Communities today too often find themselves struggling to maintain that same architecture and structure with little thought give to the question, “Is that same structure conducive to supporting current dreams and aspirations or is it now a physical impediment that must somehow be overcome in order to build something new and more supportive of the future?”

*Issue 11: Wealth Creation and Retention*

The region’s population is aging and the progeny of the elder cohort is too often gone from the area. Academic studies have quantified the vast transfer of wealth now underway across the country, moving from one generation to another. While this has happened throughout history, today it weighs heavy on the economic future of rural areas for we are seeing not only portable property being shifted to areas outside rural areas, but also control over some of the assets (i.e., buildings, land, etc.) that remain. It is vital, therefore, that we communicate the need for those holding the assets now to invest a portion of those holdings in the communities they have called home over the years. Our main challenge is creating a vision of the future that attracts investment, not from those outside the region, but from those living inside our many communities. After all, if we are unwilling to invest in ourselves, then what reason do others have to invest in us?

*Issue 12: Ft. Riley Expansion*

Fort Riley is located just off the southeastern border of the primary NCRPC service region. In 2005, as part of the BRAC recommendations, the Department of Defense announced that there would be a significant increase in personnel assigned to Fort Riley. With newly assigned soldiers, the additional of civilian support and the return of the primary contingent previously stationed at the Fort scheduled to return, the area was gearing up to receive approximately 10,000 additional individuals, not including their families. The state commissioned a study to analyze the impact of this influx. The study is available at <http://kdoch.state.ks.us/KDOCHdocs/BD/FtRileyExSum.pdf>. The state also set up a web site to aid families moving to the area, content is available at <http://www.fortrileyconnection.com/index.htm>

The biggest impact on the NCRPC area was in the demand for housing and community infrastructure such as schools medical services. Many families were expected to locate to outlying small communities in the NCRPC and indeed that has materialized. The primary community near Fort Riley is Junction City. Although not an NCRPC member, the connection between the region and the community are strong. Many small communities that the RPC serves

have seen increases in population tied directly to the influx of soldiers and their families. In addition, Cloud County Community College, based in Concordia in the heart of the NCRPC service area, now operates a large and thriving campus in Junction City.

Recent announcements in Washington DC point to a doubling of population at Fort Riley by 2013 to 20,000 soldiers. However, two years after the initial announcement, the population increase has tapered off and there is some concern that the housing market in the community in particular has been overbuilt and is perhaps of a lower quality than would be expected. There is a difficult balancing act between the cost of new construction for a home big enough to meet a family's needs and the house payments that soldier's families can afford. It remains to be seen at what level the population will become stable and whether or not the housing developments will ultimately be filled. While there are currently 15,000 soldiers assigned to Fort Riley, there are 11,000 of them deployed. Families of deployed soldiers do not always choose to locate to the area where their spouse is assigned particularly if lengthy deployment is anticipated.

Because of the rural nature of the Junction City area, USDA Rural Development mobilized a significant new initiative to aid in meeting the perceived needs. The working document regarding that effort can be reviewed at

<http://www.rurdev.usda.gov/ks/2007%20Pages/121406-Fort%20Riley%20Update%20compress.pdf> .