



City of Topeka & Shawnee County

**JOINT
ECONOMIC
DEVELOPMENT
ORGANIZATION**
United For Growth



A Strategy for Effective Economic Development Change in Topeka and Shawnee County, Kansas



**Presented to the Joint Economic
Development Organization**

Garner | Economics LLC
solutions that work

Jay Garner, Garner Economics
Jim Walton, Brand Acceleration
9 December 2015



Garner | Economics LLC
solutions that work



Who We Are

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

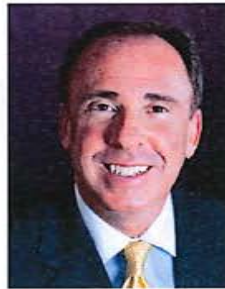
We are specialists as corporate site location advisors and economic development

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



Results-Oriented Leadership & Experience

Core Team for JEDO



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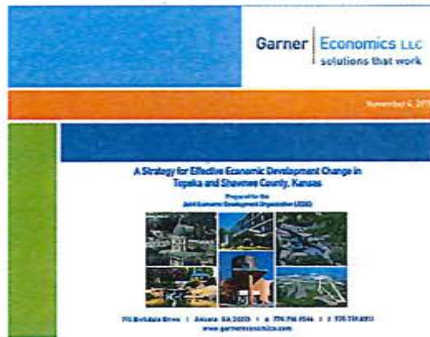
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Developing the Strategy

Project Goal, Scope and Methodology

Project Process

Assessment → Recommendations → Strategy

- Organizational assessment
- Best-practice benchmarking
- Incentive analysis
- Marketing audit

Informed through Stakeholder input and community engagement on the business climate of the community

Published the *Situation Analysis*

1

- Thirty-one** 1-5 year recommendations:
- ED mission / vision
 - Relationships
 - Gaps in programs impacting the community's business climate
 - Policies to enhance investment
 - Marketing and messaging

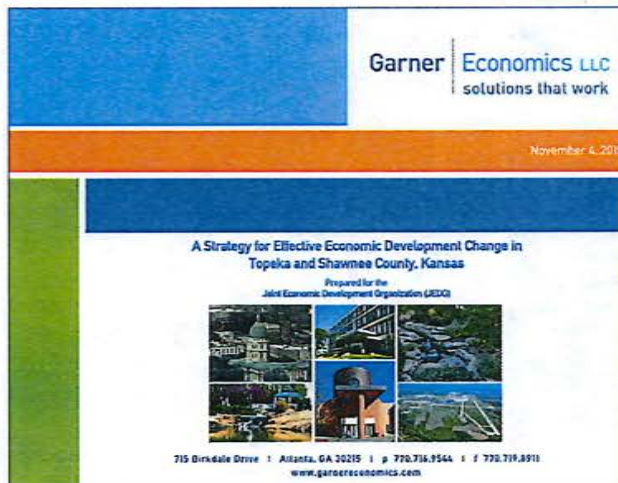
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- Executing Effectively (Organizational)
- Renew and Transform (Product Improvement)
- Communicate Effectively (External Marketing and Internal Communications)

3

Project Goal

Create a roadmap to ensure that JEDO effectively uses the funds collected through the recently renewed 1/2 cent sales tax to improve the community's economic development efforts and create more and better jobs for Topeka/Shawnee County





Project Scope

What this strategy is and isn't:

- ED strategy versus a Community Vision
- A strategy that incorporates recruitment, retention, entrepreneurship
- Product development including talent, business climate and infrastructure enhancements
- Organizational recommendations for effective and best in class economic development service delivery

Community Engagement

- Garner Economics held 6 **focus groups** with 124 stakeholders to solicit their perceptions and opinions of the business climate in Topeka
- An electronic survey was distributed by JEDO to a broader audience of Stakeholders. There were 707 responses
- A public listening session was held
- Input augmented team assessments and analysis



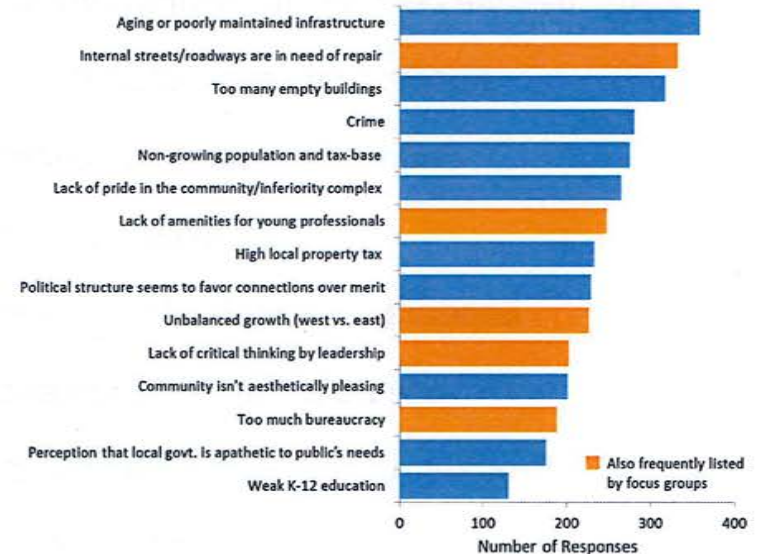


Common Comments & Concerns

The combined focus groups, survey respondents and listening session participants cited the following key themes:

- Topeka and Shawnee County have potential, but is seen as average and not distinguishable.
- Negativity and pessimism hinder progress.
- There is much confusion and mistrust as to the roles of JEDO and GO Topeka.
- The area's infrastructure has been neglected and lacks curb appeal. This dissuades new business and talent from considering the area.

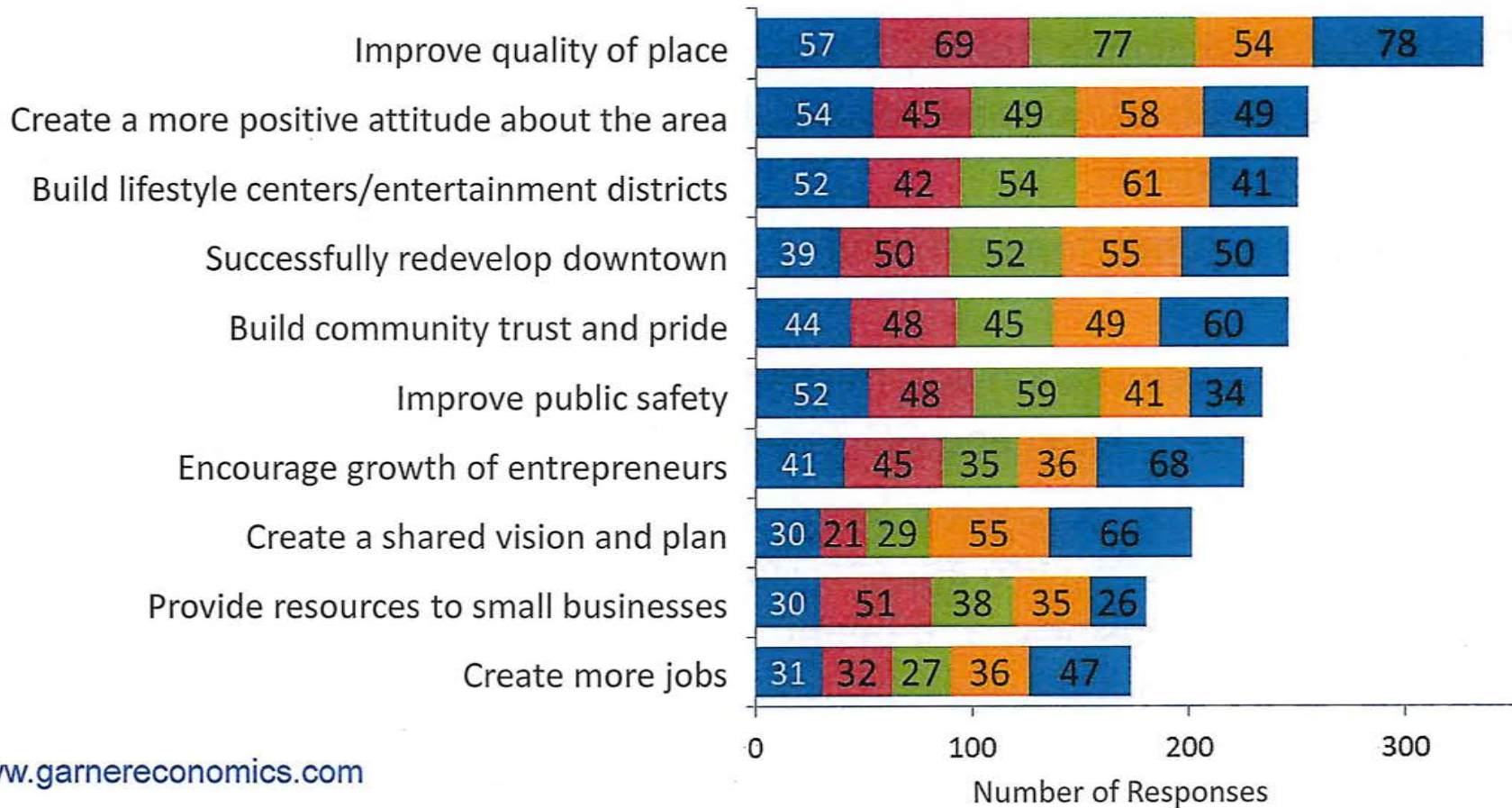
KEY INHIBITORS TO TOPEKA'S SUCCESS





What Citizens Want Topeka to Do

Top actions leadership could take to strengthen Topeka's ability to attract and retain quality companies and talent







How Topeka Compares

- Conducted a **SITUATION ANALYSIS** to examine the economic position and competitiveness of Topeka from a site-selector perspective
- Compared the community to Linn County, Iowa; Minnehaha County, South Dakota; Hamilton County, Tennessee; the State of Kansas; and the United States

Strengths and Weaknesses (22 variables analyzed*)

	 Strengths	 Weaknesses
Demographic Dynamics	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Lower growth rates • High crime rates
Labor Dynamics	<ul style="list-style-type: none"> • Median earnings among workers classified as “Self-Employed in Own Incorporated Business” 	<ul style="list-style-type: none"> • Low percentage of “Self-Employed”
Income & Economics	<ul style="list-style-type: none"> • Low Cost-of-Living Index • Availability of cable access 	<ul style="list-style-type: none"> • Low average weekly wages • Low average per capita income • High percent of population below poverty level (including those with less than a high school education)

*Neutral rankings not listed

The Strategy: Our Philosophy for Achieving Success

Effective economic development strategies take a holistic approach

- Economic Development = wealth building
- How do you achieve economic development? First, build or strengthen the product. Then, create investment from:
 - ❖ Hunters (recruitment, including retail and tourism if applicable)
 - ❖ Gardeners (entrepreneurial)
 - ❖ Nurturers (support existing businesses)



Execute Effectively

Renew and Transform

Communicate Effectively

Where Do We Go From Here?

- Topeka is currently seen as mediocre or average by many citizens
- Topeka needs to strengthen its quality of place to attract and retain world-class talent and the types of companies the community wants to build its economic future

Observations, Conclusions & Recommendations

Thirty-one recommendations built on three foundations

1. Create an environment where high quality companies and talent will want to locate
2. Mitigate negative perceptions or challenges that deter increased investment
3. Better organize to execute economic development initiatives more effectively

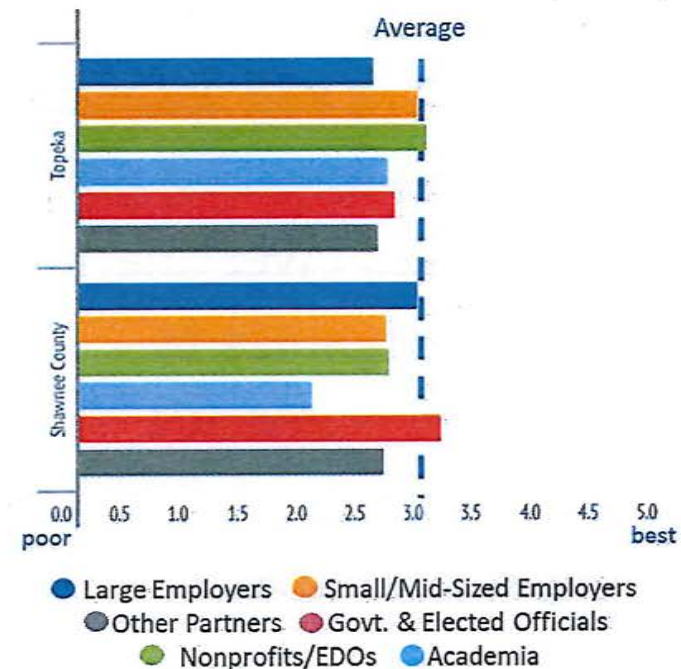
RECOMMENDATIONS SUMMARY

Strategy	Key Results	Actions	Timeline
I. Execute Effectively (Organizational) Build a customer-friendly and highly effective economic development service delivery mechanism for existing and potential businesses in the community and supplement JEDO contractual/agent positions to focus on economic development needs.	Topexia is better able to attract the types of companies that will make it competitive for years to come and produce wealth-creating opportunities for residents.	<ol style="list-style-type: none"> 1. Develop a JEDO-specific mission statement that guides economic development efforts for itself and its agents. 2. Create the position of a full-time JEDO economic development coordinator. 3. JEDO should encourage GO Topexia to be a standalone, autonomous organization. 4. Create performance metrics to measure the community's health and the operational success of JEDO's agents. 5. Modify the JEDO/GO Topexia incentive policy. 6. Create a JEDO Board of Advisors. 7. JEDO should institute new operational guidelines: <ol style="list-style-type: none"> a. Transfer of land ownership and accountability b. Incentive management c. Funding of its agents d. Fund balances e. JEDO disbursements to agents f. Performance contracts g. Marketing protocol 	2016 2017 2016 2016 2016 2016-2017
II. Renew and Transform (Product Improvement) Take concrete steps to improve the City and County's infrastructure, so as to strengthen the area's quality of place and differentiate itself from competitor regions.	Topexia is able to overcome its current shortcomings and become able to attract and retain the talent and companies it desires to grow and sustain its economy.	<ol style="list-style-type: none"> 1. Invest in more quality of place projects that will enhance the competitiveness of the community and attract and retain talent: <ol style="list-style-type: none"> a. Create a plan to improve gateways into the City—including new signage and landscaping. b. Provide public free high-speed Internet access to enhance the visitor and resident experience in the core business district and in disadvantaged neighborhoods where access is limited based on affordability. c. Create a "food factor" in the core business district that will encourage families and young professionals to live, work, and play there. 2. Conduct a countywide community improvement planning effort that looks at assets and neighborhood planning by City and County districts 3. JEDO should continue to acquire real estate for economic and growth opportunities 	2016-2020 2016-2017 2016-
III. Communicate Effectively (Internal Marketing and Internal Communications) Proactively work to increase communications about JEDO's economic development efforts so as to grow support for long-term initiatives using the monies from the 1/2 cent sales tax, as well as differentiate Topexia in the perception of external audiences.	JEDO is able to gain support for the initiatives it undertakes and supports, and Topexia becomes known as a vibrant location for high-quality business and workforce talent.	<ol style="list-style-type: none"> 1. Strengthen internal and external JEDO communications <ol style="list-style-type: none"> a. Develop/enhance the current JEDO website b. Adopt an open-communications policy c. Host a local/regional media tour d. Conduct a community pride campaign 2. Expand the process to discuss Economic Development projects 3. Inclusion of community groups 4. Change the name of GO Topexia 5. GO Topexia communications – Internal 6. Strengthen and enhance branding and communications efforts around Topexia's value as a business location 7. Develop a prospectus for each targeted industry that clearly articulates Topexia's value 8. Refresh the GO Topexia website 9. GO Topexia social media activity 10. GO Topexia trade show, conferences, and event activities 	2016 2016 2016-2017 2016 2016 2016 2016

Rationale and Proof Points

- “Average” won’t win new investment – or necessarily keep existing businesses
- The community has ample resources, but isn’t utilizing them properly
- Topeka’s quality of place is lacking
 - **Missing infrastructure**
 - **Several perceived and/or real needs**

TOPEKA SEEN AS AVERAGE BY ITS CITIZENS



Execute Effectively

Strategy/Goal

Build a **customer-friendly** and **highly effective economic development service delivery mechanism** for existing and potential businesses in the community and supplement JEDO's contractual/agent positions to focus on economic development needs.

In doing so, Topeka is better able to **attract and retain** the types of companies that will make it competitive for years to come and produce **wealth-creating opportunities** for its citizens.

Execute Effectively

Actions

1. Develop a JEDO-specific mission statement to guide economic development efforts.
2. Hire a full-time JEDO economic development coordinator.
3. Encourage GO Topeka to be a standalone, autonomous organization.



Execute Effectively

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Opinion

EDITORIALS

Our View: Reshaped board key to economic development

Story Comments Print Font Size

Posted: Wednesday, November 18, 2015 12:00 am

Economic development in Cumberland County will take on a new face and name in just six weeks. We hope it will also take on a more vigorous life.

The Economic Development Alliance of Fayetteville and Cumberland County, a division of the Greater Fayetteville Chamber, will disappear on Dec. 31. It will return on Jan. 1 as the Fayetteville-Cumberland County Economic Development Corp., with a mostly new board of directors that will include a City Council member and a county commissioner.

While the concept of a public-private partnership for economic development is sound, tying it to the Chamber of Commerce was a mistake, making the chamber dependent on local government for funding, and robbing it of a strong, independent voice. Removing the Alliance from its organization chart should make the chamber a stronger, more effective advocate for economic development.

We'd like to see another chronic pain disappear too: With members of the council and Board of Commissioners on the Economic Development Corp. board, we hope there's a decrease in damaging, uninformed potshots.

City and county politicians have often complained about our lack of progress in recruiting new business and industry. What they missed is that they're part of the problem. Their failure to create a sufficiently safe, attractive community has been our biggest stumbling block.

The county commissioners decided this week that their chairman or his designee would serve on the Economic Development Corp. board. The council hasn't decided which member will serve. Keeping them at the table as recruitment efforts are conducted should involve both boards in development efforts - if the political designees keep their colleagues briefed. That should diminish finger-pointing and foster a more united effort to lure new business here. The Alliance had seasoned, capable economic developers on staff, but they have suffered from a lack of political support. That needs to change on Jan. 1.

What won't change is the need for strong recruitment efforts and a continuing drive to add to Cumberland County's amenities. That especially includes success in passing the upcoming parks-and-recreation bond proposal, which needs enthusiastic support from the city and county boards. So do ongoing efforts to redevelop the downtown area, which is one of the city's most attractive lures for businesses.

We still face tough competition in our search for more private-sector jobs, but the Economic Development Corp. appears better suited to find success.

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Advantages of autonomy

“While the concept of a public-private partnership for economic development is sound, tying it to the Chamber of Commerce was a mistake, making the chamber dependent on local government for funding, and robbing it of a strong, independent voice. Removing the Alliance from its organization chart should make the chamber a stronger, more effective advocate for economic development.”

—Fayetteville Observer Editorial, 18 November 2015

Execute Effectively

Actions

4. Create performance metrics to measure the community's health and operational success of JEDO's agents
5. Modify the JEDO/GO Topeka incentive policy.

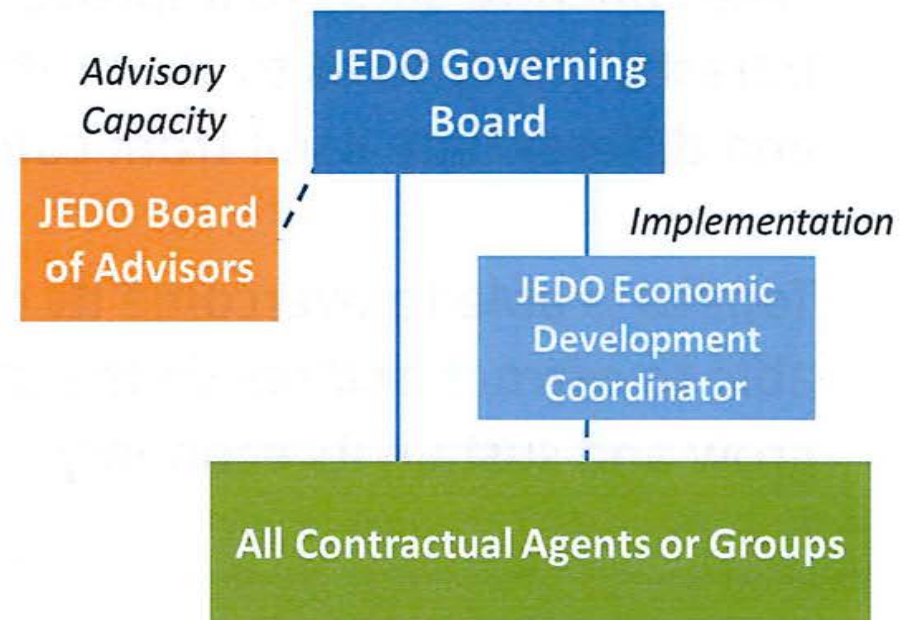


Execute Effectively

Actions

6. Create a JEDO Board of Advisors
7. JEDO should institute new operational guidelines:
 - a. Transfer of land ownership and accountability
 - b. Incentive management
 - c. Funding of its agents
 - d. Fund balances
 - e. JEDO disbursements to agents
 - f. Performance contracts
 - g. Meeting protocol

Proposed Board of Advisors



Renew and Transform

Strategy/Goal

Take concrete steps to improve the City and County's infrastructure, so as to *strengthen the area's quality of place* and differentiate itself from competitor regions.

Topeka is able to overcome its current shortcomings and better able to *attract and retain* the talent and companies it desires to grow and sustain its economy.

Renew and Transform

Actions

1. Invest in more quality of place projects that will enhance the competitiveness of the community and attract and retain talent:
 - a. Improve gateways into the City
 - b. Provide public free high-speed Internet access in certain areas
 - c. Create a “cool factor” in the core business district



Renew and Transform

Actions

2. Conduct a countywide community improvement planning effort that looks at assets and neighborhood planning by City and County districts
3. JEDO should continue to acquire real estate for economic and growth opportunities



KANZA ECONOMIC GROWTH COMPLEX
TOPEKA, KANSAS, SHAWNEE COUNTY/USA



Communicate Effectively

Strategy/Goal

Proactively work to increase communications about JEDO's economic development efforts so as to grow support for long-term initiatives using the monies from the ½ cent sales tax, as well as differentiate Topeka in the perception of external audiences.

In doing so, JEDO is able to gain support for the initiatives it undertakes and supports, and Topeka becomes known as a vibrant location for high-quality business and world-class talent.

Communicate Effectively

Actions

1. Strengthen internal and external JEDO communications
 - a. Develop and enhance the JEDO website
 - b. Adopt an open-communications policy
 - c. Host a local/regional media tour
 - d. Conduct a community pride campaign
2. Explain the process to disclose Economic Development projects
3. Inclusion of community groups



Communicate Effectively

Actions

4. Change the name of GO Topeka
5. GO Topeka communications – internal



Non-Insiders	Insiders
<ul style="list-style-type: none">• Secretive• Misunderstood• Impotent• Ineffective• Perception issues• Lack of transparency• People don't understand what they do• Community marketer	<ul style="list-style-type: none">• Visionary• Great listeners• Ambassadors• Optimistic• Service provider• Passionate• Out of the box• Progressive

Communicate Effectively

Actions

6. Strengthen branding around Topeka's value as a business location
7. Develop a prospectus for each targeted industry
8. Refresh the GO Topeka website
9. GO Topeka social media activity
10. GO Topeka trade show, conferences, and event activities



This and That

Should JEDO support/fund these efforts as noted in your RFP Resolution (opinion of Garner Economics)?

1. **Primary jobs only?** No, you should be engaged in what is necessary to enhance the community's competitiveness and quality of place.
2. **Retail?** Yes, but selectively.
3. **Workforce development?** More than 14 organizations in SC doing workforce service delivery and JEDO funded 8 of them this year through GT. There needs to be a separate analysis on what is being offered and who served in the WF service delivery side and its effectiveness.
4. **SBE?** Yes. Already being done with a \$479K a year budget through the EMBD program (well funded).
5. **Venture capital/early stage?** Yes, but risky and use caution. Need professional financial oversight.
6. **Minority Inclusion and Empowerment?** Yes, already being done by GT through the EMBD program (well funded).
7. **How much set aside annually for incentives (cash grants/closing fund)?** \$500,000 - \$<1mm
8. **How much for product improvement/quality of place?** \$1 mm per year
9. **Discretionary fund?** Yes, \$250K-500 annually

Sample budget using \$5mm as the baseline

	Total	JEDO	Private Sector
GT (operating budget)	\$2.1mil	\$1.6mil	\$518K
Incentives (cash grants)	\$1.0mm	\$1.0mm	
Product Improvement (quality of place)	\$1.0mm	\$1.0mm	
Discretionary fund	\$500K	\$500K	
Total	\$4.6mm	\$4.1mm	\$518k

JEDO has a cash fund balance of \$10.3 million. Quality of place projects should be considered (minus committed obligations) from this balance.

What's Next?

The status quo is not an option.

JEDO will need to:



- Increase transparency
- Operate as a \$260 million business
- Better deploy public monies
- Develop metrics to measure performance
- Invest in quality of place and basic infrastructure

Thank you!

The **Strategy for Effective Economic Development Change** initiative has benefited greatly from the professionalism and contributions of JEDO and GO Topeka, their leadership, and the many stakeholders who took part in the focus groups, survey and public listening session.

Special thanks to:

- JEDO governing board
- City of Topeka
- Shawnee County
- GO Topeka
- 124 focus groups participants, 707 public survey respondents, and the 12 participants of the community listening session



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Questions?

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