

CITY OF TOPEKA CONTRACT NO. 30468

GRANT AGREEMENT

THIS AGREEMENT, made and entered into this 10 day of April, 2000, by and between the Growth Organization of Topeka/Shawnee County, hereinafter called the "GO Topeka" and the City of Topeka, Kansas, a duly organized municipal corporation, hereinafter called the "City."

WHEREAS, as published in the Topeka Metro News on April 9, 1999, the City of Topeka and Shawnee County passed Resolution number 99-64 which articulated an economic development vision of growth including the addition of 14,000 people and the addition of 14,000 new jobs in Topeka/Shawnee County by year end 2005, hereafter called "Vision"; and

WHEREAS, GO Topeka desires to receive from the City Two Hundred Thousand Dollars (\$200,000) from the economic development fund to be utilized during a funding period to commence January 1, 2000, and to continue until December 31, 2000, for the purpose of providing economic development services; and

WHEREAS, said City is desirous of granting Two Hundred Thousand Dollars (\$200,000) of economic development funds to said GO Topeka for the purposes hereinafter described in more detail.

NOW THEREFORE, the parties hereto do mutually agree as follows:

1. The City agrees to grant Two Hundred Thousand Dollars (\$200,000) from its economic development fund to GO Topeka for the purpose of providing economic development services including staffing, research, marketing,

recruitment and retention, site development, funding, workforce training and expansion, entrepreneurial assistance and other activities necessary and proper in order to accomplish the City/County "Vision" collectively hereinafter referred to as "Performance Services and Measures." Said Services are more fully described in Attachment "A", and incorporated into this Agreement as if fully set forth herein. Further, GO Topeka agrees to provide these "services" by December 31, 2000. This agreement shall commence on January 1, 2000, and continue until December 31, 2000.

2. The parties agree that the City shall retain all funds granted by the City from economic development funds. The City will establish a special project to be known by the same name as that of GO Topeka and to be used for the above-designated project. Said funds shall be used, if at all, during the project period commencing January 1, 2000, and continuing until December 31, 2000.
3. The City agrees to appoint a coordinator hereinafter referred to as "Coordinator" who shall be the Director of the Topeka/Shawnee County Metropolitan Planning Department, who shall be responsible to report as often as he/she deems necessary an evaluation of the projects funded by said Grant.
4. GO Topeka agrees to appoint a project director, hereinafter to be known as "Director," who shall be responsible to the City for the expenditures of all funds from the Grant.
5. GO Topeka agrees that all requests for reimbursement to the City will be made five times a year (5 times) according to the following schedule: Month end of February, April, June, August, November. GO Topeka agrees to submit updated

status reports, as well as financial statements along with each reimbursement request. Request for payment along with status report and financial statements shall be made to the Topeka Shawnee County Planning Department.

6. The parties mutually agree that no expenditures shall be made from Grant funds except as specified in the budget submitted by GO Topeka attached hereto as Attachment "B", and incorporated into this Agreement as if fully set forth herein.
7. The parties agree that the City of Topeka shall have absolute and unqualified authority to terminate said Grant at any time during the duration of this Agreement for any violation of the terms of this Agreement, or if, through any cause, GO Topeka shall fail to fulfill in timely and proper manner the obligations of GO Topeka under this Agreement. If GO Topeka violates any of the covenants, agreements or stipulations of this Agreement, said Agreement shall be cancelled and all unexpended funds shall be returned to the economic development fund accounts.
8. GO Topeka represents that it has, or will secure, all personnel required to perform the services under this Agreement. Such personnel shall not be employees of or have any contractual relationship with the City.
 - a. All of the services required hereunder will be performed by GO Topeka or under its supervision; all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

- b. None of the work or services covered by this Agreement shall be subcontracted without the written permission of the Coordinator.
9. The City may require changes in the scope of services of GO Topeka to be performed hereunder. Such changes, including any increase or decrease in the amount of compensation which are mutually agreed upon by and between the City and GO Topeka or which may be required by the City hereunder, shall be incorporated by written amendments to this Agreement.
10. In carrying out the terms and provisions of this Agreement, GO Topeka will not unlawfully discriminate against any employee, applicant for employment, recipient of service or applicant to receive services because of race, color, religion, sex, age, disability, ancestry or national origin. GO Topeka shall take affirmative action to ensure that applicants for employment, employees, applicants for service, and recipients of service are treated equally and fairly without regard to their race, color, religion, sex, age, disability, ancestry or national origin. GO Topeka shall, in all solicitations or advertisements for employees or of services, placed by or on behalf of GO Topeka, state that all qualified applicants shall receive consideration for employment or services, without regard to race, color, religion, sex, age, disability, ancestry or national origin. GO Topeka shall also state in any such advertisements that the City through economic development funds furnishes funds for the services in whole or in part.
11. No officer or employee of the City, member of the Governing Body of the City, or other public official of the City who exercises any functions or responsibilities in the review or approval of the undertaking of the terms of this Agreement shall

participate in any decision relating to this Agreement which affects his/her personal interest or have any personal or pecuniary interest, direct or indirect, in this agreement or the proceeds thereof.

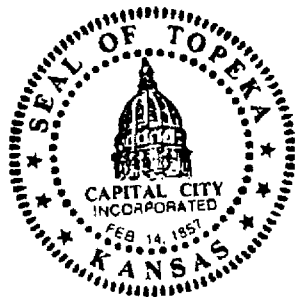
12. GO Topeka shall not assign any interest in this Agreement, and shall not transfer any interest in the same, whether by assignment or novation; provided, however, that claims for money due or to become due to GO Topeka under this Agreement may be assigned to a bank, trust company or other financial institution upon written consent of the City thereto.
13. GO Topeka covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this contract. GO Topeka further covenants that in the performance of this agreement no person having such interest shall be employed.
14. No City Council member shall receive monetary benefit either directly or indirectly from the funding provided to GO Topeka pursuant to this Contract.
15. GO Topeka agrees to hold harmless and indemnify the City of Topeka and any of its agents or employees from any and all liability for claims or causes of action of any person, firm, corporation, or entity for damages of any type whatsoever that might be sustained by virtue of any activities carried out by GO Topeka.
16. GO Topeka shall establish and maintain the records with respect to all matters covered in this Agreement in accordance with the City policies or requirements, and specifically in accordance with the following provisions:

- a. Documentation of Costs. All costs shall be supported by properly executed payrolls, time records, invoices, contracts, vouchers or other official documents evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, vouchers, orders and other accounting documents shall be clearly identified and readily accessible.
 - b. Information and Reports. GO Topeka shall, at such time and in such form as the City may require, furnish to the City such statements, records, reports, data and information as may be requested pertaining to matters covered by this contract.
 - c. Audits and Inspections. GO Topeka shall at any time during normal business hours make available to the City or its designated representative all of its records with respect to all matters covered by this Agreement. Further, such audits shall not be limited in number or scope.
 - d. Availability of Records. Financial and project records, necessary supporting data, and programmatic reports as requested by the Coordinator or his agent shall be available for a period of at least two (2) years after completion of this contract. GO Topeka shall guarantee to cover and be responsible for any deficiencies in services performed or funds expended from funds granted under this Agreement.
17. The City may reduce the amount of this grant if during the term of this agreement budget restrictions or reductions are placed upon the economic development fund due to unforeseen circumstances. These circumstances include, but are not limited to, unforeseen shortfalls in collections of property tax

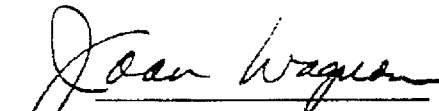
revenues, sales tax revenues or other revenues by the City of Topeka. The reduction, if any, to be borne as part of this contract will be in the same proportion as applied to the economic development fund as a whole.

18. The Coordinator shall be notified of all meetings of the GO Topeka Board of Directors and provided an advance agenda and copies of the official minutes of said meetings.
19. This Grant Agreement may be amended by mutual, written agreement of the parties only.
20. The parties agree that the effective date of this Grant Agreement shall be January 1, 2000.

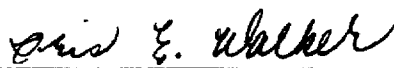
IN WITNESS WHEREOF, the City and GO Topeka have executed this Agreement.

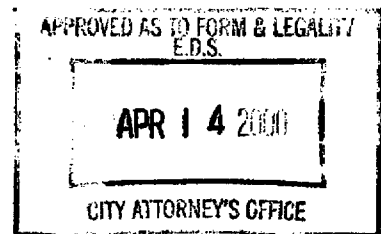


CITY OF TOPEKA

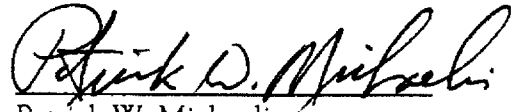

Joan Wagnon, Mayor

ATTEST:


Iris E. Walker, City Clerk

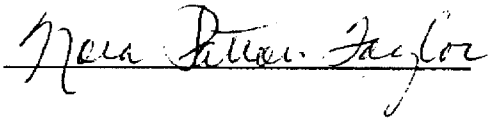


GROWTH ORGANIZATION
OF TOPEKA/SHAWNEE
COUNTY



Patrick W. Michaelis
Chairman

Attest



Contract With City

APPROVED AS TO FORM AND LEGALITY

DATE _____ BY _____

2000
Economic Development Contract
with
GO Topeka/Greater Topeka Chamber of Commerce

Performance Services and Measures

#	Performance Services	Performance Measures	Completion Date	Performance During January through March
1	<p>Funding. Identify sources for long-term funding for economic development. Funding to include local incentives, development of an industrial park and infrastructure other business parks and work force training.</p> <p>Acquire private funding from corporate and individual contributions to provide resources until additional funding sources such as a sales tax can be accomplished.</p> <p>Maintain operating budget at or near \$400,000. Funds to be used for operating expenses of GO Topeka to include salaries and benefits, office expenses, travel and marketing and other operational expenses.</p>	<ul style="list-style-type: none"> • Identify the method of long-term funding and take steps to ensure implementation. • Identify sources and obtain commitment for private funding until long-term funding can be accomplished. • Sources to include City of Topeka, Shawnee County and private contributions. 	<p>Sept. 2000</p> <p>Pledge drive underway. A goal of \$1,250,000 has been set, with half to be committed by June 30.</p> <p>December 31, 2000</p>	<ul style="list-style-type: none"> • Established a committee within GO Topeka to investigate the possibility of extending a ¼ cent sales tax. Engaged firm to conduct an opinion poll of Topeka/Shawnee County residents. • Continue making contact with local businesses for pledge drive. Commitments covering one to five years have generated over \$500,000 to date.
2	<p>Staffing. Hire President for GO Topeka.</p> <p>Review job descriptions, revise as necessary.</p>	<ul style="list-style-type: none"> • Designate a search committee to screen candidates. • Final selection. • Revised descriptions in place. 	<p>January 31, 2000</p> <p>June 31, 2000</p> <p>August 30</p>	<ul style="list-style-type: none"> • The Slavin Group has been hired to search for candidates.

#	Performance Services	Performance Measures	Completion Date	Performance During January through March
3	Retention & Expansion. Maintain regular contact with existing businesses to ensure retention and provide assistance for growth and expansion.	<ul style="list-style-type: none"> • Develop a program wherein visitations are made on a minimum of 100 small businesses and 25 of Shawnee County's largest employers. Contact serves as a means to identify any early warning signs as to businesses at risk, or identify businesses that are thinking about expanding or relocating. • Take action to retain or expand as necessary. • Continue special recognition of small business accomplishments at award presentation. • Be responsible for processing of Private Activity Revenue Bonds and EDX exemption applications and their renewals, if any. 	<p>60 calls to be completed by June 31, 2000. The balance of calls to be completed by November 30, 2000. Results reported bi-monthly. Immediately as needed. October 2000</p>	<ul style="list-style-type: none"> • Refer to Attachment B for list of contacts to date.
4	New business recruitment.	<ul style="list-style-type: none"> • Begin the process of identifying targeted industries and employers for recruitment. • Attract two new businesses that will result in the creation of 500 new jobs. • Respond to qualified prospect leads from inquiries from Kansas Department of Commerce & Housing, Western Resources, outside consultants, brokers, telephone and mail inquiries. 	<p>Ongoing</p> <p>12-31-00</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • Refer to Attachment A for prospect activity.

#	Performance Services	Performance Measures	Completion Date	Performance During January through March
		<ul style="list-style-type: none"> • Maintain contact with national site consulting firms informing them of development, as well as availability of local and state incentives. • Identification of sites that have potential for industrial development, as well as assessing what improvements need to be made in order to bring the property up to its full potential, i.e. utility extension, zoning, etc. • Encourage development at public and private business and industrial parks. • Encourage development in the TIF area. Meet regularly with local professional groups who due to the nature of their business are in contact with prospects. 	<p>Three times per year.</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Quarterly</p>	<ul style="list-style-type: none"> • Preliminary identification of sites is underway. • Met with Commercial/Industrial Developers Group.
5	<p>Marketing.</p> <p>Redesign a web page for marketing Topeka/Shawnee County.</p> <p>Design and development of promotional materials.</p>	<ul style="list-style-type: none"> • Identify agency to help create an effective recruiting web page. • Design web page to include date on workforce, available sites, buildings, incentives, lifestyle issues, etc. • Design and/or update the following: Manufacturer's Directory Marketing & Lifestyle Brochure 	<p>June 2000</p> <p>Sept. 2000</p> <p>Nov. 2000</p>	<ul style="list-style-type: none"> • Update underway of Topeka/Shawnee County Manufacturer's Directory.
6	Workforce development.	<ul style="list-style-type: none"> • GO Topeka Workforce Committee to meet on on-going basis with educators and training agencies to train and expand workforce for 21" 	Monthly or as scheduled	<ul style="list-style-type: none"> • March 7th - Set up meeting with local manufacturers to open dialogue as to their anticipated workforce needs. • March 13th - Met with Goodyear and local plant representatives as to their future workforce needs. Those in attendance

#	Performance Services	Performance Measures	Completion Date	Performance During January through March
		<p>Century companies currently in Topeka/Shawnee County and new prospects</p> <ul style="list-style-type: none"> • Workforce training center to be considered for inclusion in use of long term funds. 	June 30	<p>included local elected officials, educators, and GO Topeka representatives.</p> <ul style="list-style-type: none"> • March 28th – Set up meeting with local manufacturers and Vo Tech School to further discuss training issues.
7	Industrial Park Development	<ul style="list-style-type: none"> • Begin steps to investigate need, type, and development of an IP to include land location, design and layout, infra structure needs, cost estimates, and all focused on the needs of targeted industries. • Industrial Park development to be considered for inclusion in use of long term funds. 	Immediate	<ul style="list-style-type: none"> • The GO Topeka Site Committee has requested a proposal from a developer to outline their performance services, as well as their associated costs in identifying potential industrial park sties in Topeka/Shawnee County.
8	Entrepreneurial Development.	<ul style="list-style-type: none"> • Designate individual on staff to specialize in small business development who will assist small business creation and expansion. • Work closely with the Kansas Small Business Development Center, local CDC service provider, and Topeka/Shawnee County Economic Development Corporation (504) to insure their activities and services are delivered proactively and completely. 	<p>June 30</p> <p>Ongoing</p>	<ul style="list-style-type: none"> • The Topeka/Shawnee County 504 CDC Board has requested the Small Business Development Center at Washburn University be the point of contact for 504 loans.

HIGHLIGHTS OF OTHER ACTIVITY
January through March, 2000
GENERAL

1. Serve on census committee and involved with promotion through media coverage as well as radio interviews.
2. Attended school to career meeting in Wichita.
3. Spoke to various groups such as the League of Women Voters, North Topeka Business Alliance, and others.
4. Participate in Long Range Planning meetings with city/county planning.

LEGISLATIVE

1. Followed bill at legislature on a proposed change in the Impact Program that would have allowed for retraining of employees. Bill has not made it to committee.
2. Contacted several local manufacturers to ask them to contact their representatives to express concern over the draft of the integrated plant bill.

ADVERTISING

1. Placed a ¼ page ad in the April issue of U.S. Sites promoting the Kanza Business Park (see attached).
2. Cooperated with the Kansas Department of Commerce and Housing in a joint advertising campaign promoting the state. A full-page ad was placed in an insert piece promoting the state in Area Development Magazine (see attached).

PROSPECT ACTIVITY-Announcements

1. Heinz announced Topeka was selected as the Center of Excellence for Pet Treat Production. Topeka will now produce 90% of all the pet treat lines. This announcement will result in the creation of 130 new jobs, as well as a capital investment of \$9 million in the Topeka facility.
2. EBCO of Kansas City acquired 9 acres at the Kanza Business Park with the intentions of building several spec buildings.

PROSPECT ACTIVITY-Pending

1. Awaiting response on a proposal involving the location of a large warehouse/distribution facility. Sites are narrowed down to two and a decision is anticipated late March or early April.
2. Prepared seven proposals at the request of the state:

<u>Industry Type</u>	<u>Employment</u>	<u>Wages</u>	<u>Investment</u>	<u>Facility Size</u>	<u>Industry Type</u>	<u>Wages</u>	<u>Emp.</u>	<u>Inv.</u>	<u>Facility Size</u>
Warehouse	n.a.	N.A.	\$5 million	150,000 sq. ft.	Tool & Die Maker	N.A.	N.A.	N.A.	40,000 sq. ft.
Inbound call center	60	N.A.	N.A.	12,000 sq. ft.	Food Processor	N.A.	20-50	N.A.	10,000 sq. ft.
Distribution center	100	N.A.	N.A.	70,000 sq. ft.					
Technical support	350	\$9	\$6 million						
Distribution	200-400	\$9 to \$12	N.A.	400,000 sq. ft.					

LOCAL BUSINESS CONTACTS

<u>Company</u>	<u>Comments</u>
Delta Design	Company having great growth
Kel-Kraft	Downsized and is trying to rebuild business
UCB	Employment at 230-business doing well.
Midway Wholesale	No major problems
Jayhawk File Express	Steady growth
QuVis	Rapid growth-great potential
Coffee USA	Steady growth
Cargill	No major problems
Chita's Restaurant	Helped with possible 504 loan and several permit issues
Local Manufacturer	Will build a 12,000 sq. ft. facility
Goodyear Tire & Rubber	Staff assisted with training issues

Chamber/Go Topeka
2000
Budget

<u>Income</u>		
City of Topeka – Chamber	\$ 50,000	
City of Topeka – GO Topeka	200,000	
MTAA	5,000	
Shawnee County	75,000	
Economic Development		
Chamber Members	63,000	
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Total Income	\$393,000	
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<u>Total Program Expense</u>		
<u>Administrative Expenses</u>		
Salaries	\$219,901	
FICA	16,822	
Unemployment Taxes	210	
Life Insurance	1,614	
Cont. Insurance	600	
Blue Cross Blue Shield	14,480	
Retirement	15,393	
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Total Personnel	\$269,020	(1)
Rent	\$ 10,000	(2)
Utilities	2,000	
Telephone	6,000	
Machine Rental & Maint.	1,800	
Insurance & Taxes	2,000	
Acct. & Data Processing	4,000	
Advertising	5,000	
Car & Travel	19,000	
Subscription & Dues	3,000	
Postage	4,000	
Supplies	1,334	
Printing & Printing Supplies	11,000	
Prospect Packets & Service	2,500	
Prospect Trips & Entertainment	6,000	
Prof. Assoc. & Meetings	3,000	
Professional Services	36,646	(3)
Other Expenses	6,700	
Interest Income	-	
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Non Payroll Exp. Totals	\$123,980	
Total Admin. Expense	393,000	
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Total Income Less Expenses	\$0	

- (1). Staff includes President, two Vice Presidents, and Administrative Assistant
- (2). Rent, utilities and telephone obtained from Chamber of Commerce.
- (3). Includes fees for sales tax feasibility study, President search & Industrial park planning.