



CITY OF TOPEKA

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Joint Economic Development Organization Local Business Recovery Taskforce Minutes February 5, 2021

Zoom Meeting
Topeka, Kansas
Friday, February 5, 2021

The Joint Economic Development Organization (JEDO) Local Business Recovery Taskforce members met at 10:30 a.m. with the following voting members present: City of Topeka Deputy Mayor Michael Padilla, City Councilmember Michael Lesser; Shawnee County Commissioner Aaron Mays. City of Topeka Deputy Mayor Michael Padilla presided as Chair.

Others present who presented and/or spoke before the Taskforce: City Manager Brent Trout, and Glenda Washington, Chief Equity & Opportunity Officer for Go Topeka.

Deputy Mayor Padilla, Chair, announced the Taskforce was created at the request of the JEDO Board from the Special JEDO Board meeting of December 22, 2020, for the purpose of providing relief to local businesses struggling; however, since that meeting some relief has taken place through additional federal stimulus dollars.

Commissioner Mays stated that his intent would be to provide assistance through economic development dollars to struggling locally owned small businesses that do not qualify for Paycheck Protection Program (PPP) loans or other federal funding in order to help them survive the COVID-19 pandemic and keep them open for business. He reported he distributed a summary document to Taskforce members via email outlining his thoughts on potential concepts including feedback from Glenda Washington, Chief Equity & Opportunity Officer for Go Topeka.

Councilmember Lesser stated he concurs with comments made by Commissioner Mays; however, since December 22, 2020, another Stimulus bill has been passed and distribution of the COVID-19 pandemic vaccination has begun with the hopes that the community will begin to recover. He expressed his support of providing assistance to small businesses and expressed the importance of defining the term "small business" as it relates to the number of employees; as well as the intent of the program being fairly narrow and significantly vetted on who would receive assistance. He suggested as a grant perimeter, if a business was eligible for a PPP loan then it would not be eligible for this program.

Deputy Mayor Padilla stated he concurs with comments made by Commissioner Mays and Councilmember Lesser. He asked who has already received funding assistance and if a second round of funding assistance would be useful to "small businesses" that have a future and have fallen through the cracks of other federal funding assistance. He also asked if there were specific industries that may be suffering more than others.

A DISCUSSION regarding current grants/programs available for small businesses. (00.09.22)

Glenda Washington, Chief Equity & Opportunity Officer for Go Topeka present a list of Small Business Relief & Support Programs. The Chamber provided the following programs: Host I that was private sector funded was able to provide Seven Hundred Ten Thousand Dollars (\$710,000), Host II that was provided through JEDO provided approximately Five Hundred Thousand Dollars (\$500,000), the Small Business Incentives added another Four Hundred Twenty-Nine Thousand Dollars (\$429,000) and The First Opportunity Loan Fund Program with Six Hundred Eighty Thousand Dollars (\$680,000). Brent Trout, City Manager confirmed the City of Topeka received One Million Three Hundred Sixty Thousand Dollars (\$1,360,000) from the Department of Housing and Urban Development (HUD) for the City of Topeka Business Loan Fund. While Shawnee County has provided Eight Hundred Thousand (\$800,000) to Go Topeka for a Business Continuity Plan.

Additional support programs include: Shawnee Start Up program that loans Thirty Five Thousand Dollars (\$35,000) a year, multiple State of Kansas loan programs but due to quick turnaround many businesses may not have the ability to take advantage, Federal Paycheck Protection Plan and Economic Injury Disaster (EIDL).

A Discussion regarding missing resources for small businesses in our community. (00.13.45)

Glenda Washington, GO Topeka Chief Equity & Opportunity Officer, reported the current programs available failed to assist Start-Up Businesses and they must pay close attention to the needs of Small and Micro-Businesses. She suggested the definition of a “small business” consist of 50 or fewer employees and the definition of a “micro-business” consist of 5 or fewer employees. She expressed the importance of location efforts for small businesses that need assistance.

Councilmember Lesser reported the second Stimulus bill opened additional areas to Child Care, Theaters, not-for-profit, etc. and if a business could show a loss they could apply for additional funding.

Brent Trout, City Manager, listed the reasons why businesses were denied City funding including any businesses that employ over 25 employees; were not in business prior to the COVID-19 pandemic; outside the income parameters; experienced no loss; and located outside the city limits.

Discussion ensued on the following:

- The definition of small business. Commissioner Mays proposed under fifty (50) full-time employees. Councilmember Lesser agreed to under fifty (50) full-time equivalent employees.
- The minimum number of employees for assistance. Commissioner Mays proposed a minimum of three (3) W-2 employees. Glenda Washington mentioned that some microbusinesses include a husband and wife team, which would not meet the proposed minimum requirement.
- Targeted industries including Food & Beverage, Lodging, Events, Sports, Entertainment and Travel & Transportation. Commissioner Mays commented on how the sports industry has been impacted by Shawnee County Health Department orders; including those that host leagues and tournaments, etc. He also mentioned that entertainment would include locally owned theaters and live shows, while events would be event venues (weddings, etc.) that were impacted with the mass gathering limitations.

- Start-up Businesses. Deputy Mayor Padilla stated start-up businesses were unable to receive assistance. Commissioner Mays reported he would like to focus on businesses showing hardship documentation rather than adding another limitation. Councilmember Lesser stated many start-up businesses incur costs well in advance of opening their business. The consensus of the Taskforce was to allow start-ups to receive assistance.
- Grant Amounts and Allocation Determination. Commissioner Mays proposed a minimum of One Thousand Dollars (\$1,000) to Ten Thousand Dollars (\$10,000). Councilmember Lesser stated he would like to see the maximum set at Twenty-Five Thousand Dollars (\$25,000) and having the Taskforce review the applications; however, this would require more time to discuss the allocation determination. Glenda Washington proposed the businesses economic impact play a role of deciding factor and that a One Thousand Dollars (\$1,000) minimum would not provide enough assistance. Additional minimums proposed included Two Thousand Five Hundred Dollars (\$2,500) by Commissioner Mays and Five Thousand Dollars (\$5,000) by Councilmember Lesser.
- Additional Assistance Options: Commissioner Mays suggested free business continuity education and application assistance to other Government grants and loans. Glenda Washington stated it would be easy to include businesses in the 2021 spring or fall business continuity classes.

APPROVAL of grant parameters. (00.51.30)

Deputy Mayor Padilla, Chair, stated he did not feel ready to vote on grant parameters at this time. Commissioner Mays and Councilmember Lesser concurred that no action should be taken at this time.

APPROVAL of Taskforce meeting schedule. (00.54.04)

Following consensus of the Taskforce, Deputy Mayor Padilla announced the next Taskforce meeting would be held sometime in February 2021, Trey Heikes, City of Topeka staff member would send a Doodle Poll to each Taskforce member to determine a date certain.

Taskforce members requested additional information be included on the next meeting agenda as it relates to the needs assessments of small businesses.

PUBLIC COMMENT. (00.56.09)

The following individual submitted public comment via electronic mail: Dan Hourigan, Vice President of Colaw Fitness. (*Attachment A*). No additional public comment was received.

NO FURTHER BUSINESS appearing the meeting was adjourned at 11:29 a.m.

Attachment A

From: [Dan](#)
To: [Trey Heikes](#)
Subject: Re: Topeka Colaw Fitness - JEDO's possible plan to assist local businesses
Date: Tuesday, January 19, 2021 9:46:10 AM
Attachments: [image001.png](#)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Trey!

I appreciate your willingness to allow me to provide you with comments to be disbursed to the committee members. In reviewing the comments, please let me know if you have any specific questions prior to the meeting, and/or after the meeting.

Please see the below comments to the committee:

Dear Mayor De La Isla, City Councilor Lesser and County Commissioner Mays,

Thank you for your time in reading about our situation, and for your genuine concern for businesses in Topeka that have been negatively impacted financially due to the pandemic. We sincerely appreciate your efforts and for your time in reviewing these comments, and we are thankful for any help you all can provide.

We love being in Topeka. It's a great city and community, and we are so blessed to have many wonderful members.

Because of regulations due to the pandemic, Colaw Fitness Topeka was forced to close the business and we were not allowed to be open for business for 56 days. We were required to close our doors on Monday, March 23, 2020, and we were allowed to reopen our doors on Monday, May 18, 2020.

Due to the nature of our business, Colaw Fitness cannot bill normal monthly membership dues when the business is not open. We cannot continue to bill our members for their monthly membership dues when our members do not have access to the facility. As anyone can imagine, not being allowed to be open for business for 56 days and to be in a position to not be able to bill normal monthly membership dues significantly hurt our business financially.

During this time of having to be closed, we experienced cancellations and we could not sign-up new memberships. For the fitness industry, January – May is the peak time for gym users and for membership sign-ups. Being forced to close the business in March, April and May not only significantly hurt Colaw Fitness Topeka's revenue during these 3 months, but it also drastically affected the revenue for the remaining 7 months of the 2020 year because we missed a high number of membership sales during March, April and May.

In the history of Colaw Fitness Topeka, we have never been forced to close the business, to not allow access for members to use the facility, and to be in a position to not be able to bill normal monthly membership dues.

We appreciate your time in reviewing these comments, and we are thankful for any help the committee can provide.

If anyone on the committee has any follow-up questions, please do not hesitate to contact me.

My contact information is below.

Dan Hourigan
Vice President, Colaw Fitness
918-230-3737
danh@colawfitness.com

Thank you!
dan

Dan Hourigan
Colaw Fitness
Vice President



www.colawfitness.com

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