



**JEDO Board of Directors  
Agenda for Wednesday, May 13, 2015  
6:00 p.m.  
Topeka City Council Chambers**

1. Roll Call
2. APPROVAL of Minutes from the meeting of April 29, 2015. (Action Item)
3. PRESENTATIONS by Avalanche Consulting, Inc. and Garner Economics L.L.C.
4. DISCUSSION and ACTION on the proposals of the professional consultants to provide economic development analysis and recommendations for Topeka and Shawnee County. (Action Item)
5. APPROVAL of GO Topeka 2014 Financial Statements and Auditor's Report – Doug Glenn, CPA, Mayer Hoffman McCann, P.C. (Action Item)
6. UPDATE on the 2015 GO Topeka 1<sup>st</sup> Quarter Report.
7. UPDATE on the 2015 JEDO 1<sup>st</sup> Quarter Financial Statement.
8. Any other business items that may come before the Board for consideration.
9. Public Comment
10. Adjournment

**Public Comment Policy:** Comment from members of the public shall be entertained on each actionable agenda item and at the end of each meeting. Comment shall be limited to topics relevant to JEDO business. Members of the public wishing to speak must notify the City Clerk before 5:00 p.m. on the date of the meeting via email at [cclerk@topeka.org](mailto:cclerk@topeka.org) or call 785-368-3940. This requirement shall not apply to items added during the meeting. Members of the public will be given four (4) minutes to speak and must maintain proper decorum relating to public meetings.

**Agenda:** Agendas are furnished at least five (5) business days prior to each meeting and posted on the City of Topeka web page at [www.topeka.org/JEDO](http://www.topeka.org/JEDO) and the Shawnee County web page at [www.snco.us/jedo](http://www.snco.us/jedo).

To make arrangements for special accommodations please call 785-368-3940 or 785-368-3941. A 48-hour advance notice is preferred.



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## **AGENDA PACKET**

**JEDO Board Meeting  
May 13, 2015 - 6:00 P.M.**

***City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas***

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### **JEDO Board Members**

#### Shawnee County Commissioners

Shelly Buhler District 1 (*Voting Member*)  
Kevin Cook District 2 (*Voting Member*)  
Bob Archer District 3 (*Voting Member*)

#### City of Topeka Governing Body

Larry Wolgast Mayor (*Voting Member*)  
Karen Hiller District 1 (*Voting Member*)  
Sandra Clear District 2  
Sylvia Ortiz District 3  
Jonathan Schumm District 4  
Michelle De La Isla District 5 (*Voting Member*)  
Brendan Jensen District 6  
Elaine Schwartz District 7  
Jeffrey Coen District 8 (*Voting Member*)  
Richard Harmon District 9

Public Comment. Comment from members of the public shall be entertained on each actionable agenda item and at the end of each meeting. Comment shall be limited to topics directly relevant to JEDO business. Members of the public wishing to speak must notify the City Clerk at 785-368-3940 or [cclerk@topeka.org](mailto:cclerk@topeka.org) before 5:00 p.m. on the date of the meeting. This requirement shall not apply to items added during the meeting.

Members of the public shall be limited to four minutes unless the Board, by majority vote, extends the limitation. Debate, question/answer dialogue or discussion with Board members will not count towards the four minute time limitation.

To make arrangements for special accommodations please call 785-368-3940. A 48-hour advance notice is preferred.



## ***Agenda Item No. 2***

**JEDO Board Meeting  
May 13, 2015 - 6:00 P.M.**

*City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas*

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April 29, 2015 JEDO Board Meeting Minutes

**Joint Economic Development Organization Board Minutes  
April 29, 2015**

City Council Chambers, 214 SE 8th Street, Topeka, Kansas, Wednesday, April 29, 2015.

The Joint Economic Development Organization (JEDO) Board Members met at 6:00 p.m. with the following voting Board Members present: Deputy Mayor Karen Hiller, Councilmembers Michelle De La Isla and Jeffrey Coen; and Shawnee County Commissioners Shelly Buhler and Kevin Cook. City of Topeka Mayor Larry Wolgast presided -6. Absent: Shawnee County Commissioner Bob Archer -1.

Nonvoting Members present: Councilmembers Sandra Clear, Sylvia Ortiz, Brendan Jensen and Richard Harmon. Absent: Councilmembers Jonathan Schumm and Elaine Schwartz.

Mayor Wolgast called the meeting to order.

**APPROVAL of Minutes of the March 25, 2015 JEDO Board meeting, was presented.**

Commissioner Cook moved to approve the minutes. The motion was seconded by Commissioner Buhler.

Clark Trammell distributed a hard copy of emails he sent to JEDO Board members outlining his comments relating to the request for proposal process and hiring a consultant for assessment of the Topeka-Shawnee County economic development model.

The motion to approve the minutes carried. Councilmember De La Isla abstained. Councilmember Coen did not vote. (4-0-1)

**DISCUSSION and possible ACTION of the proposals received from professional consultants to provide economic development analysis and recommendations for Topeka and Shawnee County was presented.**

Mayor Wolgast suggested each Board member rank the top two consultants and public comment will be allowed if action would be taken by a member of the Board on the item. He provided a brief overview of the Request for Proposal (RFP) process to date, and stated they received an excellent response to the RFP with 11 companies submitting proposals from across the country. He asked Board members to keep in mind as they move through the discussion, to consider inviting the top two consultants to the May 13, 2015, JEDO Board meeting to provide a presentation and answer questions, with the intent of conducting a formal decision and moving forward with contract negotiations.

Mayor Wolgast stated Garner Economics, L.L.C. was his top choice based on the objectives outlined in the proposal, their approach had very clear direction, and they seemed the most focused on Topeka-Shawnee County as a whole. He stated his second choice was TIP Strategies. He noted all projected costs including expenses were in the same range (\$75,000 to \$90,000); therefore, they need to look

closely at what each company proposed and if it meets the objectives as cost of services was negotiable.

Commissioner Cook stated he was pleased with the outcome of responses received for the RFP. He reported Avalanche Consulting Group was his top choice and Garner Economics, L.L.C. was his second choice.

Deputy Mayor Hiller reported all proposals appeared to be good companies and she reviewed each one based on JEDO Resolution No. 2015-1 outlining the priorities set forth by the Board, especially relating to understanding the broad view of economic development and citizen input. She stated she also looked for companies that understood they would need to perform the majority of administrative work as the JEDO Board has no administrative staff, how much input (individual contacts and focus groups) they planned to do, making sure performance matrixes was crucial to their plan as well as experience in different models of delivery. She noted TIP Strategies and Garner Economics, L.L.C. did not seem to offer anything new; therefore, Avalanche Consulting Group was her top choice and Place Dynamics, L.L.C. was her second choice because they both have strong experience in downtown redevelopment.

Commissioner Buhler stated her top choice was Avalanche Consulting Group based on the priorities outlined in the RFP, including offering six focus groups which was more than any other as well as their depth of experience and community wellness indicators. She stated her second choice was Garner Economics, L.L.C.

Councilmember De La Isla stated she concurs with Commissioner Buhler and stated her top choice was Avalanche Consulting Group. She stated her decision was based on the fact she knows what Avalanche has to offer and appreciated that Avalanche was candid with deficiencies found in their investigation of the current economic development model. She also stated their focus on small business and downtown development was also very important. She reported Garner Economics, L.L.C. was her second choice.

Mayor Wolgast reported Commissioner Archer's top choice was Garner Economics, L.L.C. and his second choice was Avalanche Consulting Group.

Councilmember Clear stated her top choice was Garner Economics, L.L.C. and her second choice was TIP Strategies.

Councilmember Jensen stated his top choice was Avalanche Consulting Group and his second choice was Garner Economics, L.L.C.

Councilmember Harmon stated his top choice was Garner Economics, L.L.C. and his second choice was TIP Strategies. He noted he ranked Avalanche Consulting Group 3<sup>rd</sup> and Place Dynamics, L.L.C., 4<sup>th</sup>. He stated his only source of concern with Garner was that he believes there should be more than four focus groups as proposed.

Mayor Wolgast announced Avalanche Consulting Group and Garner Economics were the top two proposals ranked by the Board.

Councilmember Coen asked if any of the four companies being considered have conducted business with JEDO in the past, and if so, could a member of the Board comment on their performance.

Commissioner Cook stated he was not aware of JEDO ever hiring a consultant; however, Avalanche Consulting Group was retained by GO Topeka to conduct a target market analysis that was shared with the JEDO Board.

Councilmember De La Isla stated Avalanche was very professional and open about deficiencies, including many of the trends mentioned by the public.

Commissioner Cook stated he concurs with the statements made by Councilmember De La Isla about Avalanche and he believes they were very responsive during public meetings as well as open to listening to different input and perspectives on Topeka and Shawnee County. He reminded Board members the services being requested are very different from the previous study delivered by Avalanche.

Councilmember De La Isla reported Garner has also worked with GO Topeka as stated in their proposal.

Deputy Mayor Hiller stated she was impressed with the approach made by Avalanche. She reported she participated in one of their focus groups and Avalanche representatives were good at engaging the public and they understand how deeply and broadly JEDO Board members want to engage in the community.

Councilmember Harmon stated his only concern with Avalanche was they recently completed a target market analysis and even though he was pleased with the work, he would be reluctant they would recreate the work already performed. He noted he would feel more comfortable with a new company performing the work; however, the new company would still need to understand the target market analysis conducted by Avalanche.

Mayor Wolgast stated he did not believe Avalanche was as specific in their comments pertaining to Topeka as Garner was as well as Avalanche stated it would take 20 weeks to perform the task as opposed to all the other companies which listed a 16 week average. He also stated Avalanche did not address or make any statements regarding information already retained from their previous study about Topeka.

Deputy Mayor Hiller stated she believes Avalanche would be at an advantage over the other companies because they have already laid the ground work in understanding the community, allowing them to really utilize the 20 week timeline by taking full advantage of engaging the community and gathering feedback.

Councilmember Jensen asked if Avalanche would be using the same project team as they did for the target market analysis.

Mayor Wolgast stated the same individuals were listed within the Avalanche proposal.

Commissioner Cook stated Avalanche Consulting Group and Garner Economics, L.L.C. were clearly the top two choices of the JEDO Board. He asked if it would be appropriate to invite both companies to attend the May 13, 2015, JEDO Board meeting, and request they make a formal presentation with the possibility of taking action at that time. He noted this would allow members of the Board to digest both proposals more in depth, followed by possible negotiation of a contract.

Councilmember De La Isla asked who would serve as the point of contact for the individuals as they move through the process.

Mayor Wolgast stated they would need to determine how they want administrative duties handled and discuss it with Avalanche and Garner. He requested a formal motion be made to invite Avalanche and Garner to the May 13, 2015, JEDO Board meeting.

Commissioner Cook moved to invite representatives from Garner Economics, L.L.C. and Avalanche Consulting Group to attend the May 13, 2015, JEDO Board meeting for the purpose of providing a formal presentation to the Board on how they plan to fulfill the terms of the Request for Proposal with the intent to ask questions or conduct interviews at that time. The motion was seconded by Deputy Mayor Hiller.

Mayor Wolgast asked if there was anyone present who would like to speak to the matter.

Joseph Ledbetter referenced the target market analysis conducted by Avalanche Consulting Group and stated he believes they did not engage the community as stated because the Citizens for Accountability in Government group was not invited to participate in discussions. He stated he would prefer to have a company that has not had direct contact with GO Topeka as well as the JEDO Board should solicit public input on the matter. He expressed the importance of transparency with public funds and noted he requested information on the four companies being considered from GO Topeka and did not receive any information. He stated there continues to be no answers as to why as a community we continue to lose distribution jobs.

Clark Trammell stated the Board should focus on the opportunity to do dynamic and exciting things for the community. He expressed the importance of getting all the steps right and making smart decisions by asking the hard questions. He stated he was concerned with choosing consultants that have done business with Go Topeka in the past. He noted Avalanche Consulting Group and Garner Economics, L.L.C. present well; however, he cautioned the Board to be directly involved in the process so the consultant understands what will be expected of them.

Scott Griffith, GO Topeka Board Chair, spoke in support of the efforts made by the Board to hire a professional consultant providing an excellent opportunity to look for better ways to improve processes. He noted Avalanche and Garner are both capable of maintaining their independence from

JEDO and it will be important to help the consultant understand through the proposal to build a strong foundation and work on the core of economic development for Topeka and Shawnee County. He reported GO Topeka Board members have begun the process in determining the next steps for GO Topeka and the Greater Topeka Chamber of Commerce due to recent changes in executive staff. He stated they plan to facilitate a conversation of what JEDO wants for GO Topeka as well as they have started the process of self-analysis and will keep the Board apprised as they move forward.

Evelyn Davis distributed a hand out and suggested the City and County refocus the goals for economic development by thinking about the term “sustainability” rather than “growth” for the community. She stated she believes they need to find what works for the community and focus on the positives and stop competing with other cities. She expressed concern with using outside consultants because historically there is no follow through with the plan once generated.

The motion to invite representatives from Garner Economics, L.L.C. and Avalanche Consulting Group to attend the May 13, 2015, JEDO Board meeting for the purpose of providing a formal presentation to the Board on how they plan to fulfill the terms of the Request For Proposal with the intent to ask questions or conduct interviews at that time carried unanimously. (6-0-0)

Joseph Ledbetter appeared to speak under public comment and expressed concern with the direction of GO Topeka moving forward. He requested an outside audit be conducted on the use of public funds by GO Topeka as well as the ability to review the minutes of GO Topeka Board meetings for the past five years. He stated he believes JEDO Board members have the right to demand accountability in regards to the use of economic development funds because citizens are very concerned with the lack of transparency and accountability and it must end. He reminded Board members that the citizens, neighborhood improvement associations, veterans and small business people are the stake holders in the community.

Carol Marple appeared to speak under public comment and stated she concurs with the comments made by Mr. Ledbetter and Mr. Trammell. She noted it has been difficult to stay on topic when the general public has not been allowed to engage with GO Topeka. She distributed a handout concerning GO Topeka’s legal fees from 2011 to 2013, a paragraph of a contract outlining the terms of a barn located on 77<sup>th</sup> Street as well as tax information on the barn. She reported taxpayers continue to pay property taxes on the barn because GO Topeka failed to remove it from the GO Topeka tax statement. She expressed concern with the mismanagement of GO Topeka funds and believes now would be a perfect time to separate the Greater Topeka Chamber of Commerce and GO Topeka along with the board members.

No further business appearing the meeting was adjourned at 7:04 p.m.





## ***Agenda Item No. 3***

**JEDO Board Meeting  
May 13, 2015 - 6:00 P.M.**

***City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas***

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**Presentations by:**

- **Avalanche Consulting, Inc.**
- **Garner Economics, L.L.C.**



## **Agenda Item No. 4**

**JEDO Board Meeting  
May 13, 2015 - 6:00 P.M.**

*City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas*

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DISCUSSION and ACTION on the proposals of the professional consultants to provide economic development analysis and recommendations for Topeka and Shawnee County.

View proposals by clicking on the corresponding company:

- [Avalanche Consulting](#)
- [Garner Economics LLC](#)

If you have questions or concerns please contact the City Clerk's Office at [cclerk@topeka.org](mailto:cclerk@topeka.org) or 785-368-3940 or 785-368-3941 we would be happy to assist you.



## ***Agenda Item No. 5***

**JEDO Board Meeting  
April 29, 2015 - 6:00 P.M.**

*City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas*

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**GO Topeka 2014 Financial Statements and Auditor's Report**



Mayer Hoffman McCann P.C.  
An Independent CPA Firm

990 SW Fairlawn Road ■ Topeka, Kansas 66606-2384  
Main: 785.272.3176 ■ Fax: 785.272.2903 ■ www.mhmcpa.com

May 7, 2015

To the Board of Directors  
Growth Organization of Topeka/Shawnee County, Inc.

We have audited the financial statements of Growth Organization of Topeka/Shawnee County, Inc. for the year ended December 31, 2014, and have issued our report thereon dated May 7, 2015. Professional standards require that we provide you with information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter to you dated December 3, 2014. Professional standards also require that we communicate to you the following information related to our audit.

#### **SIGNIFICANT FINDINGS FROM THE AUDIT**

##### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Growth Organization of Topeka/Shawnee County, Inc. are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Company during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Management's estimate of the value of pledge receivables. The determination of amounts potentially uncollectable and the present value discount is based on information, judgment and experience. We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

##### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.



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#### *Disagreements with Management*

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated May 7, 2015.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Company's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Company's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of Growth Organization of Topeka/Shawnee County, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Mayer Hoffman McCann P.C." in a cursive script.

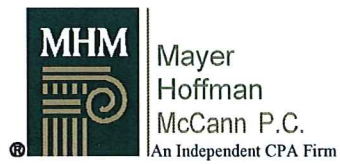
Mayer Hoffman McCann P.C.



**GROWTH ORGANIZATION  
of TOPEKA/SHAWNEE COUNTY, INC**

**Financial Statements and Auditor's Report**

**December 31, 2014 and 2013**





Mayer Hoffman McCann P.C.  
An Independent CPA Firm

990 SW Fairlawn Road ■ Topeka, Kansas 66606-2384  
Main: 785.272.3176 ■ Fax: 785.272.2903 ■ www.mhmcpa.com

### Independent Auditors' Report

Board of Directors  
Growth Organization of Topeka/Shawnee County, Inc.  
Topeka, Kansas

We have audited the accompanying statements of financial position of Growth Organization of Topeka/Shawnee County, Inc., as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Growth Organization of Topeka/Shawnee County, Inc. as of December 31, 2014 and 2013, and the changes in net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Mayer Hoffman McCann P.C.*

Mayer Hoffman McCann P.C.  
Topeka, Kansas  
May 7, 2015



GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

Financial Statements  
December 31, 2014 and 2013

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**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**

Statements of Financial Position

December 31,

Assets

|  | <u>2014</u>         | <u>2013</u>         |
|--|---------------------|---------------------|
| Current assets:  |                     |                     |
| Cash and cash equivalents  | \$ 7,583,533        | \$ 4,638,640        |
| Investments  | 2,165,675           | 2,801,471           |
| Pledges receivable, less allowance for uncollectible pledges of<br>\$36,473 in 2014 and \$27,000 in 2013   | 622,433             | 653,010             |
| Prepaid expenses   | 56,910              | 57,989              |
| Restricted funds   | <u>2,339,924</u>    | <u>5,712,309</u>    |
| Total current assets   | <u>12,768,475</u>   | <u>13,863,419</u>   |
| Property and equipment:  |                     |                     |
| Equipment  | 157,778             | 157,778             |
| Leasehold improvements   | <u>8,503</u>        | <u>8,503</u>        |
| Total property and equipment   | 166,281             | 166,281             |
| Less accumulated depreciation  | <u>(156,246)</u>    | <u>(147,786)</u>    |
| Net property and equipment   | <u>10,035</u>       | <u>18,495</u>       |
| Other assets:  |                     |                     |
| Pledges receivable, less allowance for uncollectible pledges of<br>\$115,438 in 2014 and \$200,951 in 2013 | 1,357,664           | 1,977,925           |
| Land held for economic development   | <u>7,721,230</u>    | <u>7,740,731</u>    |
| Total other assets   | <u>9,078,894</u>    | <u>9,718,656</u>    |
| Total assets   | <u>\$21,857,404</u> | <u>\$23,600,570</u> |

Liabilities and Net Assets

|  |                     |                     |
|--|---------------------|---------------------|
| Current liabilities:                                 |                     |                     |
| Deferred grant revenue – JEDO                        | \$ 8,322,831        | \$ 5,909,921        |
| Deferred grant revenue and other                     |                     | 1,233,396           |
| Accounts payable                                     | 14,727              | 257,098             |
| Due to Greater Topeka Chamber of Commerce            | 7,162               | 84,636              |
| Due to Greater Topeka Chamber of Commerce Foundation | 7,000               | 3,000               |
| Agency funds   | 362,080             | 379,693             |
| Improvement and training incentives                  | <u>1,537,424</u>    | <u>4,253,913</u>    |
| Total current liabilities                            | <u>10,251,224</u>   | <u>12,121,657</u>   |
| Long-term liabilities                                | <u>-</u>            | <u>-</u>            |
| Net assets:  |                     |                     |
| Unrestricted:  |                     |                     |
| Undesignated   | 1,102,353           | 882,247             |
| Board designated                                     | <u>8,523,730</u>    | <u>7,965,731</u>    |
| Total unrestricted                                   | 9,626,083           | 8,847,978           |
| Temporarily restricted                               | <u>1,980,097</u>    | <u>2,630,935</u>    |
| Total net assets                                     | <u>11,606,180</u>   | <u>11,478,913</u>   |
| Total liabilities and net assets                     | <u>\$21,857,404</u> | <u>\$23,600,570</u> |

The accompanying notes are an integral part of these financial statements

**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**

Statements of Activities  
Years Ended December 31,

|                                      | 2014                |                        | 2013                 |                        | Total                |
|--------------------------------------|---------------------|------------------------|----------------------|------------------------|----------------------|
|                                      | Unrestricted        | Temporarily Restricted | Unrestricted         | Temporarily Restricted |                      |
| Support and revenue:                 |                     |                        |                      |                        |                      |
| JEDO grant revenue                   | \$ 2,587,090        | \$ -                   | \$ 2,587,090         | \$ -                   | \$ 4,229,007         |
| Air Service grant revenue            | 1,000,000           |                        | 1,000,000            |                        |                      |
| Private contributions and pledges    | 31,965              | 113,268                | 145,233              | 196,670                | 246,370              |
| Events and other                     | 60,744              |                        | 60,744               |                        | 29,361               |
| Net assets released from restriction | 764,106             | (764,106)              |                      | (509,491)              |                      |
| Total support and revenue            | <u>4,443,905</u>    | <u>(650,838)</u>       | <u>3,793,067</u>     | <u>(312,821)</u>       | <u>4,504,738</u>     |
| Expenses:                            |                     |                        |                      |                        |                      |
| Program expenses:                    |                     |                        |                      |                        |                      |
| Economic development                 | 3,418,375           |                        | 3,418,375            |                        | 4,813,217            |
| Total program expenses               | <u>3,418,375</u>    | <u>-</u>               | <u>3,418,375</u>     | <u>-</u>               | <u>4,813,217</u>     |
| Supporting services expenses:        |                     |                        |                      |                        |                      |
| General and administrative           | 245,395             |                        | 245,395              | 237,699                | 237,699              |
| Fundraising                          | 2,030               |                        | 2,030                | 11,002                 | 11,002               |
| Total supporting expenses            | <u>247,425</u>      | <u>-</u>               | <u>247,425</u>       | <u>248,701</u>         | <u>248,701</u>       |
| Total expenses                       | <u>3,665,800</u>    | <u>-</u>               | <u>3,665,800</u>     | <u>5,061,918</u>       | <u>5,061,918</u>     |
| Change in net assets                 | 778,105             | (650,838)              | 127,267              | (312,821)              | (557,180)            |
| Net assets at beginning of year      | <u>8,847,978</u>    | <u>2,630,935</u>       | <u>11,478,913</u>    | <u>2,943,756</u>       | <u>12,036,093</u>    |
| Net assets at end of year            | <u>\$ 9,626,083</u> | <u>\$ 1,980,097</u>    | <u>\$ 11,606,180</u> | <u>\$ 2,630,935</u>    | <u>\$ 11,478,913</u> |

The accompanying notes are an integral part of these financial statements

**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**

Statements of Cash Flows  
Years Ended December 31,

|   | <u>2014</u>        | <u>2013</u>         |
|---|--------------------|---------------------|
| Cash flows from operating activities:   |                    |                     |
| Contributions, grants and other support   | \$7,079,772        | \$ 5,578,185        |
| Cash paid for personnel, vendors and suppliers  | (4,111,830)        | (3,701,749)         |
| Cash incentive payments, net of refunds   | (681,285)          | (1,738,004)         |
| Interest received   | <u>2,939</u>       | <u>2,867</u>        |
| Net cash provided by operating activities   | <u>2,289,596</u>   | <u>141,299</u>      |
| Cash flows from investing activities:   |                    |                     |
| Proceeds from sale of investments   | 635,796            | 1,393,086           |
| Investment in land and improvements   | (24,225)           | (49,455)            |
| Proceeds from the sale of land  |                    | 264,681             |
| Reimbursement for improvements  | <u>43,726</u>      | <u>          </u>   |
| Net cash provided by investing activities   | <u>655,297</u>     | <u>1,608,312</u>    |
| Net increase in cash  | 2,944,893          | 1,749,611           |
| Cash and cash equivalents at beginning of year  | <u>4,638,640</u>   | <u>2,889,029</u>    |
| Cash and cash equivalents at end of year  | <u>\$7,583,533</u> | <u>\$ 4,638,640</u> |
| Reconciliation of change in net assets to net cash provided by (used in) operating activities:        |                    |                     |
| Change in net assets  | \$ <u>127,267</u>  | \$ <u>(557,180)</u> |
| Adjustments to reconcile change in net assets to net cash provided by (used by) operating activities: |                    |                     |
| Discount on pledges   | (120,768)          | (107,170)           |
| Land expense  |                    | 42,562              |
| Depreciation  | 8,460              | 11,097              |
| Change in:  |                    |                     |
| Pledges receivable  | 771,606            | 419,991             |
| Prepaid expenses  | 1,079              | 26,027              |
| Restricted funds  | 2,138,989          | (609,119)           |
| Due to Greater Topeka Chamber of Commerce   | (77,474)           | 75,740              |
| Accounts payable  | (242,371)          | 257,098             |
| Deferred JEDO grant revenue   | 2,412,910          | 770,993             |
| Due to Topeka/Shawnee First Opportunity Fund  |                    | (196,668)           |
| Agency funds  | (17,613)           | 104,740             |
| Due to Greater Topeka Chamber of Commerce Foundation  | 4,000              | 500                 |
| Improvement and training incentives payable   | <u>(2,716,489)</u> | <u>(97,312)</u>     |
| Total adjustments   | <u>2,162,329</u>   | <u>698,479</u>      |
| Net cash provided by operating activities   | <u>\$2,289,596</u> | <u>\$ 141,299</u>   |

The accompanying notes are an integral part of these financial statements

# GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

## Notes to Financial Statements December 31, 2014 and 2013

### 1. History and Organization

The Growth Organization of Topeka/Shawnee County, Inc. was organized to encourage business and industry to locate and develop within the greater Topeka area and to otherwise promote the common economic interest of greater Topeka. The Organization receives funding through a grant from the Joint Economic Development Organization (JEDO) and by donations from the business community.

### 2. Summary of Significant Accounting Policies

This summary of significant accounting policies is presented to assist in understanding the accompanying financial statements.

#### Basis of Reporting

Assets, liabilities, net assets, revenues, and expenses are recognized on the accrual basis of accounting. Grant revenue is recognized at the time the funds are expended or are accrued for expenditure. Revenue from private contributions is recognized at the time the funds are received. Revenue from pledges is recognized in the period the pledge commitment is made by the donor.

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets represent the portion of funds currently available to support of the Organization's operations. The Organization's Board of Directors may designate a portion of unrestricted net assets to be used for certain purposes. At December 31, 2014 and 2013, the Board has designated net assets for future incentives related to land held for economic development and certain amounts funded to restricted escrow accounts.

Temporarily restricted and permanently restricted net assets represent funds that are subject to donor imposed time or purpose restrictions. At December 31, 2014 and 2013, temporarily restricted net assets are recorded for outstanding pledges receivable due to implied time restrictions as amounts are to be collected in future periods.

#### Fair Value Measurement

Assets recorded at fair value on the statement of financial position are categorized based upon the level of observability associated with the inputs used to measure their fair value. Fair value is defined as the amount that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The availability of observable inputs is affected by a variety of factors, including the type of asset and the transparency of market transactions. To the extent that fair value is based on inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment.

## GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

### Notes to Financial Statements December 31, 2014 and 2013

#### 2. Summary of Significant Accounting Policies (Continued)

##### Fair Value Measurement (Continued)

The three-level hierarchy for fair value measurements is defined as follows:

- Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets at the measurement date.
- Level 2 – Inputs are other than quoted prices in active markets that are observable for the asset, either directly or indirectly, including inputs in markets that are not considered to be active.
- Level 3 – Inputs are unobservable and significant to the asset, and include situations where there is little, if any, market activity.

Management endeavors to utilize the best available information in measuring fair value.

##### Management Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### Investments

The Organization invests in U.S. government securities money market funds, certificates of deposit and U.S. government securities. Investments are stated at fair value. Realized and unrealized gains and losses, dividends and interest on investments is reflected in the statement of activities.

Investment securities are exposed to various risks, such as interest rate, market fluctuation, and credit risk. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in risks in the near term could materially affect investments and the amounts reported in the statements of financial position.

##### Pledges Receivable

Unconditional promises to give that are expected to be received within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the estimated future cash flows. The discounts on those amounts are determined using risk-free rates applicable to the years in which the promises are received.

Conditional promises to give are not recorded until such time as the conditions are substantially met.

##### Land Held for Economic Development

The Organization holds land for the development of the Kanza Fire and Central Crossing Commerce Parks in southwest Topeka, Kansas. The acquisition cost of the land and certain types of improvements are recorded as an asset on the Statement of Financial Position. Maintenance and certain utility extension costs that result in benefits beyond the park development are expensed as incurred. Management annually reviews the land held for economic development to determine whether carrying values have been impaired.

Land held for economic development is a board designated net asset.

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

Notes to Financial Statements  
December 31, 2014 and 2013

2. Summary of Significant Accounting Policies (Continued)

Property and Equipment

The Organization capitalizes all expenditures in excess of \$2,000 for property and equipment at cost. Depreciation is determined on the straight-line basis, with estimated useful lives as follows:

|                        |             |
|------------------------|-------------|
| Equipment              | 3 - 5 years |
| Leasehold improvements | 5-10 years  |

Maintenance and repairs which neither materially add to the value of the property nor appreciably prolong its life are charged to expenses as incurred.

Income Taxes

The Organization is exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code, is exempt from federal income taxes pursuant to Section 501(a) of the Code, and has been classified as other than a private foundation.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and services benefited.

Cash Defined For Statement of Cash Flows

For purposes of the statement of cash flows, the Organization considers cash held in commercial banks with original maturities of three months or less to be cash and cash equivalents.

3. Cash

Cash and cash equivalents include repurchase agreements with a local bank. The repurchase agreements represent ownership interests in Federal Agency securities. Other bank deposits are generally maintained within FDIC-insured limits.

**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**

Notes to Financial Statements  
December 31, 2014 and 2013

**4. Investments and Fair Value**

Investments consist of the following at December 31:

|  | <u>2014</u>        | <u>2013</u>        |
|--|--------------------|--------------------|
| U.S. government securities money market fund | \$1,196,901        | \$1,834,942        |
| Certificates of deposit                      | <u>968,774</u>     | <u>966,529</u>     |
| Total investments                            | <u>\$2,165,675</u> | <u>\$2,801,471</u> |

The following table summarizes the investments recorded at fair value based on valuation hierarchy:

|                                 | <u>Fair Value</u>  | <u>Level 1</u>     | <u>Level 2</u>    | <u>Level 3</u>    |
|---------------------------------|--------------------|--------------------|-------------------|-------------------|
| <u>As of December 31, 2014:</u> |                    |                    |                   |                   |
| Money market fund               | <u>\$1,196,901</u> | <u>\$1,196,901</u> | \$ _____ -        | \$ _____ -        |
| Total                           | <u>\$1,196,901</u> | <u>\$1,196,901</u> | <u>\$ _____ -</u> | <u>\$ _____ -</u> |
| <u>As of December 31, 2013:</u> |                    |                    |                   |                   |
| Money market fund               | <u>\$1,834,942</u> | <u>\$1,834,942</u> | \$ _____ -        | \$ _____ -        |
| Total                           | <u>\$1,834,942</u> | <u>\$1,834,942</u> | <u>\$ _____ -</u> | <u>\$ _____ -</u> |

The fair value of the money market fund is based on the carrying value of the accounts due to its short maturity, high liquidity, and low risk of default.

Certificates of deposit are carried at cost plus interest credited to date.

**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**

Notes to Financial Statements  
December 31, 2014 and 2013

**5. Pledges Receivable**

During 2012, the Organization commenced a campaign to raise funds in support of its ongoing economic development activities. Pledges receivable from donors as of December 31 are as follows:

|  | <u>2014</u>        | <u>2013</u>        |
|--|--------------------|--------------------|
| Receivable in less than one year         | \$ 658,906         | \$ 653,010         |
| Receivable in one to five years          | <u>1,527,002</u>   | <u>2,304,504</u>   |
|  | 2,185,908          | 2,957,514          |
| Less allowance for uncollectible pledges | (151,911)          | (227,951)          |
| Less unamortized discount at 2%          | <u>(53,900)</u>    | <u>(98,628)</u>    |
|  | <u>\$1,980,097</u> | <u>\$2,630,935</u> |

Pledges receivable are classified as Level 3 under the fair value hierarchy since the amount recognized is based on estimated future cash flows.

**6. Land Held for Economic Development**

The Organization owns a portion of land at the Kanza Fire and Central Crossing Commerce Parks in southwest Topeka, Kansas. The land is available for the Organization to transfer to companies for economic development. The Organization also has an option to purchase an additional 609 acres at the Kanza Fire Park location, at prices ranging from \$6,000 – \$8,000 per acre.

During 2013, the Organization sold 24 acres of land in the Central Crossing Commerce Park. Proceeds from the sale totaled \$264,681, and were recorded as a reduction in the carrying value of the land held for economic development.

**7. Restricted Funds**

Restricted funds represent amounts held in two escrow accounts for specific purposes. One escrow account is maintained for certain property improvements, training, and employment incentives. The other escrow account was established in 2013 as part of an agreement to bring commercial air service to Topeka. The air service escrow account was funded with a \$1,000,000 grant from the Kansas Department of Commerce and \$250,000 of funds from Metropolitan Topeka Airport Authority. The following is a summary of funds held in escrow:

|                                   | <u>2014</u>        |                    |                    | <u>2013</u>        |
|-----------------------------------|--------------------|--------------------|--------------------|--------------------|
|                                   | <u>Incentives</u>  | <u>Air Service</u> | <u>Total</u>       | <u>Total</u>       |
| Balance, January 1                | \$4,478,913        | \$1,233,396        | \$5,712,309        | \$3,869,794        |
| Funding by the Organization       | 637,500            |                    | 637,500            | 1,552,431          |
| Funding by granting organizations |                    |                    |                    | 1,250,000          |
| Payments                          | (2,779,667)        | (1,233,539)        | (4,013,206)        | (966,650)          |
| Interest and other                | <u>3,178</u>       | <u>143</u>         | <u>3,321</u>       | <u>6,734</u>       |
| Balance, December 31              | <u>\$2,339,924</u> | <u>\$ -</u>        | <u>\$2,339,924</u> | <u>\$5,712,309</u> |



## GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

### Notes to Financial Statements December 31, 2014 and 2013

#### 8. Agency Funds

The Organization acts as an agent on behalf of the Governor's Military Council. Cash held on behalf of the Governor's Military Council is classified as both cash and a corresponding liability.

#### 9. Related Party Transactions

The Organization reimburses The Greater Topeka Chamber of Commerce for certain services incurred on behalf of the Organization. The reimbursements are primarily for salary and benefit costs of personnel serving the Organization. Amounts billed to the Organization for reimbursement of such services for the years ended December 31, 2014 and 2013, which are funded by the JEDO grant, were approximately \$414,000 and \$456,000, respectively. Amounts billed to the Organization for reimbursement of such services for the years ended December 31, 2014 and 2013, which are funded by private contributions, were approximately \$437,000 and \$359,000, respectively. At December 31, 2014 and 2013, the Organization owed the Greater Topeka Chamber of Commerce \$7,162 and \$84,636, respectively, under this reimbursement arrangement.

The Organization owed \$7,000 and \$3,000 at December 31, 2014 and 2013, respectively, for pledges collected on behalf of The Greater Topeka Chamber of Commerce Foundation.

The Organization also makes lease payments based on its proportionate share of space under a lease agreement between Security National Properties and the Greater Topeka Chamber of Commerce. Total lease expense for the years ended December 31, 2014 and 2013 was \$73,805 and \$77,625, respectively.

In 2014, the Organization made a contribution in the amount of \$156,024 to 712 Innovations, LLC, a subsidiary of the Greater Topeka Chamber of Commerce Foundation. 712 Innovations, LLC was established in 2014 to provide a makerspace/co-work space for economic development.

#### 10. JEDO Grant

JEDO is a separate legal entity authorized by Kansas Statute 12-2904(a) which was created by an inter-local agreement between the Board of Commissioners of Shawnee County and the City of Topeka. The Organization has an agreement with JEDO that provides for a grant to the Organization for the purpose of providing economic development services, including research, target marketing, existing business retention and expansion, new business recruitment, minority and women-owned businesses, infrastructure development, site acquisition and development, incentive funds, workforce training and expansion, and other such activities deemed necessary and appropriate. The term of the agreement is for one year and can be extended for successive periods of one year each unless either party terminates the agreement.

JEDO approved the carryover of the 2014 and 2013 unexpended grant funds. This carryover is included in the deferred JEDO grant revenue at December 31, 2014 and 2013, and includes approximately \$700,000 and \$540,000 for the minority and women-owned business program at December 31, 2014 and 2013.

On April 2, 2014, JEDO approved a new grant agreement with the Organization for a three-year period commencing January 1, 2015.

**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.**

Notes to Financial Statements  
December 31, 2014 and 2013

**11. Concentrations and Major Customers**

The Organization received 64% and 94% of their total revenue from a grant with the Joint Economic Development Organization (JEDO) for the years ended December 31, 2014 and 2013, respectively. In the event this grant was discontinued, the activities of the Organization would be curtailed accordingly. In addition, the Organization received 27% of their revenue for the year ended December 31, 2014 from the grant with Kansas Department of Commerce for air service.

**12. 401(k) Retirement Plan**

The Organization established a 401(k) retirement plan through a common paymaster agreement with the Greater Topeka Chamber of Commerce in which eligibility is reached when an employee has 1,000 hours of services, is age 21, and has completed 12 months of service. The 401(k) retirement plan is sponsored by the American Chamber of Commerce Executives.

The Organization's 401(k) retirement plan expense was \$31,759 and \$36,129 for the years ended December 31, 2014 and 2013.

**13. Incentives**

The Organization enters into various incentive agreements covering several years and generally requiring maintenance of employment levels and other obligations. For the years ended December 31, 2014 and 2013, the Organization paid net cash incentives totaling \$681,285 and \$1,738,004, respectively, under these agreements. These payments include payment into restricted funds (see Note 7). At December 31, 2014, the Organization also has outstanding contingent incentive commitments to various companies expected to be payable as follows:

|            |                    |
|------------|--------------------|
| 2015       | \$1,034,600        |
| Thereafter | <u>402,900</u>     |
|            | <u>\$1,437,500</u> |

Improvements and training incentive liability includes the following at December 31:

|   | <u>2014</u>        | <u>2013</u>        |
|---|--------------------|--------------------|
| Funded and held in escrow (see Note 7)                    | \$2,339,924        | \$4,478,913        |
| Less board designated employment incentive held in escrow | <u>(802,500)</u>   | <u>(225,000)</u>   |
| Balance, December 31                                      | <u>\$1,537,424</u> | <u>\$4,253,913</u> |

GROWTH ORGANIZATION OF TOPEKA/SHAWEE COUNTY, INC.

Notes to Financial Statements  
December 31, 2014 and 2013

14. Utility Extension

During 2014 and 2013, the Organization commenced extending water, sewer, and gas utilities around Kanza Fire Park. The total cost of the project was approximately \$2,576,000, of which \$500,000 was incurred in 2014 and \$2,076,000 was incurred in December 31, 2013.

The Organization has elected to record the cost of the utility extensions as an economic development expense as incurred.

15. Conditional Contributions

The Organization has been notified of promises to give for in kind services totaling approximately \$65,000. These promises are considered conditional and have not been recorded in the financial statements.

16. Subsequent Events

The Organization has evaluated subsequent events through May 7, 2015, the date which the financial statements were available to be issued.



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## ***Agenda Item No. 6***

**JEDO Board Meeting  
April 29, 2015 - 6:00 P.M.**

*City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas*

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**2015 GO Topeka 1<sup>st</sup> Quarter Report.**



# **Economic Development**

**1<sup>st</sup> Quarter 2015**

**Report to JEDO**





## 1<sup>st</sup> Quarter 2015

GO Topeka staff worked in the first quarter of 2015 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 first quarter met with 51 site location consultants and corporate real estate professionals in face to face meetings. Additionally, staff hosted 3 in-community site visits. During the first quarter, staff worked with 6 new prospects resulting in 1 formal incentive proposal. The current portfolio of New Business Attraction projects, at the end of the first quarter includes 34 projects, capturing potential for 5,438 new direct jobs and \$1,147,000,000 in new capital investment. Leads and prospects are being developed on an ongoing daily basis.

The Existing Business and Retention program made 24 visits in the first quarter of 2015 and is currently working on 8 active projects; which, based upon data received to date, represents \$30,200,000 in new capital investment, and 829 direct new and retained jobs. 3 annual audit verifications were completed with 5 additional audit verifications begun. Project Blue Sky was completed with up to 12 new jobs, 20 retained jobs and up to \$42.3 million invested. Work continues toward introductions, meetings and educating local businesses of resources available within the community.

Workforce Development initiatives continued with the M-TECH and scholarship programs. The M-TECH program was evaluated for adaption to improve high school students' preparedness to enter the workforce upon graduation and is transitioning to the Certified Production Technician (CPT) training, which is eligible for the Excel in Career Technical Education Initiative (SB155). The scholarship program with Washburn Tech awarded 14 awards totaling \$5,750 in the spring semester, bringing the total number of awards for fall and spring to 61 and the total amount awarded to \$33,000. Collaboration efforts between industry and Washburn Tech have advanced, with additional marketing efforts on behalf of the railroad diesel technology program.

Other efforts in the workforce development area included additional discussions regarding programs that would assist Veterans and a program involving the reintegration of previously incarcerated individuals.

The Entrepreneurial and Minority Business Development Department (EMBD) First Quarter activities provided a number of growth opportunities for small businesses. EMBD hosted a variety of forums, trainings, education and networking events designed to aid in the growth and development of the new and existing small business owner. During First Quarter, the staff hosted the USD 501 Workshop that had more than 150 attendees. Several other educational opportunities took place as EMBD held workshops that covered social media marketing (50), strategic planning (6), and Kauffman New Venture - small business start up (12).

Additional efforts included a major push to work within the community to create more visibility and support for the entrepreneurial education programs and to uncover future clients for the Loan Fund. Outreach was strong as the staff interacted with and/or presented to several local organizations

including the included the NAACP, US Small Business Administration, KTWU, The Department of Commerce, Network Kansas, SCORE, Hermanitas, Buffalo Soldiers, USD 501, ABWA, and Net Reach. Finally, the TSCFOF reviewed three loan packages during the Quarter; however, due to the client's inability to meet the lending criteria, TSCFOF was unable to fund the requests.

Creating a strong and vibrant small business community is critical of Topeka's future. Collaborating with other agencies will be critical in achieving this goal. Staff will continue to build alliances and long term relationships with agencies and organizations that support the growth of Topeka's small business community.

The following report gives much more detail as to all of the accomplishments and results of GO Topeka staff for the first quarter 2015.

**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

- 6 new prospects

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

Progress 1<sup>st</sup> Quarter

- 1 prospect visit with formal incentive proposal

**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 51 site location consultants and national corporate realtors at Team Kansas events, SelectUSA, Southern Economic Development Council, Mid-America Economic Development Council and one-on-one meetings.

**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, 2015 Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:  
34 Projects

\$1,147,000,000 Potential capital investment

- As of March 31, 2015 Current GO Topeka Portfolio of Existing Business Prospects/Projects includes:  
8 Projects  
\$30,200,000 Potential 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 Prospects/Projects includes:  
5,438 potential direct jobs
- Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:  
120 potential 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: \$39,988 (2014 Third 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 Prospects/Projects includes:  
Average projected wage of \$41,923 based on data received from Prospects/Projects to date

**Additional Attraction Actions Implemented in 1<sup>st</sup> Quarter 2015**

- Staff attended the Kansas Economic Development Alliance Legislative Day to hear about relevant topics being discussed in the 2015 session.
- Selection of the new marketing agency for GO Topeka's marketing materials.
- Selection of the agency for the development of a new and improved website for GO Topeka.
- Completed Target Industry Study and revised targets for attraction efforts.
- Met with consultants at Mid-America Economic Development Council.
- Co-hosted consultant event in Kansas City for area consultants.
- Attended the SelectUSA conference to meet with international site consultants.
- Co-hosted consultant event in Atlanta for area consultants.



### 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

- 16 business visits were conducted in the first quarter of 2015. Of those visits, 8 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 is currently working to assist 8 companies.

**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

- WorkKeys testing has been completed for 2014-2015 school year. Testing scores are being compiled and will be presented to each school district in late May at the post WorkKeys Counselor Meeting.
- The Washburn Institute of Technology scholarship program awarded 14 awards for the spring semester.

#### **Additional Existing Business and Workforce Development Activities Implemented in 1<sup>st</sup> Quarter 2015:**

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

##### **Existing Business:**

- Meetings continue for the planning of the Financial Services Summit, tentatively scheduled for September 23.

##### **Workforce Development:**

- Moving forward with Manufacturers in the Classroom development, will have updated presentation in the schools by the beginning of the fall semester

- The M-TECH program is now targeted within the Certified Production Technician (CPT) training, which is eligible for the Excel in Career Technical Education Initiative (SB155).
- Initial meeting conducted with Washburn University and Washburn Institute of Technology for the development of the Veteran's program

**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**

The first Quarter training consisted of workshops and classes for the new existing business owners. A variety of trainings and presentations in marketing, strategic planning, startup, finance and other outreach areas allowed EMBD to interact, inform and educate more than 206 individuals about the Entrepreneurial and Minority Business Development programs.

- A four week Strategic Planning Series was conducted by Dr. Norma Juma, Professor at Washburn University. The attendees performed a SWOT analysis on the businesses. The course guided the attendees in defining strategic planning as it related to their company, determine how they should be engaged in their company's growth, detailed the difference in the business plan and strategic plan; the course also covered effective marketing, advertising and identified ways to uncover innovation in their individual industries.
- The first Kauffman New Venture class this year began in March. This group of 12 potential entrepreneurs has traditional and nontraditional ideas on creating new small businesses.
- The Breakfast Buzz provided education on Effectively Marketing Your Brand using social media. The information educated the audience on the importance of using the modern day marketing tools. More than 50 small businesses attended this event.

- The EMBD met, collaborated and/or provided education and outreach with several organizations during first quarter – they included the NAACP, US Small Business Administration, KTWU, Hermanitas, Buffalo Soldiers, USD 501, ABWA, and Net Reach (Highcrest).

**Goal 4.2**      **Increase the number of applications received by TSCFOF during FY-2014 year.**

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

- EMBD presented three loan applications to the TSCFOF this quarter; however, none of the loans were approved. The Loan Committee is made up of bankers and entrepreneurs. This allows for a non bias opinion when viewing the loan packages. In an attempt to grow the pipeline for this fund, outreach for the loan fund is nonstop. The TSCFOF has begun receiving referrals from a few banks in the community as well.

**Goal 4.3**      **Collaborate with local and state agencies and corporations to host a Purchasing and Procurement Conference.**

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

- In January, GO Topeka's EMBD co hosted a workshop in collaboration with USD 501. The Doing Business With USD 501 workshop was well attended with more than 150 in attendance. This Workshop provided details on the upcoming RFPs for the project, certification and shared a two-year project time for the workshop.



## ***Agenda Item No. 7***

**JEDO Board Meeting  
May 13, 2015 - 6:00 P.M.**

*City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas*

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**2015 JEDO 1<sup>st</sup> Quarter Financial Statement**

**Joint Economic Development Organization  
Cash Statement  
As of 1st Quarter Ending March 31, 2015**

**Receipts:**

|                            |    |                            |
|----------------------------|----|----------------------------|
| Sales Tax - City of Topeka | \$ | 2,269,557.55               |
| Sales Tax - Shawnee County |    | 1,354,643.94               |
| Refund                     |    | 263,622.24                 |
| Interest Income            |    | 105.66                     |
| <b>Total Receipts</b>      |    | <u><u>3,887,929.39</u></u> |

**Disbursements:**

|  |                     |                                   |
|--|---------------------|-----------------------------------|
| City of Topeka                           |                     |                                   |
| Topeka Blvd Bridge                       | 3,247,470.00        |                                   |
| SE 45th: SE Topeka Blvd to SE Adams Ave  | <u>527,294.48</u>   |                                   |
|  |                     | 3,774,764.48                      |
| Shawnee County                           |                     |                                   |
| SE 45th St: SE Adams to SE California Ae | 22,589.02           |                                   |
| 2% County Admin Fee                      | 303,861.06          |                                   |
| County Bridges                           | <u>1,500,000.00</u> |                                   |
|  |                     | 1,826,450.08                      |
| GO Topeka                                |                     | 1,249,999.98                      |
| Audit Charges                            |                     | -                                 |
| Bank Charges                             |                     | 80.13                             |
| <b>Total Disbursements</b>               |                     | <u><u>6,851,294.67</u></u>        |
| Net Receipts (Disbursements)             |                     | <u><u>(2,963,365.28)</u></u>      |
| Bank Balance - January 1, 2015           |                     | <u><u>5,883,310.88</u></u>        |
| <b>Bank Balance - March 2, 2015</b>      | <b>\$</b>           | <u><u><u>2,919,945.60</u></u></u> |

Note: This is a cash basis report  
Prepared by Brandon Kauffman

City of Topeka & Shawnee County



**JEDO Board Meeting  
May 13, 2015 - 6:00 P.M.**

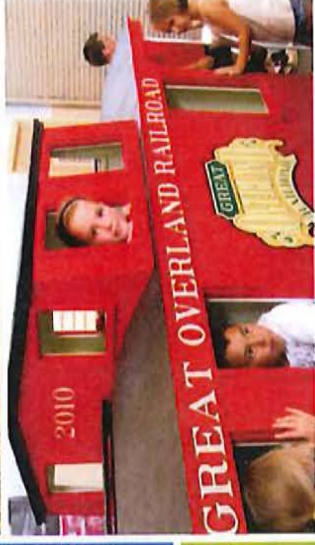
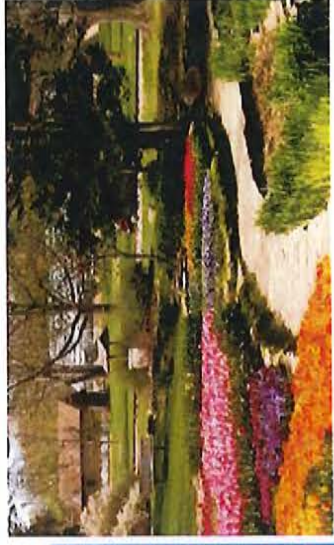
*City Council Chambers  
214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor  
Topeka, Kansas*

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Meeting Handouts from the public



City of Topeka & Shawnee County  
**JOINT  
 ECONOMIC  
 DEVELOPMENT  
 ORGANIZATION**  
*United For Growth*



# Conducting an Economic Development Analysis and Action Plan for Topeka and Shawnee County, Kansas

**Presented to the Joint Economic  
 Development Organization**

**Garner** | Economics LLC  
 solutions that work

Jay Garner, President  
 Garner Economics  
 13 May 2015

*Handout- Garner 5-13-15*



Garner | Economics LLC  
solutions that work



## Who We Are

**GARNER ECONOMICS** provides **creative, strategic** and **executable value** to companies, communities and organizations globally.

We are specialists as corporate site location advisors and economic development strategists.

**BRAND ACCELERATION** is a full-service marketing, communications, branding, and public relations firm with a specialty in economic development.





# Our Value Proposition



## Creative, Innovative Yet Pragmatic

We begin with **rigorous research** and **analysis** to fully understand the economic development issues and potential of Topeka and Shawnee County. We then recommend **well-tested, innovative strategies**.



## Client-oriented

We manage each process **effectively and tactfully**, taking into account client needs and leveraging our in-depth expertise to **find synergies and common goals**.



## Actionable

We work to **identify actionable and sustainable strategies and tactics** so JEDO is able to build the economic future it desires.

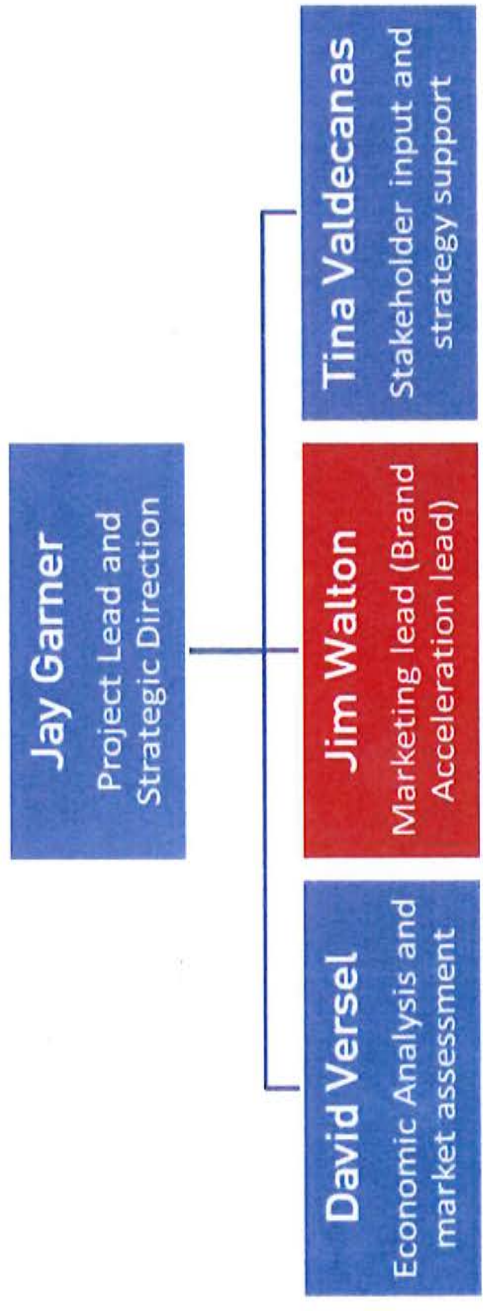
# Why Us? Results-Oriented Leadership & Experience

## Core Team for JEDO



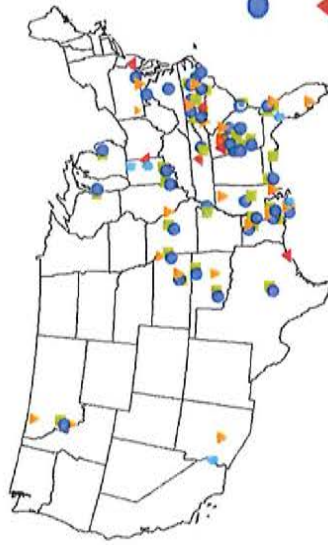
- Over 65 years of combined experience in economic development representing both the public and private sectors
- Former CEO of award winning economic development organizations (Jay Garner)
- Recently recognized by SB&D Magazine in the annual list of “Ten People Who Made A Difference”  
<http://sb-d.com/Features/Tenpeoplewhomadedifference2015/tabid/704/Default.aspx>
- Staff of 5 (offices in Atlanta; representative offices in Seoul and Berlin; branch office in NC)
- Diverse and varied private and public client base
- Founding member, vice chair and board member of the Site Selectors Guild
- Garner Economics – 13 years in business with over 100 clients (many repeat)

# Team Structure



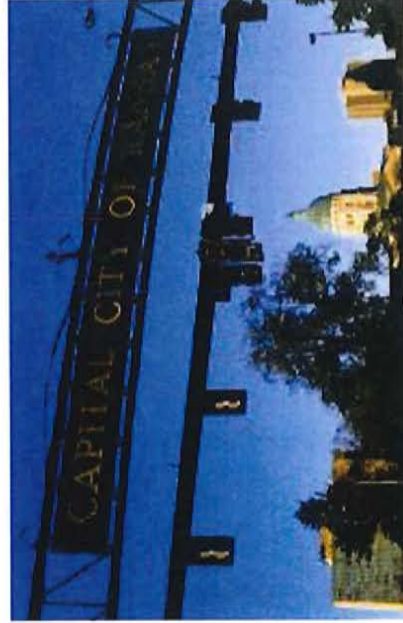
# Some Clients

- States, regions and municipalities
- Public-private partnerships
- Innovation clusters
- Private companies
- Economic development organizations



- Strategic Planning/Business Targeting
- Site Selection
- Workforce Assessment
- Research/Economic Analysis
- Organizational Analysis

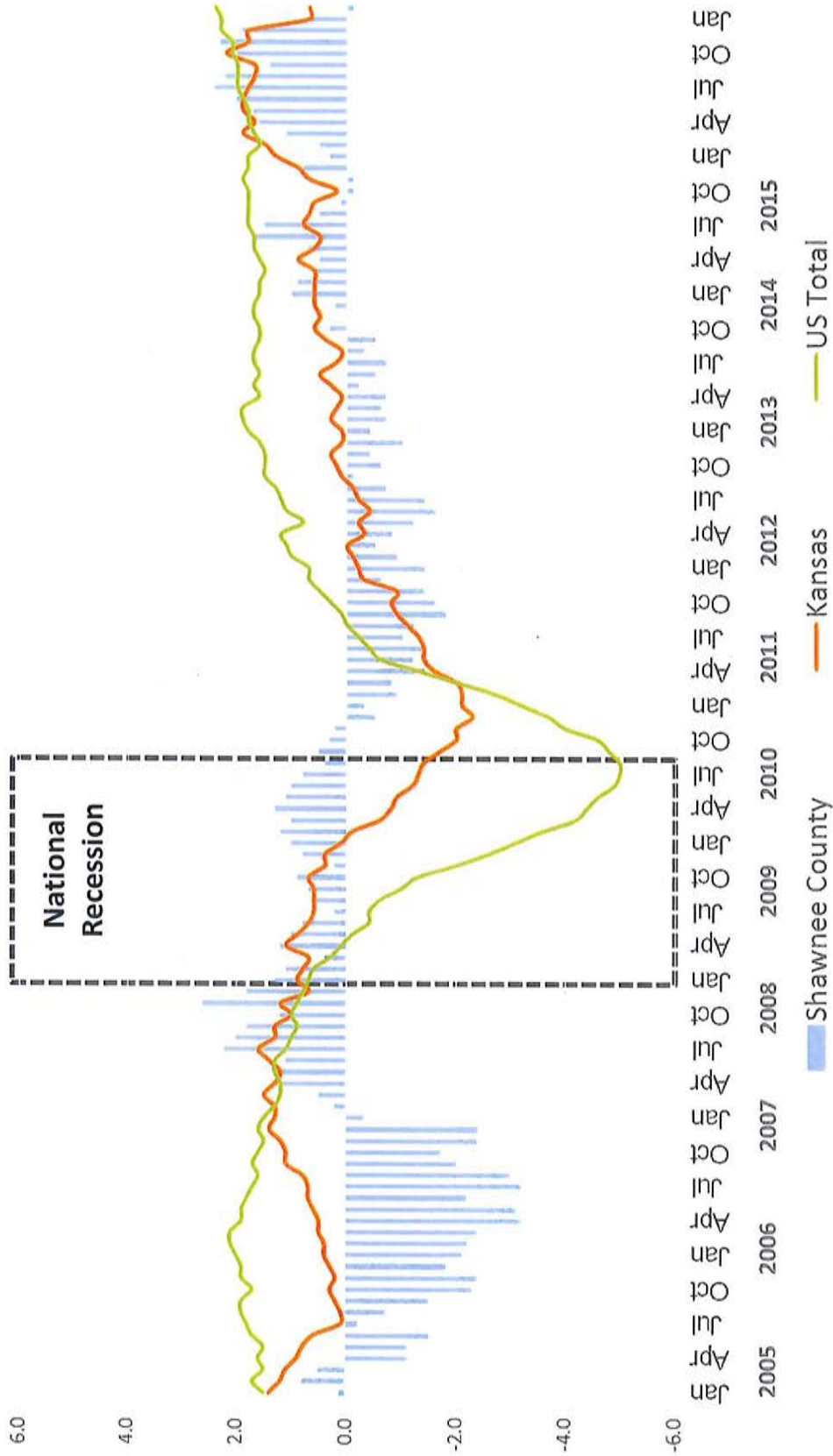




# Our Homework

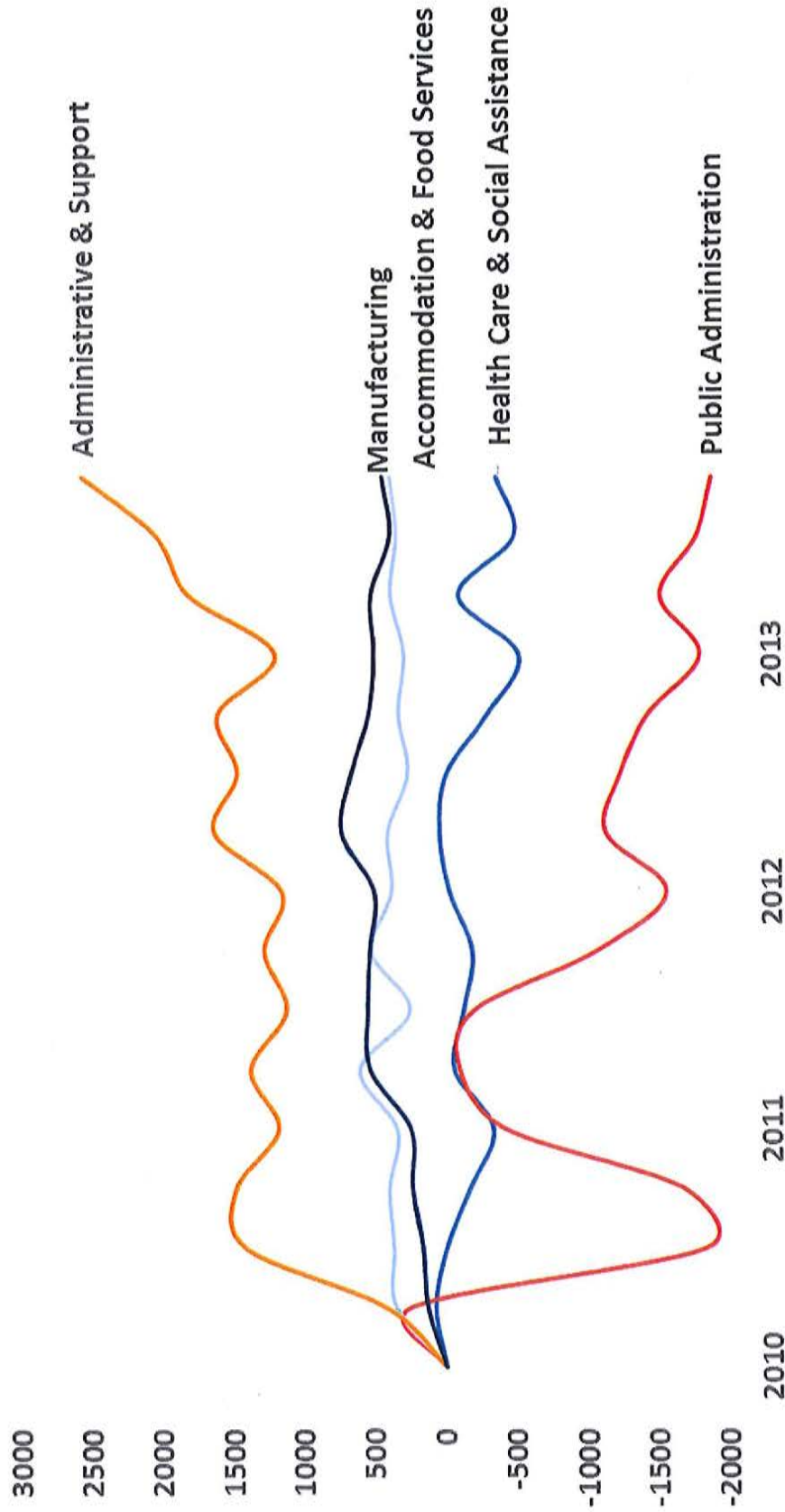
Topeka/Shawnee County |  
Current State | Recent Trends

# Employment Change



US Bureau of Labor Statistics, monthly year-to-year percent change

# Net Post-Recession Employment Change By Major Industry Sector

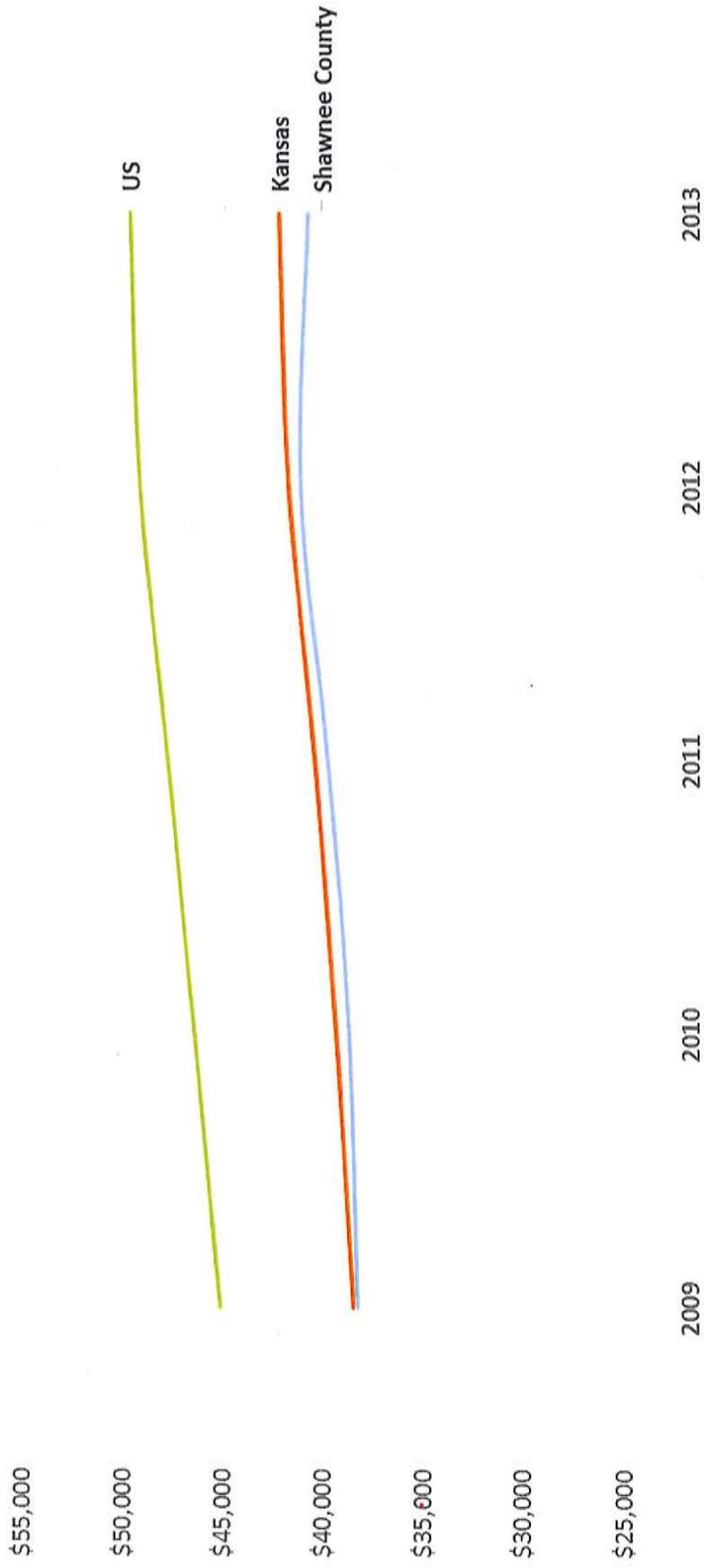


US Census Bureau Quarterly Workforce Indicators,  
Shawnee County, KS, 1Q 2010 = 0



# Average Annual Wage

## 2009 - 2013

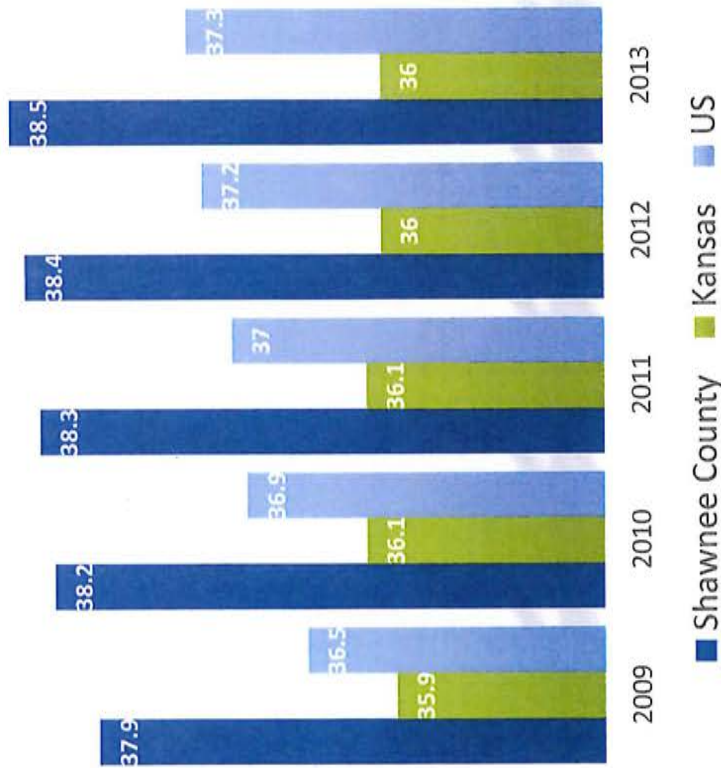


US Bureau of Labor Statistics, Private Sector only

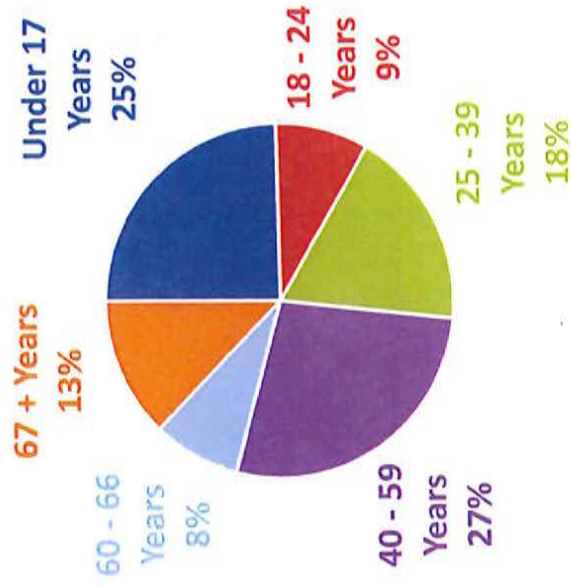


# Median Age & Age Distribution

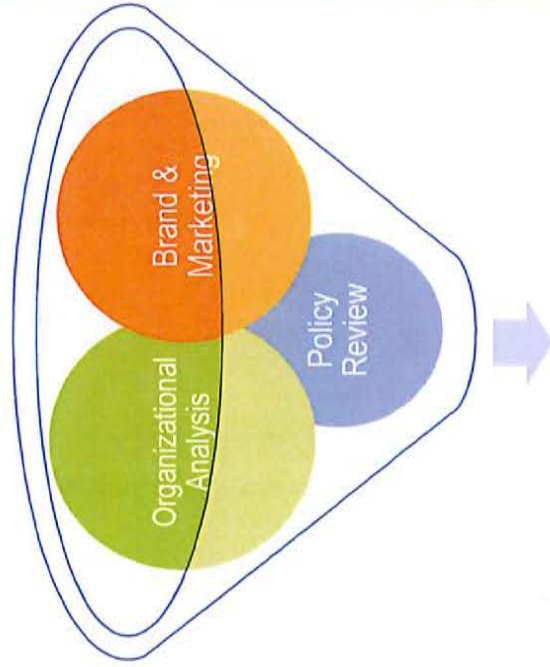
## Median Age



## Shawnee County Age Distribution 2013



Source: US Census Bureau, American Community Survey  
Shawnee County, KS



**JEDO Effectiveness Strategy**


# Our Approach

Client-specific | Rigorous research  
Actionable recommendations

# JEDO's Needs

(per your RFP)

## Conducting an Economic Development Analysis

- Phase One: Assessment
    - Organizational Analysis
    - Benchmarking
    - Incentive Policy Assessment
    - Marketing and Communications Audit
  - Phase Two: Recommendations and Strategies
  - Phase Three: Strategic Implementation with Metrics and Performance benchmarks
- 
- Informed from a site-selection perspective and an understanding of best practices; and by stakeholder input**

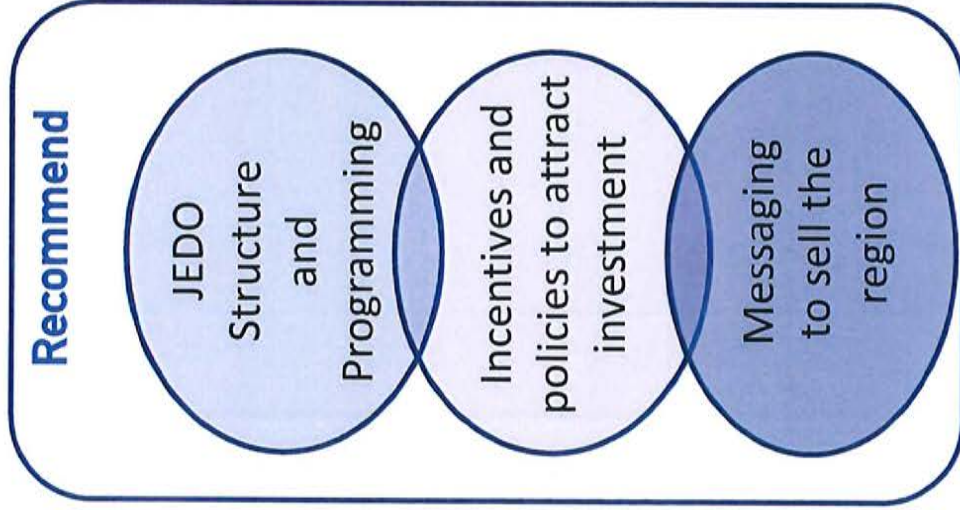


# How We Will Work to Achieve Your Goals

## Assess

Organization,  
Partnerships,  
and Regional  
Brand

## Recommend



## Implement

- **Economic development service delivery**
  - Structure
  - Funding
  - Partnerships
- **Incentives and other policies**
- **Telling your story**
  - External Marketing
  - Area brand
  - Internal (local) communication
- **Measuring Success**
  - Metrics; benchmarks
  - Organizational monitoring

# Stakeholder Input Process

(To inform Phase 1)

- 6 focus groups/round-table discussions
  - Convened around key community perspectives, such as large and small employers, entrepreneurs, academia, government officials; and, other groups unique to Shawnee County relevant to achieve economic success
  - Specific questions regarding business climate, assets and challenges and areas of opportunity
- Community listening session (Town hall)
- Electronic survey to a broad and diverse audience



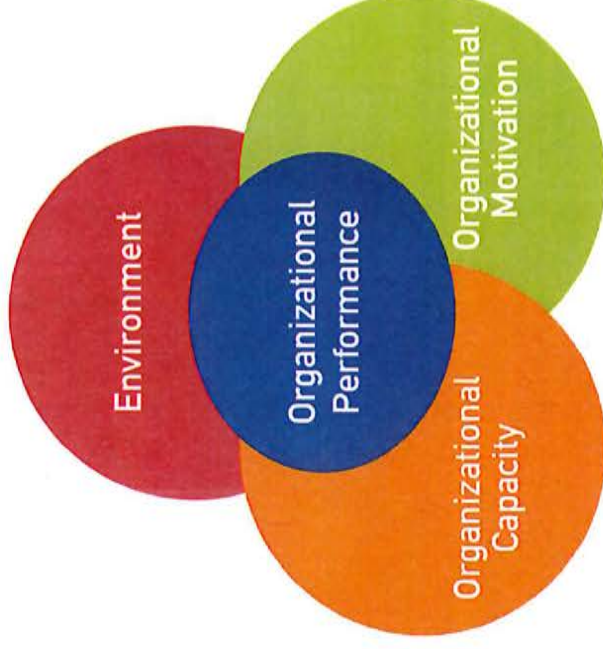
# Vision, Mission and Organizational Analysis

(Task 1.1)

*Understand the current, internal organizational structure and external relationships of JEDO and its agents.*

## Approach

- Conduct an organizational audit of JEDO and its economic development agent, GO Topeka
- Assess overall roles and responsibilities, organizational structure, funding, and programs and methods
- Understand JEDO's contractual and non-contractual relationships to other EDOs



# Benchmarking

(Task 1.2)

*Understand how JEDO and the Topeka/Shawnee County economic development service delivery compares to programs and results in competitor regions and best practice economic development organizations (EDOs).*

## Mission

- Good diversity
- Not fully leveraged

## Funding

- Structure and mechanisms
- Budget

## Governance

- High

## Structure

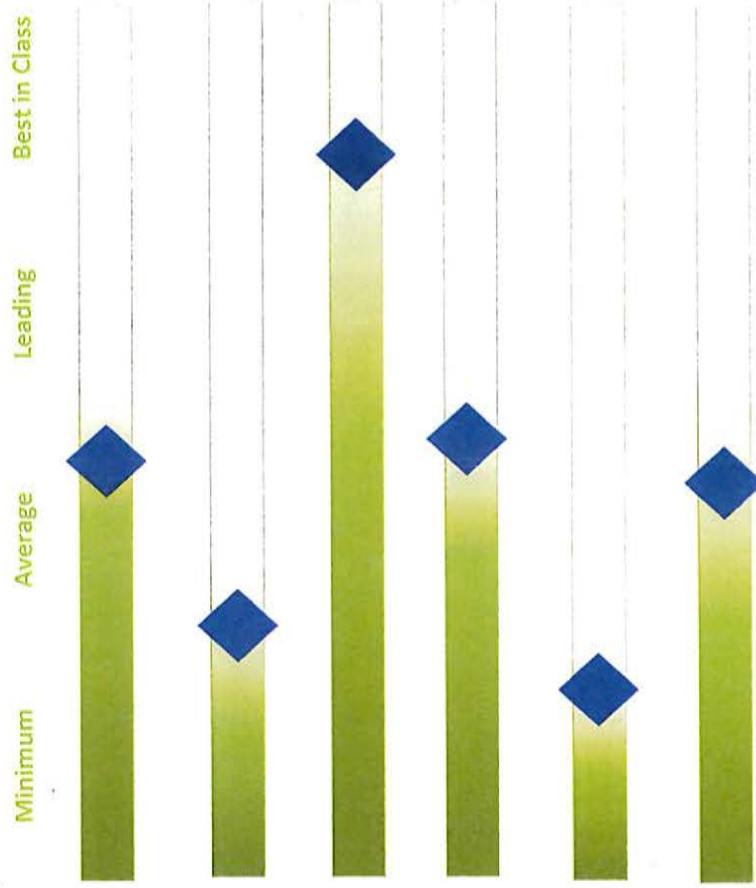
- Staffing
- Programming

## Performance metrics

- Strong hard assets
- Little connective tissue

## Results

- Not fully leveraging existing
- Little recognition of opportunities



*For illustrative purposes only*

# Incentive Policy Assessment

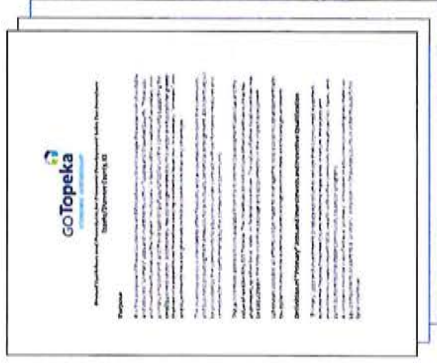
(Task 1.3)

*Assess current incentives available in Topeka and Shawnee County in terms of their potential to attract industries identified in the recent target industry strategy and as compared to “best in class” incentive programs in other US markets.*

## Approach

Effective incentive packages should be used prudently on projects where they can compel businesses either to remain or locate in Topeka and Shawnee County. The team will assess current policy in its ability to:

- Create and retain quality value added jobs
- Broaden and diversify the tax base
- Encourage capital investments
- Increase the region’s global competitiveness
- Promote the growth and wellbeing of Topeka and Shawnee County.





# Marketing and Communications Analysis

(Task 1.4)

Assess current external and internal (local) marketing and communications streams and understand the messages used to tell Topeka/Shawnee County's value as a business location.

## Approach

| External   | Internal  |
|--|---|
| <p>Evaluation of messaging, website, brochures, conference activities, audiences, and industries, discovering:</p> <ul style="list-style-type: none"><li>▪ Most effective activities</li><li>▪ Least effective activities</li><li>▪ Recommended messaging and marketing activities</li></ul> <p>Brand Profiling Analysis, to discover common:</p> <ul style="list-style-type: none"><li>▪ Feelings</li><li>▪ Thoughts</li><li>▪ Emotions</li></ul> | <p>Evaluation of messaging and communication mechanisms with agents and partners</p> <ul style="list-style-type: none"><li>▪ Effective reporting per stakeholder group</li><li>▪ Recommended internal messaging</li><li>▪ Lines of communication for high-impact EDOs</li></ul> |

# Implementation Recommendations

- JEDO's vision and mission
- Needed initiatives to sustain or grow a competitive advantage to attract and retain investment and improve the region's quality of place
- Identify barriers that need to be removed or policy changes that should be sought to allow JEDO to most effectively leverage public funds for economic development
- Strategy to strengthen the existing incentive program
- Provide organizational recommendations for best-practice service delivery in economic development and measure the effectiveness of its efforts compared to best practice programs
- Identify the most effective and efficient ways to tell the Topeka/Shawnee County story globally, as well as how JEDO is communicating its effectiveness to the local populous.



# Potential Metrics

(Representative and partial sample categories and metrics)

## Internal Metrics

- EDO Employee productivity
- Diversification of funding sources

## EDO Program Metrics

- Cost-benefit analysis of programs
- Internal ROI

## Relationship Management

- Effectiveness of Board to advocate for needed changes
- Level of partner engagement

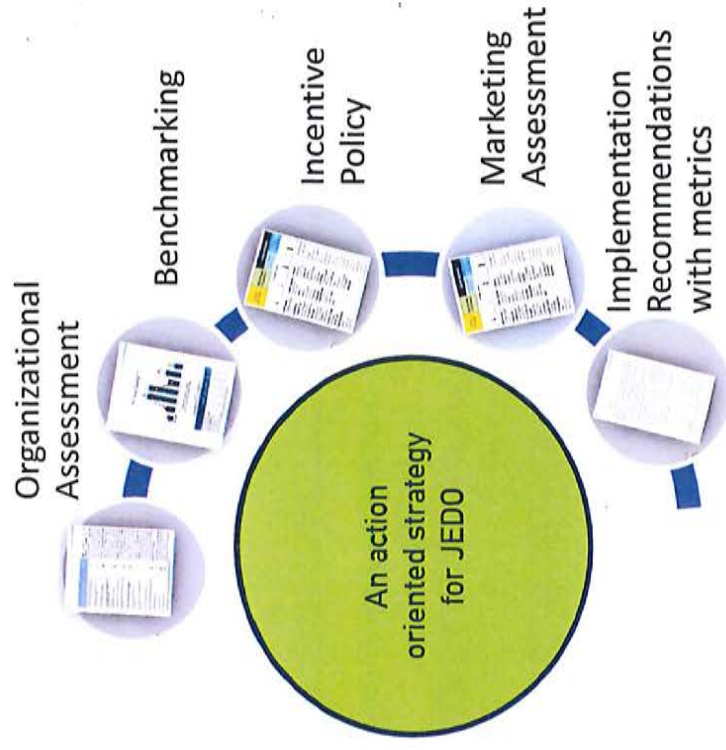
## Community Indicators

- Employment growth
- Wage growth
- Educational opportunities
- Talent pool
- ED infrastructure
- Business climate
- Region's competitive position

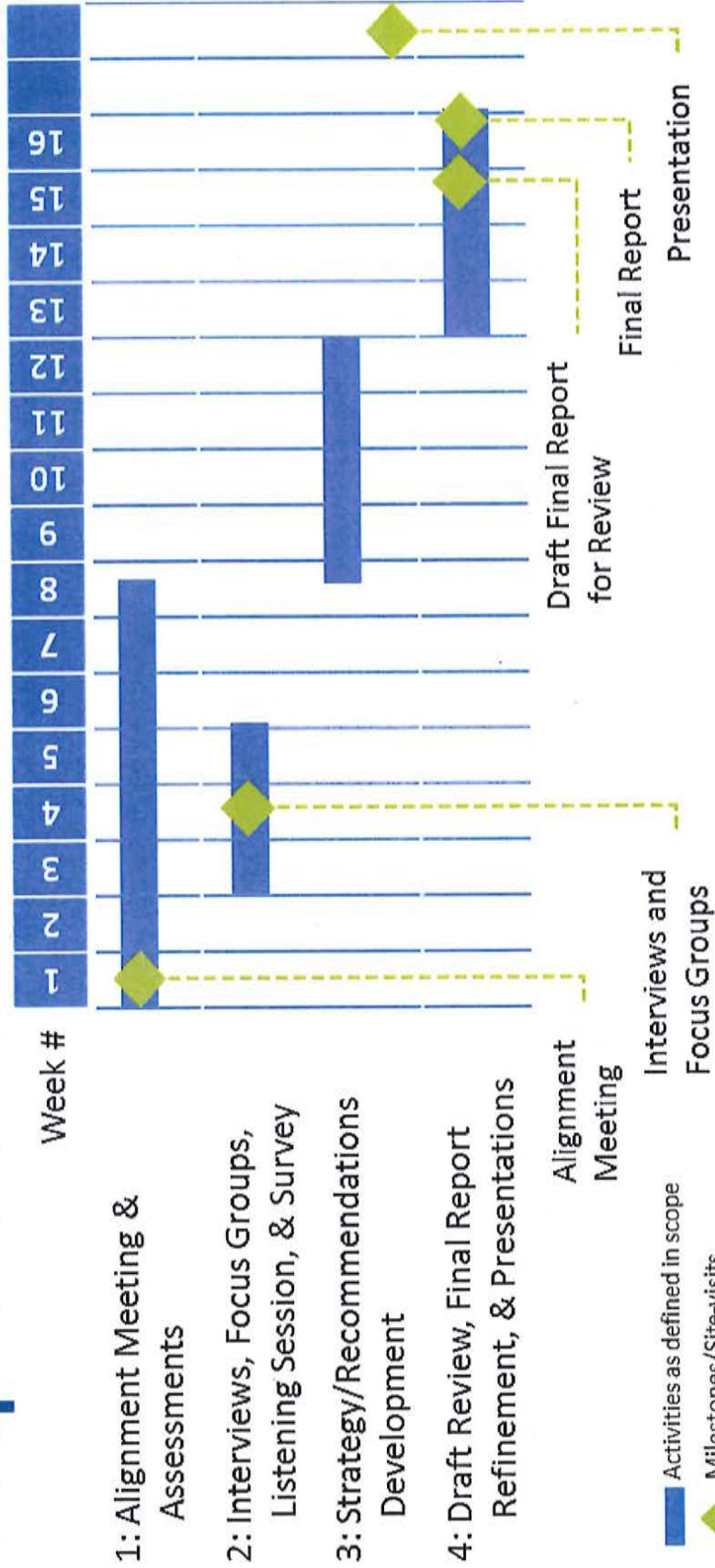
# Deliverables

Garner Economics will conduct and create an action-oriented, comprehensive analysis and strategy, which includes:

- Six focus groups, a community listening session and an electronic survey
- A milestone or half way report summarizing the work completed in Phase 1
- One written Word style **Final Report**
- One Power Point **Executive Summary**
- One final presentation to JEDO



# Proposed Timeline



# What Clients Are Saying About Us

"Jay Garner and his team provided us the most comprehensive cluster analysis and strategy that I've ever seen for an EDO. The work of Garner Economics was simply outstanding, and their conclusions and recommendations are now driving our business agenda."



Ronnie Bryant, President & CEO  
Charlotte Regional Partnership

"Jay Garner is the 'plastic surgeon' that has just finished marking up your flaws with a sharpie. Standing in front of the mirror you feel exposed to all your flaws, but know that the recommendations made by Garner Economics can take you and your community to the next competitive level."



Valerie Gray, Executive Director  
Chambers County (AL)  
Development Authority

"After receiving proposals from leading international consultants, Garner Economics was the clear choice. Jay Garner brought a "site selectors" perspective to the process, and his team provided valuable data-driven and insightful guidance to help us capitalize on our strengths, and identify areas in need of attention to best equip our community for future success."



Jason Hester, Executive Director  
Columbus (IN) EDB

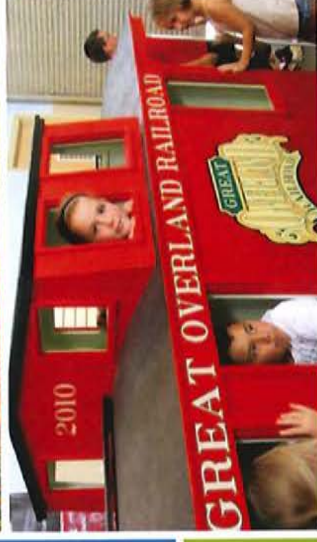
"Jay Garner and his team deliver advice based on experience and a real sense of place. His respect for places and his no-nonsense approach sets him apart from consultants with a one-size fits all style and a knack for telling clients what they want to hear as opposed to what they need to hear."



Mayor John Engen, City of Missoula



City of Topeka & Shawnee County  
**JOINT  
 ECONOMIC  
 DEVELOPMENT  
 ORGANIZATION**  
*United For Growth*



# Questions?

[jay@garnereconomic.com](mailto:jay@garnereconomic.com)

**Garner** | **Economics LLC**  
 solutions that work

# **GO Topeka Summary**

**JEDO Board Meeting**

**May 13, 2015**

*Handout - S Smathers 5-13-15*



# Economic Development: Topeka/Shawnee County

## **Existing Business**

- 70 to 80% of all new jobs

## **Workforce Development**

- Benefits both the companies and the citizens

## **New Business**

- Biggest splash and good marketing

## **EMBD (Small Business)**

- Diverse participation, continuous development, unique shops

## Existing Business

- Big Heart Pet Brands Project Proceeding
- Current Projects:
  - 9 overall with 1 of those opened in the 2<sup>nd</sup> quarter
  - Projects involve incentives, contacts, State assistance, labor issues, etc.
- Annual Verification Audits:
  - 4 have been completed, 4 are in process and requests for the data to conduct the audit have been sent to 2
- Financial Services Summit:
  - Scheduled tentatively for September 23, 2015

# Workforce Development

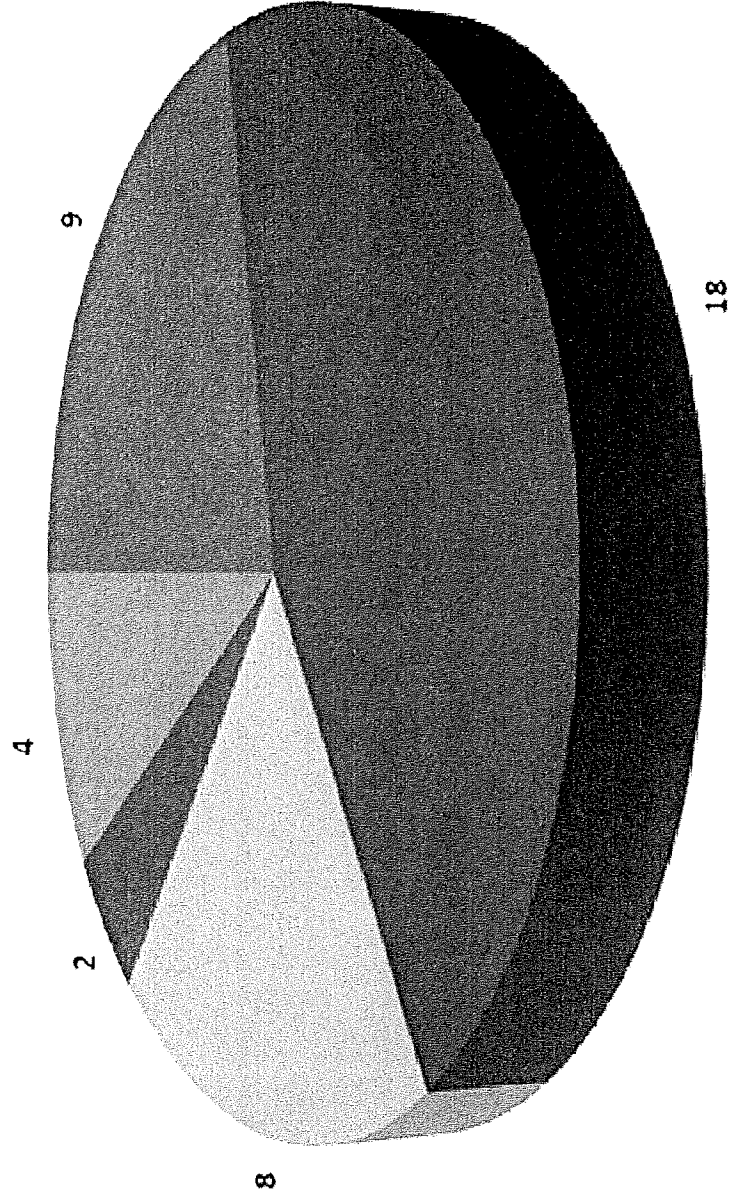


- JEDO Scholarship recipients, Washburn Tech
  - **61** total recipients, **\$33,000** total awarded
  - **Over 70%** of scholarship recipients are **economically disadvantaged**
  - Students are enrolled in programs from
    - Auto Tech** to *Surgical Tech*
    - Culinary* to **Welding**
    - Diesel** to *LPN*
- Manufacturers in the Classroom has a new presentation “look”
- M-Tech program: Now part of the “high school” program as well
- Other programs are in the works such as BNSF, Veterans, etc.
- Collaborative meetings with employers, Washburn Tech and USD 501 to foster workforce development between employers and educators

# New Business

## Business Attraction Projects by Industry

■ Unidentified ■ Manufacturing ■ Back Office ■ Bioscience ■ Manufacturing/Distribution



41 Total Projects

## **New Business**

### **Other Project Information:**

- Project Site Request Size: 20 - 200 acres
- Projects normally take around 1 year to come to fruition
- 3 prospect visits in the 1<sup>st</sup> quarter
- 6 new proposal requests in the 1<sup>st</sup> quarter with 8 already in the 2<sup>nd</sup> quarter

### **Marketing Materials:**

- Plan to show new marketing and web materials at our next meeting
- Started an E-Newsletter in March providing recent highlights

# Small Business Celebration Calendar of Events

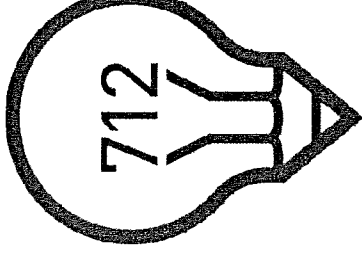
Mo: Mobis
Tu: Educational/Networking
We: Media
Th: Shop Local

| FR: 01  | SA: 02  | SU: 03   | MO: 04  | TU: 05   | WE: 06   | TH: 07   |
|---|---|--|---|--|--|--|
| <p><b>The Educator</b><br/>900N Kansas Ave.<br/>4:30 - 6pm.</p> <p><b>Top Honey</b><br/>Juniata Park<br/>1075 E. 10th<br/>10am - 5:30pm</p> | <p><b>Small Business Business</b><br/>Networking<br/>1571 S. SW Humboldt St.<br/>8:30 - 10:30am</p> | <p><b>Marion Lane Candies</b><br/>2827 SW 29th St.</p>   | <p><b>College Hill Pizza Pub</b><br/>1416 SW Lane St.</p> <p><b>City Council Planning</b><br/>6pm</p> | <p><b>Jess and Rosie's</b><br/>5633 SW 21st St.</p> <p><b>Washburn University</b><br/>11:30am - 1pm<br/>712 Humboldt<br/>712 S. Kansas Ave.<br/>11:30am - 1pm</p>                    | <p><b>Hazel Hill</b><br/>724 S Kansas Ave.</p>   |  |
| <p><b>Porterfield's</b><br/>Westboro<br/>3101 SW Humboldt St.</p> <p><b>FBA Golf Entertainment</b><br/>Shawnee<br/>Country Club<br/>1pm</p> | <p><b>Nothing planned, but get out and shop local.</b></p>  | <p><b>Classic Bean</b><br/>(all locations)<br/>723 S Kansas Ave.<br/>2135 SW Eastway<br/>2750 SW Utah Road</p> | <p><b>Blue Moose</b><br/>3030 SW Wrenmaker Road</p>   | <p><b>The Merchant</b><br/>913 S Kansas Ave.</p> <p><b>Small Business Awards Luncheon</b><br/>Capital Plaza Hotel<br/>11:30am - 1pm<br/>120 SE South St. Ste. 100<br/>1:30 - 5pm</p> | <p><b>Margarita's Jalisco</b><br/>1616 SW 17th St.</p> <p><b>Small Business Awards Luncheon</b><br/>Capital Plaza Hotel<br/>11:30am - 1pm<br/>120 SE South St. Ste. 100<br/>1:30 - 5pm</p> |  |
| <p><b>Orange Leaf</b><br/>(both locations)<br/>2647 SE Croco Road<br/>Ste 7, 1570 SW Wrenmaker Road, #230</p>                               | <p><b>Nothing planned, but get out and shop local.</b></p>  | <p><b>Nothing planned, but get out and shop local.</b></p>   | <p><b>SCORE</b><br/>How to Grow Your Business<br/>5724 SW Humboldt St.</p>                            | <p><b>Investment Bank</b><br/>Get Connected - Grow Your Business<br/>Renaissance Downtown<br/>7:30 - 9am</p>   | <p><b>Nothing planned, but get out and shop local.</b></p>   | <p><b>Nothing planned, but get out and shop local.</b></p> |



## **EMBD**

- Doing Business with USD 501: 150 participants
- 3 Loans Submitted
- Women's Forum: 125 participants
- Events
  - NAACP Economic Development Breakfast
  - ABWA Presentation
- Training
  - Breakfast Buzz: Social Media
  - Strategic Planning Workshops
  - Money Smart Workshops
- 712 Launched



**INNOVATIONS**

## **EMBD: Upcoming in Next 4 Months**



- Breakfast Buzz: May 20<sup>th</sup> (Doing business with Westar, USD 501, VA, GSA)
- Focus Groups
- Ice House Summer Bootcamp
- Financial Series
- New Venture Class
- Growth Venture Class
- Annual EMBD Conference





THE LEAGUE  
OF WOMEN VOTERS®  
OF TOPEKA-SHAWNEE COUNTY  
KANSAS

To: Joint Economic Development Organization

Date: May 113, 2015

Good evening members of JEDO,

I am the President of the League of Women Voters of Topeka/Shawnee County. As I believe you may know, our League has nearly completed the first year of our two-year study of JEDO.

We are very pleased that JEDO intends to engage a consultant to review current practices and provide recommendations to JEDO for going forward with best practices for economic development in our community. We support the goals specified in the RFP and the stated focus items of vision and mission, strategies, measurements, incentives, organization and marketing.

We note that the RFP specifically stated that the consultant should identify strategies "through all necessary means including active solicitation of public input reflective of our city and county." In keeping with this strategy, our study group is currently in the process of identifying recommendations that we would like to present to the consultant, recommendations that we believe would enhance JEDO's economic development mission. We would therefore appreciate the opportunity to meet with the consultant at the appropriate time during the course of the consultant's work to provide out input as a component of public input.

Camille Nohe  
President  
camille.nohe@cox.net

Clerk

Members of JEDO:

The following represent accomplishments I have directly participated in at times before, during and after the inception of the county-wide sales-tax initiative for economic development in Topeka/Shawnee County Kansas.

I believe that some of the previous actions taken by JEDO\* (even if begrudgingly), now offer optimum opportunities to expand off of these building blocks of policy in regards to future economic efforts. By addressing issues deemed real & significant to those not privy to attend important meetings or discussions with leading decision makers, I ask that your individual and collective leadership & influence continue to be used to address the few pockets of inequity and disparities left when crafting and promoting future policy.

I include a few areas below that I believe still needs leadership and resources in order to maintain the climate of hope currently in the minds of those I interact with. I am also very grateful to those who believe in me and/or have supported my community efforts since 1993.

Even if positive change would have come quicker over the years; and less costly to me personally and our organization, it is still better late than never, which is good enough for me.

Lazone Grays  
Citizen of Topeka  
President/CEO, IBSA, Inc.

####

#### **Accomplished: Sales-Tax Related**

\*Secured the 10% that's been utilized for the economic development of minorities & disadvantaged small businesses, individuals and neighborhoods

**Uses:** *(funds expended over the years include)*

- a) microenterprise training & development (FastTrac, IceHouse, Etc)
- b) micro-loans
- c) Grants (local trade show vending)
- d) technology (712 Innovations)
- e) incubator
- f) other

\*Public comment is now available

\*JEDO records and related public documents are now made available to the public online

\*Increased sales-tax dollars are dedicated for the workforce development (up-to over \$150,000) with special consideration of low-income persons and those with barriers to gainful employment such as lack of marketable skills, lack of access to proper/affordable/relevant training programs, formerly incarcerated persons, and those with notable gaps in their employment record.

\*A more fair & open competition of public funds captured, administered and distributed by JEDO

\*Better communication, coordination and cooperation has been established between sales-tax beneficiaries and agencies/people historically marginalized and exempt from the conversation,

discussions and decisions regarding economic development strategies and development that impacts their immediate lives, constituents and neighborhoods.

### **Accomplished: City-Related**

\*Funding established to create the first city-funded summer youth employment program (Mayor Joan Wagnon)

\*Efforts led this summer youth employment program not losing its city funding.

### **Items To Be Addressed**

#### **City**

\*Ban-the-Box policy (city)

\*City dedicates ongoing funding for youth summer employment program for low-income youth age 14-15 (CDBG)

\*City dedicates ongoing funds for adult trade skill training / transitional jobs program targeting LMI individuals (CDBG)

\*Policy and procedural changes that address statistically significant disparity in regards to city procurement contracting & purchases between White and Black owned enterprises.

#### **JEDO**

\* Establish an active supplier diversity council to design and establish a sustainable M/W/DBE ecosystem, tied to current and ongoing development, assistance & support services offered FastTrac / IceHouse graduates and those participating in other constructive program offered in the community.

- a) city, county, state procurement agents
- b) local corporations - supplier diversity officer
- c) large nonprofits - purchasing officer
- d) local educational institutions
- e) local chambers of commerce
- e) minority business advocacy groups
- f) women-owned business advocacy groups
- g) small business organizations & associations
- h) tech-based business associations
- i) youth enterprise programs & organizations
- j) housing authorities (HUD funded agencies - Section 3)
- k) other

*For Construction Related: [Stempel Plan](http://old.agc.org/cs/industry_topics/additional_industry_topics/mentor_programs)*

*[http://old.agc.org/cs/industry\\_topics/additional\\_industry\\_topics/mentor\\_programs](http://old.agc.org/cs/industry_topics/additional_industry_topics/mentor_programs)*

**Heartland Visioning held community meetings from September-November 2013 around Shawnee County with the purpose of reviewing our shared vision and strategic plan. During these meetings we discussed the future of Topeka and Shawnee County.**

**Question # 3**

“Based on the responses you heard to the first two questions, what do you think the community needs to make these ideas happen?”

**El Shaddai Ministries**

- Involve the youth
- Free community education/trade training for adults [1]
- Programs to give jobs to skilled workers who are released from prison (reduces crime) [2]
- Commitment from our city leaders

**Hi-Crest Neighborhood**

- Community work together
- Avondale East open – good programs here
- More people need to step up and have a heart to help
- Need better facilities for teaching

**Topeka Chamber of Commerce - Go Topeka Board**

- Community wide collaboration
- Create positive environment for new efforts [1]
- Leaders willing to risk experiments
- Bring poverty level down (raise people out of poverty) [1]
- Fearless leaders [3]
- Progressive will to change [3]
- Need to make sure the whole community feels they are getting benefits [1]

**Topeka / Shawnee County Public Library Teen Advisory Board**

- Get younger people in charge [5]
- Better use of tax dollars [3]
- More money on things that benefit community [1]
- Focus on younger generation

**Historic North Topeka East NIA & NOTOMA,**

- Training programs for improvements
  - Community centers
- Jobs for teens under 16 years old [3]
- People taking stand for community [2]
- Leadership [8]

**Fast Forward**

- Competent and effective leadership
- Willingness to take risks
- Open minded leadership
- Mentor programs at young age
- Mentor programs for adults
- Circles program – poverty
- Nontraditional, non academic opportunities to learn new skills
- Vocational ed opportunities for community members
- Continue pushing the envelope
  - Don't become complacent

# **Step-Up Apprenticeship Training & Employment Program**

## **What is Step-Up?**

Step-Up is a strategy initiated by HUD in partnership with the U.S. Department of Labor (DOL) in 1992 to assist low-income persons, particularly public and Indian housing residents, to obtain job training, career employment, and economic self-sufficiency. Step-Up combines the time-honored tradition of formal apprenticeship with preparatory educational and life skills training, and support services.

## **Why HUD?**

HUD's mission is broad and multi-faceted, and includes increasing homeownership; supporting community development; increasing access to affordable housing free of discrimination; and providing economic opportunities for low-income people. HUD is privileged to offer financial assistance through its many programs and other endeavors toward this mission; key activities involve the construction and building maintenance trades and HUD projects generate significant numbers of jobs in these trades. However, HUD was concerned that the jobs being created by HUD projects were not accessible to many low-income people living in the neighborhoods receiving HUD assistance. Through Step-Up, HUD strives to utilize its programs and projects to make jobs and training in the construction and maintenance fields available to people who may not have such opportunities otherwise. In order to further this objective, HUD turned to apprenticeship.

## **Why apprenticeship?**

HUD supports apprenticeship because it works. Many of HUD's program partners such as state and local governments, public housing authorities (PHAs), and tribally-designated housing entities (TDHEs) already use apprenticeship as a means to assemble and train a highly-qualified workforce. In addition, many contractors and subcontractors engaged on HUD-assisted projects participate in established apprenticeship programs. Apprenticeship programs offer job training together with jobs; apprentices earn wages while they are learning their trade. Apprenticeship has a long and proud history of providing structured, highly competent, safe and comprehensive occupational training and of producing journey-level workers of exceptional caliber. America needs a highly skilled workforce to build and maintain its communities, infrastructure and economy.

## **Why Step-Up?**

For many low-income people, access to and/or participation in apprenticeship was limited. Some people didn't meet entry level requirements for apprenticeship such as having a high school diploma or equivalent, or having taken certain math or science classes. Some didn't have access to affordable child care or transportation, or both. Mainstream job training and employment was beyond the reach for many. HUD created Step-Up as a bridge to close the gap and make apprenticeship opportunities more accessible.

## *How is Step-Up different?*

## **The Step-Up Year**

The Step-Up model bridges this gap by offering a preparatory period of paid practical work experience together with basic education and support services. Typical Step-Up programs feature GED programs for those who do not have a high school diploma; transportation and child care

# Step-Up Apprenticeship Training & Employment Program

## **How can I get more information or assistance?**

HUD's Office of Labor Relations can provide more information and assistance concerning Step-Up. Please follow the link, below, for a list of the Labor Relations field staff, their contact information, and the jurisdictions they serve.

Step-Up provides a vehicle for achieving compliance with the objectives of **Section 3 of the HUD Act of 1968**, which requires that preference be given to public housing residents, participants in HUD's Youthbuild programs, and other low- and very low-income persons in the metropolitan area in employment, contracting, and other economic opportunities.

<http://www.hud.gov/progdesc/stepup.cfm>

## **What is Section 3?**

<http://www.hud.gov/offices/ftheo/section3/section3brochure.cfm>

*It is a means by which HUD fosters local economic development, neighborhood economic improvement, and individual self-sufficiency. Section 3 is the legal basis for providing jobs for residents and awarding contracts to businesses in areas receiving certain types of HUD financial assistance.*

*Under Section 3 of the HUD Act of 1968, wherever HUD financial assistance is expended for housing or community development, to the greatest extent feasible, economic opportunities will be given to Section 3 residents and businesses in that area.*

MORE PROFITABLE  
YOU ARE HERE.



**GO Topeka Private Investors**

**GO Topeka Seizing the Opportunity Private Investors**

Please click on investor names to be taken to their website.

- [Aldersgate Village](#)
- [Ken & Pam Alexander](#)
- [Kevin Alexander](#)
- [Architect One](#)
- [ASA Marketing Group](#)
- [BA Designs](#)
- [Bartlett & West](#)
- [Tom Bell](#)
- [Berberich Trahan & Co.](#)
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- [Big Heart Pet Products](#)
- [Blue Cross and Blue Shield of Kansas](#)
- [Ed Bozarth Chevrolet Buick GMC](#)
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- [Brewster Place](#)
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- [Capital City Bank](#)
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- [Capitol Federal](#)
- [CBIZ Accounting, Tax & Advisory Services](#)
- [Clayton Financial Services](#)
- [Coffman, DeFries & Nothen](#)
- [Cold Stone Creamery](#)
- [Community Bank](#)
- [Cook, Flatt & Strobel Engineers](#)
- [CoreFirst Bank & Trust](#)
- [Cox Communications](#)
- [Creative Business Solutions](#)
- [Dillons Food Stores](#)
- [D.L. Smith Electric](#)
- [Dynamic Computer Solutions of Topeka](#)
- [Equity Bank](#)
- [Express Employment Professionals](#)
- [Ferrell Construction of Topeka](#)
- [FHL Bank Topeka](#)
- [Fidelity State Bank & Trust Company](#)
- [John Frieden](#)
- [Frito-Lay](#)
- [GTRUST Financial Partners](#)
- [Goodell, Stratton, Edmonds & Palmer](#)
- [HDB Construction](#)
- [Dan & Julie Hejtmanek](#)
- [Henson, Hutton, Mudrick, Gragson](#)
- [Hill's Pet Nutrition](#)
- [Holiday Inn Express & Suites North](#)
- [Hy-Vee](#)
- [Interim HealthCare of Topeka](#)
- [INTRUST Bank](#)
- [Jayhawk File Express](#)
- [JE Dunn Construction](#)
- [John Hoffer Chrysler Jeep](#)
- [Jones Huylett Partners](#)
- [Jones Advisory Group](#)
- [KaMMCO](#)
- [Kansas Gas Service](#)
- [Kansas Hospital Association](#)
- [Kansas Rehabilitation Hospital](#)

- [Kansas Secured Title](#)
- [KAW Valley Bank](#)
- [KBS Constructors](#)
- [Kendall Construction](#)
- [Key Staffing](#)
- [KS Commercial](#)
- [Kwik Shop](#)
- [L&J Building Maintenance](#)
- [Lawyers Title of Topeka](#)
- [Luminous Neon](#)
- [Mainline Printing, Inc.](#)
- [MB Piland](#)
- [M-C Industries](#)
- [McElroy's](#)
- [McPherson Contractors](#)
- [Mechanical Contractors Association of Kansas](#)
- [Pat and Connie Michaelis](#)
- [Mickey's Promotions](#)
- [Midway Wholesale](#)
- [Midwest Coating](#)
- [Midwest Health](#)
- [Mize Houser & Company](#)
- [Jim Ogle](#)
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- [Parrish Hotel Corporation](#)
- [Pepsi-Cola of Topeka](#)
- [Prairie Band Potawatomi Nation](#)
- [Professional Engineering Consultants](#)
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- [Schmidtlein Excavating, Inc.](#)
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- [The American Home Life Insurance Company](#)
- [The Craig Group](#)
- [The Goodyear Tire and Rubber Company](#)
- [The Topeka Capital Journal](#)
- [Topeka Area Association of REALTORS](#)
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- [Richard & Susan Wienckowski](#)
- [Wolfe's Camera](#)

*Investor list updated June 4, 2013.*

Investment pledges from more than 120 companies and individuals will result in \$4 million that will go toward economic development initiatives in the community over the next five years. These funds are in addition to the public dollars generated from the county wide sales tax for economic development and infrastructure improvements.

Since its inception, GO Topeka has generated 4,798 new jobs and 5,164 retained jobs, for a total of 9,962 direct jobs, with over \$1.2 billion in capital investments from 126 companies.

GO Topeka Economic Partnership implements an economic development strategic plan on behalf of the city of Topeka and Shawnee County. GO Topeka contracts with the Joint Economic Development Organization (JEDO) on an annual basis to carry out the economic development program. JEDO is comprised of the three elected county commissioners, the Topeka Mayor, the Deputy Mayor and two city council members.

*Handout - Carol Mazze  
5-13-15*

# Service Agreement Sept 17, 2011

## ATTACHMENT A

### CURRENT ALLOCATIONS

The following is an outline of certain expenses that are allocated between the Chamber and Go Topeka:

1. Creative Business Solutions (HR Services) 43.75% Go Topeka  
43.75 % Chamber 12.5 % Heartland Visioning *Private Investor*
2. Qwest Phone/T-1 Internet line - 50% Go Topeka 50% Chamber
3. AT&T- 50/50
4. Allegiant Network - 50/50 - phone system maintenance
5. Alpine Creek - 50/50 - hosting of on line community calendar of events
6. Brier Payne Meade -50/50 except on items that are specifically identifiable to either entity
7. Dynamic Computer - 50/50 on Spam Filtering, Offsite Storage, Service Maintenance, Managed WatchGuard, Vault Backup Services  
*Private Investor*
8. Jayhawk File Express - 50/50 for document storage and disposal  
*Private Investor*
9. Marlin Leasing (copy machines) - 50/50
10. Natural Solutions - Database software - 50/50
11. Oce Imagistics - copier usage - divided per department usage
12. Sage Software - Mas 90 accounting software - 50/50
13. Security National Properties - 50/50 on the shared space; GT does pay for the north side of the office space that was rented specifically for GT
14. State Farm Insurance - 50/50
15. Topeka Country Club - 50/50 sharing of membership dues. Costs for specific events are charged to the applicable entity.
16. Townsite Parking - divided per usage
17. Mailfinance Inc. - postage machine - 50/50





## MHM's Association with CBIZ

Mayer Hoffman McCann P.C.'s (MHM) expertise may be supplemented with resources available through a strategic association with CBIZ, Inc. (NYSE: CBZ). CBIZ, a national multidisciplinary services company with offices in major cities throughout the country, is one of the nation's leading providers of outsourced business services, including:

- » Accounting and tax
- » Benefits and insurance
- » A wide range of consulting services

Together, MHM and CBIZ are a top ten national accounting providers and work seamlessly with each other so you can focus on what you do best: running your business.

With more than 5,100 professionals nationwide, MHM and CBIZ share the philosophy that we play a fundamental role in our clients' success. MHM, a national, independent CPA firm, and CBIZ, a national consulting firm, provide clients with greater access to resources and expertise — all with the responsiveness and personal attention they deserve.

For more information CBIZ's services, please visit [cbiz.com](http://cbiz.com).

### Resources

- » [Top 100 Accounting Providers National Ranking](#)

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|-----------|------------|-----------------|--------------|--------------|
| David     | Pepper     | pdavid@cbiz.com | 785.272.3176 | >            |
| Glenn     | Doug       | dglenn@cbiz.com | 785.272.3176 | >            |

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