

**JEDO
MEETING AGENDA**

Thursday, March 28, 2002, 3:00 p.m.
Board Room of Greater Topeka Chamber of Commerce

- Wadley* 1. Approval of minutes of February 27, 2002 minutes. *Mayor/Hill unanimous*
Pres 2. Target Market Study (Bill Fredrick, Wadley-Donovan).
Pres 3. Go Topeka Report (Doug Kinsinger).

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WDG

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JEDO BOARD
Joint Economic Development Organization
Wednesday, March 28, 2002
3:00 p.m.

The JEDO Board met in the Chamber of Commerce Board Room. Those JEDO Members present being: Shawnee County Commissioner Vic Miller, Ted Ensley, and Marice A. Kane; City of Topeka Mayor Butch Felker; City Council Members Vanessa Hill, Harold Lane, Lisa Stubbs, Betty Dunn, John Alcala, and Gary Price. Others present: Mike McGee with the City of Topeka; County Counselor Rich Eckert, Shawnee County Financial Administrator Harriet "Trinket" Harding, Interim Director of the Topeka-Shawnee County Metropolitan Planning Agency Neil Dobler; John Myers with the City of Topeka; Jack Porteous, Vice President Economic Development GO Topeka; Dana Rulon Frye with the Chamber of Commerce Board and Frye Allen, Inc.; GO Topeka Board Director Linda Ramirez Gonzalez; Ed Carmona, Chamber of Commerce Board; Deputy County Clerk Deb Childers. Citizens present were: Phil Morse, Darold Davis, Henry McClure, Mike Meadows, Martha Bartlett-Piland, Jeff Wietharn, Tom Moses, Gayle Howard, David Carpenter; Ross T. Hendrickson; Vince Frye; Susan Shaw; Jim Walker; Rod Seel; Scott Sewell; Also present were: Alicia Henrikson, Topeka Capital-Journal; Sherriene Jones, Channel 27/KSNT; Cara Connelly, WIBW TV; Jouarie Downing, WIBW TV

ITEM NO. 1: Approval of Minutes.

A motion was made by Mayor Butch Felker to **approve the JEDO Board meeting minutes of February 27, 2002**, seconded by Councilwoman Vanessa Hill. The motion passed unanimously.

ITEM NO. 2: A Target Market Study presented by Mr. William Fredrick, Managing Director of The Wadley-Donovan Group. (A copy of the power point presentation is attached to this set of minutes.)

Mr. William "Bill" Fredrick, Managing Director of The Wadley-Donovan Group explained his presentation was a status report showing what would be in their report, subject to some modifications. He said this report would show their chief findings, in terms of the assets and challenges, and some conclusions. There would also be some preliminary recommendations, including their preliminary selection of the target industries they felt would be best for Topeka and Shawnee County.

ITEM NO. 3: Go Topeka Report. (A copy of this report is attached to this set of minutes.)

Chamber of Commerce President Doug Kinsinger and Ms. Kathy Mollenberndt, also with the Chamber of Commerce, reported on the Status of Key Activities.

NEXT MEETING

The next meeting of the JEDO Board was scheduled for 3:00 p.m. on April 24, 2002, with the location to be determined.

Meeting adjourned.

JOINT ECONOMIC DEVELOPMENT ORGANIZATION

A handwritten signature in cursive script, appearing to read "Vic Miller", is written over a horizontal line.

Vic Miller, Chair

Orientation

- **White-collar economy**
 - Government
 - Education
 - Services (lead by health)
 - FIRE
 - Some headquarters

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Assets

- **Labor Quality**
 - Good work ethic and productivity
 - Low turnover and absenteeism
 - Skills in software better than what WDG typically sees
 - Employers pleased with the quality of the schools
 - Stronger high school ratings

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Orientation

- **Good location**
 - Central location
 - Interstate access
 - Proximity to Kansas City, Lawrence
 - University access

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Assets

- **Labor Availability**
 - High proportion of clericals, technicians, professionals
 - Great availability in select skills, satisfactory in some skills
 - Good presence of great schools in east Kansas and in the MSA

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Agenda

- **Orientation**
- **Assets**
- **Challenges**
- **Conclusions**
- **Preliminary Target Industries**
- **Timing of Deliverables**

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Assets

- **Demographics**
 - Median household income is equal to U.S.
 - Median household income above Lawrence, equal to Wichita
 - Highly educated population

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SECOND STATUS REPORT

To: Greater Topeka/Greater Topeka Chamber of Commerce
By: William Fredrick, Managing Director,
The Wadley-Donovan Group
A Grubb & Ellis Company
March 28, 2002

Orientation

- **Services and retail are the largest sectors**
- **Manufacturing relatively small**

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Assets

- **Accessibility, *continued***
 - Two local airports: Forbes Field, Phillip Ballard
 - National air service at KCI
 - Satisfactory airfreight service

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Assets

- **Operating Environment, *continued***
 - Interstate toll free calls not subject to sales tax
 - Foreign Trade Zone (2,000 acres)
 - Incentives available
 - New enthusiasm, sales tax

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Assets

- **Accessibility**
 - Great highway, Interstate
 - Low traffic congestion
 - Excellent trucking and rail service
 - Amtrak passenger service

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Assets

- **Operating Environment**
 - Low unemployment insurance rate
 - Below average workers comp rates
 - Right to work state
 - Inventories are not subject to tax
 - Intangibles not subject to tax

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Assets

- **Training Resources**
 - Excellent array of programs within 1½ hours
 - Employers pleased working with schools

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Assets

- **Natural Gas**
 - Low cost, good capacity
- **Telecom**
 - Excellent

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Assets

- **Labor Costs**
 - Overall 20% below the national average
 - Lower in all industries except for retail

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Assets

- **Electric Power**
 - Very good reliability and cost
- **Water and Sewer**
 - Very good capacity

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Challenges

- **Demographics**
 - Slow growing population in city
 - Decline in working age population
 - Losing youth
 - Slightly older population

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Challenges

- **Labor Quality**
 - Satisfactory basic skills
 - Advanced computer skills lacking, but typical across country
- **Accessibility**
 - Unsatisfactory freight costs
 - Distance to KCI

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Challenges

- **Orientation, *continued***
 - But recent years saw faster growth in wholesale
 - FIRE shows much slower growth than state, US
 - Tired, worn downtown, but clean

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Challenges

- **Labor Availability**
 - Small not employed workforce
 - Low unemployment rate
 - Skilled positions not available
 - Difficult to recruit from outside of the area

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Challenges

- **Orientation**
 - White-collar town, but not an image of one
 - Job creation 1990-2000 significantly lags state and national trends
 - Mfg, wholesale trade, retail growing slower 1990-2001

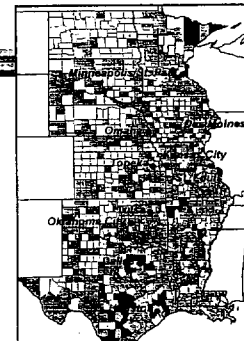
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Regional Population Changes

County Population Change
2001 to 2006

- 15.00% and Above
- 10.00% to 14.90%
- 7.50% to 9.90%
- 5.00% to 7.49%
- 0 to 5.00%
- Population Loss



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Assets

- **Quality of Life**
 - Below-average cost of living
 - Regional medical center
 - Impact of Washburn University
 - Kansas ExpoCenter and Performing Arts Center

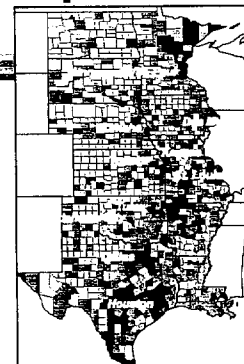
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Regional Population Changes

County Population Change
1990 to 2001

- 30.0% and Above
- 20.0% to 29.9%
- 15.0% to 19.9%
- 10.0% to 14.9%
- 5.0% to 9.9%
- 0 to 4.9%
- Population Loss



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Conclusions

- **Community needs to**
 - Project and direct itself as an office center
 - Solidify its white-collar position
 - Work with its educational, labor, locational and other assets

Preliminary Targets

- **Mission Critical Facilities**
 - Data centers
 - Web hosting
 - Server farms
 - Application service providers
 - Telecom switching centers

Conclusions

- **Significant potential for regrowth**
 - Should be greater than it is
 - Has tremendous amount of assets
- **Office base belies image**

Preliminary Targets

- **Office**
 - Administrative support centers
 - Customer support centers
 - Operations centers

Conclusions

- **Steady, well-positioned community, but aging and losing strength**
- **Community must regroup and reinvent itself**

Conclusions

- **Current changes are part of a national and regional transition**
- **Linkages to tourism are important**
- **Linkages to developments in Kansas City, Lawrence and Wichita needed**

Challenges

- **Operating environment**
 - Unions have a presence in the area
- **Industrial sites and buildings**
 - No quality sites or available buildings

Conclusions

- **Community needs to**
 - Change its image, based on substance
 - Develop a set of anchor activities

Recommendations

- **Image enhancement is the second most critical step, *continued***
 - Bring young adult centered activities downtown (public/private actives)
 - Expand high and mid range housing downtown
 - Washburn as a role for downtown development

The WADLEY-DONOVAN Group, A Grubb & Ellis Company

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Recommendations

- **Image enhancement is the second most critical step**
 - Local
 - Regional
 - National
 - Improve the image of the downtown

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Recommendations

- **Site development is the critical first step**
 - Office (support centers)
 - Manufacturing
 - Mixed use
 - Distribution big box

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Recommendations

- **Public/private partnerships needed with Air National Guard, city, private sector, educators to develop as an aircraft maintenance center**

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Preliminary Targets

- **Aircraft Maintenance and Repair**
- **Food Processing/Value Added Agricultural Products**
- **Applied Research Centers**
- **Distribution**

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Recommendations

- **Office targets should be the primary target, followed by aircraft maintenance**
- **Long-term university center is suggested**
 - KSU, KU, Washburn, Kaw
 - Aerospace, food, other university strengths

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Memo to: JEDO
From: Doug Kinsinger, President/CEO, GO Topeka
Date: March 28, 2002
Re: Status of Key Activities

Small and Minority Business

- A. Go Connection submitted \$250K Micro Loan request to SBA for Topeka/Shawnee County
- B. Go Connection in final stages of contract for services with GO Topeka for new Micro-Lending program
- C. Job descriptions for Small and/or Minority Business Manager and Business Retention Manager finalized – target start date of June 1st.
- D. One Stop E.D. Center scheduled for completion June 1st.

Marketing Efforts

- A. Begin RFP process for new ad agency selection in next 30 days
- B. Meeting with KCAEDC, Lawrence and Manhattan ED groups to discuss cooperative marketing.

Federal

- A. Background material on priority projects (Topeka Blvd. Bridge, Great Overland Station, 190th National Guard/MTAA, and Infrastructure for Commerce Park Sites) prepared and submitted to Paul Hirsch, our D.C. representation who is working with delegation on funding.
- B. Decision to be made soon on VA Shared Service Center
- C. Mayor Felker/Kinsinger/John Dicus traveled to D.C. March 7-9
- D. Paul Hirsch, D.C. representation to be in Topeka, April 18-19th.
- E. Meetings with Congressman Ryan on March 28th and Senator Roberts on April 5th.

Project Activity

- A. Met with local manufacturer of concrete projects to discuss potential project
- B. Met with management of BNSF scheduled for early April to continue discuss how we may encourage BNSF presence in Shawnee County.
- C. Submitted IRB Proposal to City of Topeka for Hill's Pet Nutrition \$15 M expansion including creation of 60 jobs averaging \$33 per hour
- D. Goodyear Proposal Update
- E. We are also responding to several inquiries re customer service/back office administration centers.
- F. Prepared two preliminary proposals for out of state inquiries for the following: processing of medical claims, food processing facility
- G. Assisted a local manufacturer with a possible expansion involving a capital investment of \$2 million and a potential of 20 new jobs.

SECOND STATUS REPORT

**To: Greater Topeka/Greater Topeka
Chamber of Commerce**

**By: William Fredrick, Managing Director,
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March 28, 2002

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- **Orientation**
- **Assets**
- **Challenges**
- **Conclusions**
- **Preliminary Target Industries**
- **Timing of Deliverables**

Orientation

- **Good location**
 - **Central location**
 - **Interstate access**
 - **Proximity to Kansas City, Lawrence**
 - **University access**

Orientation

- **White-collar economy**
 - **Government**
 - **Education**
 - **Services (lead by health)**
 - **FIRE**
 - **Some headquarters**

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Assets

- **Demographics**
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Assets

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Assets

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Assets

- **Operating Environment**
 - **Low unemployment insurance rate**
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 - **Right to work state**
 - **Inventories are not subject to tax**
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Assets

- **Operating Environment, *continued***
 - **Interstate toll free calls not subject to sales tax**
 - **Foreign Trade Zone (2,000 acres)**
 - **Incentives available**
 - **New enthusiasm, sales tax**

Assets

- **Quality of Life**
 - **Below-average cost of living**
 - **Regional medical center**
 - **Impact of Washburn University**
 - **Kansas ExpoCenter and Performing Arts Center**

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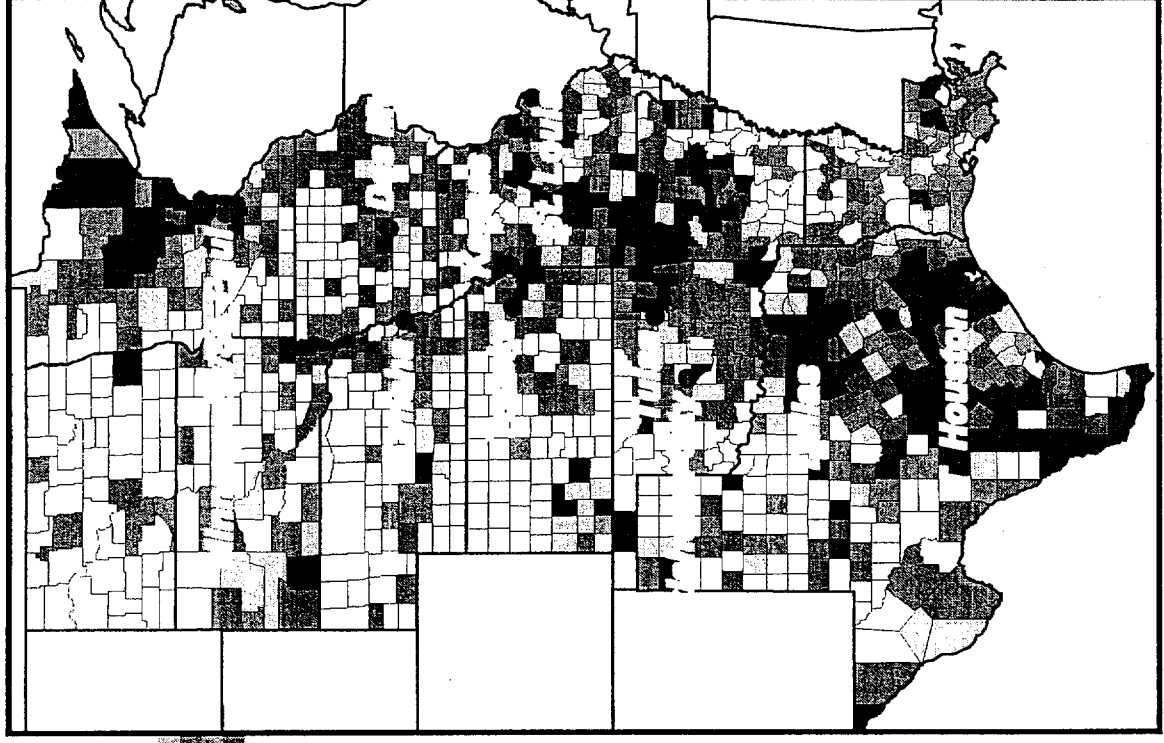
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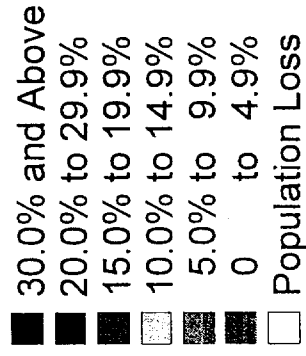
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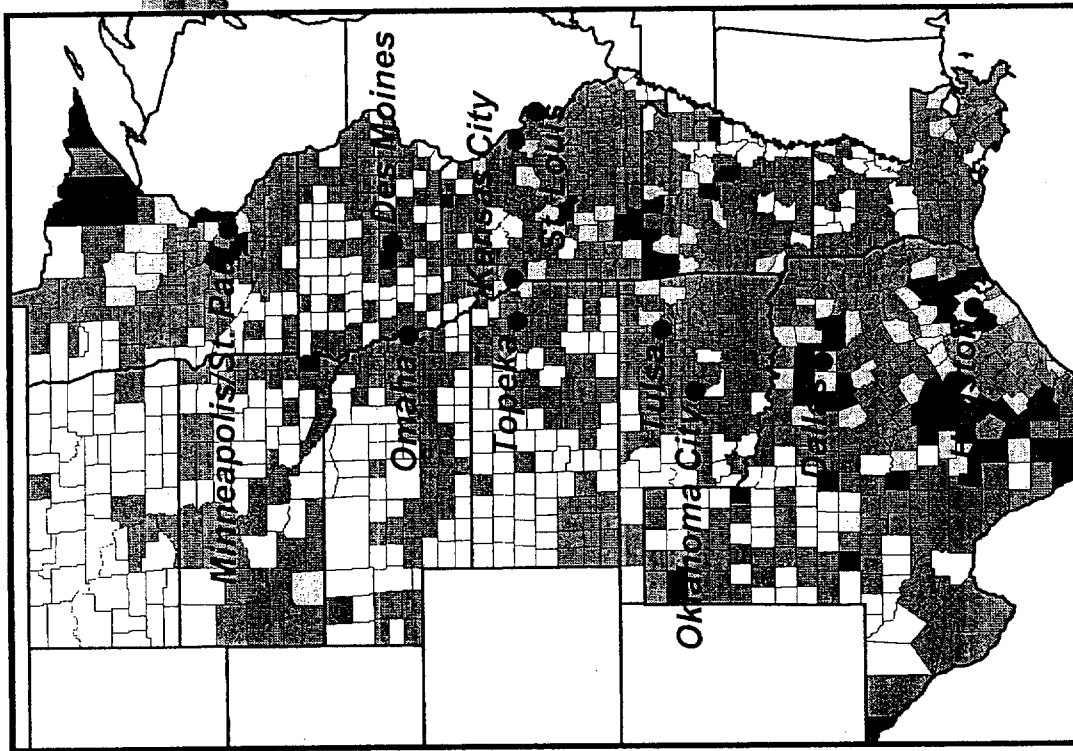
Regional Population Changes



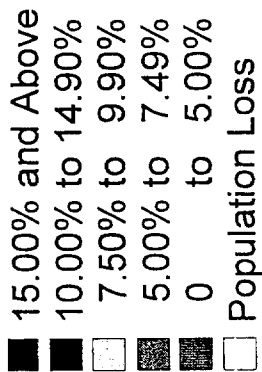
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1990 to 2001



Regional Population Changes



County Population Change
2001 to 2006



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Recommendations

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 - **Mixed use**
 - **Distribution big box**

Recommendations

- **Image enhancement is the second most critical step**
 - **Local**
 - **Regional**
 - **National**
 - **Improve the image of the downtown**

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