



# **Economic Development**

**2<sup>nd</sup> Quarter 2016**

**Report to JEDO**



## 2<sup>nd</sup> Quarter 2016

GO Topeka staff worked in the second quarter of 2016 to achieve the annual goals set and to ensure continued economic development success for Topeka and Shawnee County.

The New Business Attraction program during the second quarter met with 48 site location consultants and corporate real estate professionals in face to face meetings. During the second quarter, staff worked with 7 new prospects resulting in 4 site visits and 1 formal incentive proposal. The current portfolio of New Business Attraction projects, at the end of the second quarter includes 27 projects, capturing potential for 5,840 new direct jobs and \$1,314,000,000 in new capital investment. Leads and prospects are being developed on an ongoing daily basis.

The Existing Business and Retention program made 35 visits in the second quarter of 2016 and is currently working on 10 active projects, of which 1 was opened this quarter. Based upon data received to date, the 10 projects represent \$6,000,000 in new capital investment, and 778 direct new and retained jobs. Projects Reef (se<sup>2</sup>) and Sand (Futamura USA) were completed with up to 228 new jobs and up to \$30 million invested. Two annual audit verifications are in progress. Efforts continue to grow partnerships with business, industry and education to meet the needs of local businesses through future training opportunities and the Manufacturing and Distribution roundtable, hosted in April.

Workforce Development initiatives continue to grow and expand. Meetings were coordinated with the Topeka Workforce Center and the Topeka Capital Journal to plan the local Topeka job fair in conjunction with the statewide job fair. Other planning began to offer a work ethic/soft skills opportunity in a train the trainer style for local school districts and for employers to view and possibly implement as on-boarding for their own hiring practices.

GO Topeka's Entrepreneurial and Minority Business Development program has provided incentives to 38 small businesses. These incentives have supported startups in the creation of 19 full-time jobs and 11 part-time jobs. The incentives also provided assistance to 26 existing businesses who currently have a workforce of 57 full-time jobs and 47 part-time jobs. The incentives were used for construction and renovation, equipment purchases and training for employees.

Listening and focusing on the true needs of small business owners aided in the change of the direction of the EMBD programming. Attendance at the Lunch and Learns and other training programs has increased. The participants are a mix of new and existing businesses, as well as, employees seeking to learn more about ways to help grow their company. The Lunch and Learns cover topics critical to the growth and operation of small businesses. Through the many programs and activities hosted by EMBD, this GO Topeka program has made direct contact with 646 individuals and business owners.

The following report gives much more detail as to all of the accomplishments and results of GO Topeka staff for the second quarter 2016.

**New Business Attraction**  
**Team Leader: Molly Howey**

**GOAL 1:** Create substantial prospect activity through suspect lead generation and servicing new qualified projects that have a high level of interest in Topeka/Shawnee County.

**Goal 1.1:** Development of 40 new prospects (viable project generation, sites/buildings proposal submitted)

Progress 1<sup>st</sup> Quarter

- 8 new prospects

Progress 2<sup>nd</sup> Quarter

- 7 new prospects

**Goal 1.2:** 12 new qualified projects (formal incentive proposals and/or prospect visits)

Progress 1<sup>st</sup> Quarter

- 3 formal incentive proposals

Progress 2<sup>nd</sup> Quarter

- 1 formal incentive proposal
- 4 site visits

**Goal 1.3:** 235 personal contacts with Site Consultants and National Corporate Realtors over course of year (face to face meetings)

Progress 1<sup>st</sup> Quarter

- Face-to-face meetings with 53 site consultants and national corporate realtors at Site Selectors Guild, Industrial Asset Management Council, KCADC meetings, Retail Industry Leaders of America and one-on-one meetings set by GO Topeka staff.

Progress 2<sup>nd</sup> Quarter

- Face-to-face meetings with 48 site consultants and national corporate realtors at SelectUSA, in-community meetings and target industry conferences.

**GOAL 2:** Generate new community and individual wealth and prosperity through new capital investments and new/retained primary jobs that pay the average wage or higher for Shawnee County and provide health insurance for the employees.

**Goal 2.1:** Attract new capital investment (new and expanding primary employers)

Progress 1<sup>st</sup> Quarter

- As of March 31, 2016 the current GO Topeka portfolio of new business attraction prospects/projects includes:
  - 24 projects
  - \$1,226,800,000 potential capital investment
- As of March 31, 2016 the current GO Topeka portfolio of existing business expansion prospects/projects includes:

- 10 projects
- \$35,000,000 potential capital investment

Progress 2<sup>nd</sup> Quarter

- As of June 30, 2016 the current GO Topeka portfolio of new business attraction prospects/projects includes:
  - 27 projects
  - \$1,314,000,000 potential capital investment
- As of June 30, 2016 the current GO Topeka portfolio of existing business expansion prospects/projects includes:
  - 10 projects
  - \$6,000,000 potential capital investment

**\*\*Futamura USA – approximately \$30M in capital investment**

**Goal 2.2:** Attract new primary jobs (new and expanding primary employers)

Progress 1<sup>st</sup> Quarter

- Current GO Topeka portfolio of new business attraction projects/prospects includes:
  - 4790 potential new direct jobs
- Current GO Topeka portfolio of existing business expansion projects/prospects includes:
  - 256 potential new direct jobs

Progress 2<sup>nd</sup> Quarter

- Current GO Topeka portfolio of new business attraction projects/prospects includes:
  - 5840 potential new direct jobs
- Current GO Topeka portfolio of existing business expansion projects/prospects includes:
  - 778 potential new direct jobs

**Goal 2.3:** Increase the per capita income in Shawnee County over time by adding new jobs to the community that pay at least the Shawnee County average or their specific industry average wage.  
 Current average: \$44,512 (2015 Fourth quarter, most recent available  
 Source: Kansas Department of Labor, Bureau of Labor Statistics)

Progress 1<sup>st</sup> Quarter

- Current GO Topeka portfolio of new business attraction and existing business expansion projects/prospects includes:  
 Average projected wage of \$36,902 based on projects/prospects information to date.

Progress 2<sup>nd</sup> Quarter

- Current GO Topeka portfolio of new business attraction and existing business expansion projects/prospects includes:  
 Average projected wage of \$35,133 based on projects/prospects information to date.

### **Additional Attraction Actions Implemented in 1<sup>st</sup> Quarter 2016**

- Met with commercial brokers and retail and logistics companies at the national Retail Industry Leaders of America Logistics Forum.
- Marketed Topeka/Shawnee County to over 20 of the top site selectors in the country at the Site Selectors Guild conference.
- Represented Topeka/Shawnee County at the Industrial Asset Management Council spring conference.
- Launched a new GIS system on the GO Topeka website.
- Attended the Kansas Economic Development Alliance Legislators Forum.
- Hosted Lawrence and Manhattan chambers for a Kansas Research Nexus meeting to grow our regional legislative partnership.
- Attended the KCADC Alliance meeting to market Topeka/Shawnee County to Kansas City area brokers.
- Selected a new Customer Relations Management program to launch in early second quarter.
- Attended community broadband meetings to collaborate on future plans.

### **Additional Attraction Actions Implemented in 2<sup>nd</sup> Quarter 2016**

- Hosted 13 site consultants for a Team Kansas event in Topeka.
- Attended community broadband meetings to collaborate on future plans.
- Attended International Economic Development Council conference in Tulsa, OK.
- Co-hosted a booth at the SelectUSA Investment Summit with Kansas Department of Commerce.
- Attended Kansas International Trade Day at Washburn University.
- Hosted lunch and learn for local brokers to learn about new GIS system on our website and talk about marketing their properties.

### **Existing Business and Workforce Development**

**Team Leader: Barbara Stapleton**

**Goal 3:** **Increase contact with existing businesses and top employers and provide support for primary employers to retain and/or add jobs. Provide education and training for workforce to support existing business, with an emphasis on primary employers that will enhance their operations and sustainability in Topeka/Shawnee County.**

**Goal 3.1:** At Least 120 business visits including top 40 employers (mandatory to qualify). Visit inputs will be recorded on a consistent format and reported to the CEO and VP on a quarterly basis.

#### Progress 1<sup>st</sup> Quarter

- 54 business visits were conducted in the first quarter of 2016. Of those visits, 27 consisted of major employers.

#### Progress 2<sup>nd</sup> Quarter

- 35 business visits were conducted in the second quarter of 2016. Of those visits, 16 consisted of major employers.

**Goal 3.2:** Provided assistance to companies needing help. Assistance includes providing resources, referrals, problem solving, and expansion assistance.

Progress 1<sup>st</sup> Quarter

- Staff currently is working to assist 10 companies, of which 3 projects were opened in the first quarter of 2016.

Progress 2<sup>nd</sup> Quarter

- Staff is currently working to assist 10 companies, of which 1 project was opened in the second quarter of 2016.
- Staff completed Projects Reef (se<sup>2</sup>) and Sand (Futamura USA) with up to 228 new jobs and up to \$30 million invested.

**Goal 3.3:** Aid Topeka/Shawnee County residents in acquiring workforce training that improves their skill set and meets local company job demands. This assistance must involve organizational assistance, funding, planning, or marketing the program.

Progress 1<sup>st</sup> Quarter

- The Washburn Institute of Technology scholarship program awarded 50 awards for the spring semester.
- Eighteen bus passes have been provided through the Topeka Rescue Mission's CARE program, a workforce initiative.

Progress 2<sup>nd</sup> Quarter

- Thirty-five bus passes were provided through the Topeka Rescue Mission's CARE program, aiding in participants' transportation needs to interviews and secured job opportunities.
- The KanVet Benefits Office was staffed and opened on Washburn Tech's campus. A service for all veterans in the community in need of benefits assistance.

**Additional Existing Business and Workforce Development Activities Implemented in 1<sup>st</sup> Quarter 2016**

**Existing Business:**

- Hosted the HR Breakout with recruitment information and resources regarding hiring opportunities via the Veteran's Employment Center, [www.vets.gov](http://www.vets.gov)
- Meetings began for the planning of the Financial Services Summit, to be hosted in October 2016.
- Planning continued for the 2<sup>nd</sup> Manufacturing & Distribution Roundtable, to be hosted April 18, 2016.

**Workforce Development:**

- Coordinated meetings regarding Washburn Tech East planning.
- Attended USD501's Education Summit.
- Met with Topeka's Justice Unity and Ministry Project team and the Topeka Metro regarding workforce transportation concerns at their request.
- Attended Washburn Tech's National Technical Letter of Intent Signing Day.
- Continuing coordination of the KanVet Benefits Office at Washburn Tech.

## **Additional Existing Business and Workforce Development Activities Implemented in 2<sup>nd</sup> Quarter 2016**

### **Existing Business:**

- Meetings continue for planning of the Financial Services Summit, to be hosted October 19, 2016.
- Hosted the 2<sup>nd</sup> Manufacturing & Distribution Roundtable, bring employers and educational institutions together to align needs of employment and education.

### **Workforce Development:**

- Coordinated meetings between employers and the workforce center for hiring event needs.
- Development of a work ethic training initiative to support school districts and employers.
- Met with DCF's Hope Mentoring director to explore workforce opportunities.

## **Entrepreneurial and Minority Business Development**

**Team Leader: Glenda Washington**

**Goal 4:** Increase the knowledge and capacity of minority- and women-owned businesses as well as starting or growing Shawnee County entrepreneurs through education, training, development and support services. Entrepreneurial & Minority Business Development (EMBD) and Topeka Shawnee County First Opportunity Fund (TSCFOF) will work to build capital led and educational strategies to fill critical gaps for the underserved entrepreneur, by increasing the number of loans made, providing entrepreneurial education and assisting creation of entrepreneurial jobs.

**Goal 4.1** Increase training/educational/entrepreneurial opportunities annually for minority, women-owned businesses, entrepreneurs and small businesses.

### **Progress 1<sup>st</sup> Quarter**

As of January 2016, EMBD has made a significant first quarter impact on pre venture, entrepreneurs and existing small businesses through counseling, training, educational seminars

- Lunch and Learn Attendees (2 sessions/76 attendees)
- New Venture (One class/10 participants)
- Community Outreach (TIBA/Hermanitas, NOTO, Downtown Merchants, Brookwood and Fairlawn Plaza)
- Counseling Sessions (assistance/counseling of 93)
- Site visits conducted during the period (10)

### **Progress 2<sup>nd</sup> Quarter**

Second quarter introduced a number of new training options for businesses in Shawnee County. EMBD collaborated with existing businesses to deliver practical training for new and existing small business owners and their employees.

- Lunch and Learn Attendees (100)
- Cyber Summit (25)
- Breakfast Buzz (31)
- Google Workshops (73)
- Community Outreach (Topeka Gives, Brookwood and Fairlawn Plaza Merchants)
- Small Business Awards (328)
- Counseling Sessions (89)
- Site Visits (NOTO Brookwood, Downtown and Fairlawn Plaza Merchants)

**Additional EMBD Actions/Activities and Initiatives implemented during Second Quarter.**

- Sponsored Quickbooks I and II classes for 10 small businesses owners.
- Involved with and/supported 10 community programs.
- Increased contact through social media by 21% during second quarter.

**Goal 4.2 Increase the number of applications received by TSCFOF during FY-2016 year.**

**Progress 1<sup>st</sup> Quarter**

- In an effort to build the pipeline for the TSCFOF, EMBD continues to market the TSCFOF in addition to a new financial tool. Radio and television ads have been recorded. The radio ad is currently being aired.
- The Topeka/Shawnee Small Business Incentive Program was launched in February and has been extremely successful during First Quarter. The Incentive Program provided assistance to 11 small businesses, offering a match of more than \$51,000 to help with the growth or expansion of these businesses. Businesses range from a landscape business to a sign company. The pipeline of this program is strong and currently has 16 businesses in the processing stage.

**Progress 2<sup>nd</sup> Quarter**

- The pipeline for the TSCFOF continues to grow. There are currently three prospects in the pipeline for the Loan Fund and one potential. The makeup of these companies includes a small pet food manufacturer, two auto repair shops and one miscellaneous business.
- The Topeka/Shawnee Small Business Incentive Program continues to assist in filling the gap for small businesses. The Charts below provide supporting data.

<b>New Businesses Rec. Incentives</b>	<b>Jobs Created</b>	<b>Dollars Disbursed</b>
<b>12</b>	<b>19 FT/11 PT</b>	<b>\$70,920.11</b>

<b>Existing Bus. Rec. Incentives</b>	<b>Jobs Created or retained</b>	<b>Dollars Disbursed</b>
<b>26</b>	<b>57 FT/47 PT</b>	<b>\$74,318.57</b>

<b>Disbursements by Month</b>	<b>Number of Clients</b>	<b>Amount Disbursed</b>
<b>March</b>	<b>2</b>	<b>\$ 5,289.00</b>
<b>April</b>	<b>9</b>	<b>\$ 46,524.79</b>
<b>May</b>	<b>8</b>	<b>\$ 24,966.74</b>
<b>June</b>	<b>17</b>	<b>\$ 61,910.89</b>
<b>July</b>	<b>2</b>	<b>\$ 6,547.26</b>
<b>Total Clients</b>	<b>38</b>	<b>\$ 145,238.68</b>



### Goal 4.3

#### **Collaborate with local and state agencies and corporations to host a Purchasing and Procurement Conference.**

##### Progress 1<sup>st</sup> Quarter

- The Department of Commerce and the Federal Home Loan Bank were featured at annual breakfast, hosted by EMBD. The Department of Commerce shared steps necessary to be able to do business with Commerce. The Federal Home Loan Bank presented on the upcoming project of the new Federal Home Loan Building. The representative informed the group that they would need a variety of different skills to assist with this project. She will be in touch with GO Topeka when the RFPs are complete.

##### Progress 2<sup>nd</sup> Quarter

- In a collaborative effort, EMBD is working with the Federal Home Loan Bank to increase the minority contractor participation on the construction of their new facility. EMBD, along with the General Contractor (McPhersons Contractors, Inc.), will be hosting a Pre-Bid Meeting in August to inform subcontractors about potential opportunities on the new FHLB Building Project.

##### **Additional EMBD Actions/Initiatives Implemented in 1<sup>st</sup> Quarter 2016:**

- Collaborated with LULAC and the NAACP to create minority business directories. These businesses will be used as a tool to assist corporate buyers with identifying minority businesses opportunities as well as a reference tool for members of the community.
- Met with the leaders of Central Topeka to discuss possible options for the Dillon grocery store.
- Met with NOTO business owners to share information about the Small Business Incentive program. NOTO businesses have aggressively taken advantage of the incentive program, making it a huge success.
- Continued the conversation with PTAC regarding housing an office in Topeka market.
- Involved with and/or supported 16 community programs/organizations since January 2016.
- Work with KTWU on marketing the Working Capital small business program
- Recorded ads promoting the Topeka/Shawnee County Small Business Incentive and the TSCFOF. Radio ads are currently running. The television ads are running on KTWU. The programs are also marketed in TK Magazine.
- Grew the social media outreach by 16% during the first quarter.

##### **Additional EMBD Actions/Initiatives Implemented in 2<sup>nd</sup> Quarter 2016:**

- EMBD is in continuous discussion with the Kansas Procurement and Technical Assistance Center (PTAC) about expanding its reach and maintaining an office in the Shawnee County region. PTAC certifies small businesses to do business with the federal government and assist them with bid preparation. As mentioned in the 2016 Association of PTAC's report, companies working with PTAC were awarded 73,000 government contracts worth over \$12 billion. PTAC is funded through cooperative agreements between local host organizations and the U.S. Defense Logistics Agency (DLA). APTAC estimates that the return-on-investment is \$344 for every federal dollar invested in the PTAC program.