



JEDO Board Meeting
December 14, 2016
6:00 P.M.

*City Council Chambers
214 SE 8th Street, 2nd Floor
Topeka, Kansas*

JEDO Board Members

Shawnee County Commissioners

Shelly Buhler District No. 1
Kevin Cook District No. 2
Bob Archer District No. 3

City of Topeka Governing Body

Larry Wolgast	Mayor
Karen Hiller	District No. 1
Sandra Clear	District No. 2
Sylvia Ortiz	District No. 3
Anthony Emerson	District No. 4
Michelle De La Isla	District No. 5
Brendan Jensen	District No. 6
Elaine Schwartz	District No. 7
Jeffrey Coen	District No. 8
Richard Harmon	District No. 9

JEDO Board Voting Members

Shawnee County Commissioners

Commissioner Shelly Buhler
Commissioner Kevin Cook
Commissioner Bob Archer

City of Topeka Governing Body

Mayor Larry Wolgast
Deputy Mayor Michelle De La Isla
Councilmember Jeffrey Coen
Councilmember Sandra Clear

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 County Counselor's Office (call 785-251-4042 or email megan.barrett@snco.us) 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 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 JEDO's website at www.jedoecodevo.com.

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



**JEDO Board of Directors Meeting
Agenda for Wednesday, December 14, 2016
6:00 p.m.**

**Topeka City Council Chambers
214 SE 8th Street, 2nd Floor
Topeka, Kansas**

1. Call to Order
2. Roll Call
3. **Action Item:** CONSENT AGENDA
 - a. Approval of September 14, 2016 JEDO Board meeting minutes. (Pgs. 5-26)
 - b. Approval of October 19, 2016 JEDO Board meeting minutes. (Pgs. 27-31)
 - c. Approve service contract for JEDO 2016 Audit, Betty Greiner, Shawnee County Audit Finance Director). (Pgs. 32-38)
4. Presentation: JEDO Finance Committee 3rd Quarter Cash Statement (2016): Betty Greiner, JEDO Finance Committee Treasurer (Shawnee County Audit Finance Director). (Pgs. 39-40)
5. **Action Item:** Approval of Reser's Fine Foods/Project Spencer Incentive Contract: GO Topeka staff. (Pgs. 41-53)
6. Presentation: Economic Development Activities 2016 Year-End Review: GO Topeka staff. (Pgs. 54-85)
7. Presentation: Update on East Topeka Learning Center: Barbara Stapleton, Director of Existing Business & Workforce Development for GO Topeka. (Pg. 86)
8. Discussion: Update on Topeka & Shawnee County Holistic Economic Development Strategy: Matt Pivarnik, President and CEO of Topeka Chamber and GO Topeka and Keith Warta, GO Topeka Treasurer, President/CEO, Bartlett & West. (Pgs. 87-152)
9. **Action Item:** Approve 2017 Economic Development Strategic Business Plan and Budget: GO Topeka staff. (Pgs. 153-169)

10. **Action Item:** Approve 2017 Cash Carry-Forward Agreement: GO Topeka staff. (Pgs. 170-173)
11. **Discussion with Possible Action:** Report of Section 1 – Execute Effectively (Organization) concerning the Garner Report including discussion of draft Broadband Request for Proposals from Section 2. (Pgs. 174-187)
12. Public Comment.
13. **Reminder of 2017 JEDO Board Meeting Dates per the JEDO Operational Rules:**
 - Wednesday, February 8, 2017
 - Wednesday, May 10, 2017
 - Wednesday, September 13, 2017
 - Wednesday, December 13, 2017
14. Adjournment.

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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 and the Shawnee County web page at www.snco.us/jedo.

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Agenda Item No. 3

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Action Item: CONSENT AGENDA

- a. Approval of September 14, 2016 JEDO Board meeting minutes.
- b. Approval of October 19, 2016 JEDO Board meeting minutes.
- c. Approve service contract for JEDO 2016 Audit, Betty Greiner, Shawnee County Audit Finance Director).

**Joint Economic Development Organization Board Minutes
September 14, 2016**

City of Topeka Council Chambers, 214 SE 7th Street, Topeka, Kansas, Wednesday, September 14, 2016.

The Joint Economic Development Organization (JEDO) Board members met at 6:00 p.m. with the following voting Board members present: Shawnee County Commissioners Shelly Buhler, Kevin Cook and Bob Archer, City of Topeka Mayor Larry Wolgast, Deputy City Mayor Michelle De La Isla, City Councilmember Jeffrey Coen and City Councilmember Sandra Clear. Shawnee County Commissioner Shelly Buhler presided as JEDO Chair.

The following nonvoting JEDO Board members were present: City Councilmembers Karen Hiller, Tony Emerson and Brendan Jensen. The following nonvoting JEDO Board members were absent: City Councilmembers Sylvia Ortiz, Elaine Schwartz and Richard Harmon.

Others present who presented and/or spoke before the Board:

Barbara Stapleton, Director of Workforce and Education for GO Topeka; Betty Greiner, JEDO Finance Committee Treasurer & Shawnee County Audit Finance Director; Matt Pivarnik, President and CEO of the Topeka Chamber and GO Topeka; Molly Howey, Director of Business Development for GO Topeka; Glenda Washington, VP of Entrepreneurial and Minority Business Development for GO Topeka; Karen Lane Christilles, Executive Director of 712 Innovations; Joseph Ledbetter; Lazone Grays; Scott Griffiths, GO Topeka Chair, Intrust Bank; Clark Coco, Dean of Washburn Tech; Dr. Clayton Tatro, Assistant Dean of Instruction, Washburn Tech; Alonzo Harrison, HBD Construction; Barry Beagle, Director, Shawnee County Planning Department; Bill Fiander, Director, City of Topeka Planning Department; Brett Oetting, President/CEO, Visit Topeka; Vince Frye, President/CEO, Downtown Topeka, Inc.; Gabriel O'Shea Executive Director, Fast Forward; Keith Warta, GO Topeka Treasurer, President/CEO, Bartlett & West; Carol Marple.

Commissioner Buhler called the meeting to order.

Commissioner Buhler announced that at this time she has received a request from the company regarding Item No. 6 to pull the item from tonight's agenda. JEDO was advised that the company thought it was premature to address the agreement at tonight's meeting. So action Item No. 6 is pulled.

ITEM NO. 3: ACTION ITEM: Approval of the May 11, 2016 JEDO Board meeting minutes.

Deputy Mayor De La Isla moved to approve the May 11, 2016 JEDO Board meeting minutes. Commissioner Cook seconded.

Following a vote, motion carried unanimously.

ITEM NO. 4: ACTION ITEM: Approval of the May 18, 2016 JEDO Board meeting minutes.

Commissioner Archer moved to approve the May 18, 2016 JEDO Board meeting minutes. Deputy Mayor De La Isla seconded.

Following a vote, motion carried unanimously.

ITEM NO. 5: ACTION ITEM: Approval of Mars/Project Storm contract: GO Topeka staff.

Barbara Stapleton, Director of Workforce and Education for GO Topeka presented the Addendum to Incentive Agreement with Mars Chocolate North America, LLC. Ms. Stapleton stated in July of 2015, GO Topeka had requested funding for the Mars incentive agreement under the name of Project Storm. This is just the contract for approval of that incentive agreement that the funding has already been approved by JEDO.

Deputy Mayor De La Isla made a motion to approve the contract. Councilmember Coen seconded.

Following a vote, motion carried unanimously.

ITEM NO. 6: ACTION ITEM: Approval of Incentive Agreement – Project Mare: GO Topeka staff.

Item No. 6 was pulled from tonight’s meeting.

ITEM NO. 7: Presentation: JEDO Finance Committee 2nd Quarter Cash Statement (2016): Betty Greiner, JEDO Finance Committee Treasurer (Shawnee County Audit Finance Director).

Betty Greiner, JEDO Finance Committee Treasurer & Shawnee County Audit Finance Director presents the 2nd Quarter Cash Statement (2016) to the Board.

**Joint Economic Development Organization
Cash Statement
For the Six Months Ended June 30, 2016**

<u>Receipts:</u>		
Sales Tax - City of Topeka	\$	3,702,769.08
Sales Tax - Shawnee County		3,761,166.45
Refund		22,041.45
Interest Income		1,543.08
Total Receipts		7,487,520.06
<u>Disbursements:</u>		
City of Topeka		
Topeka Blvd Bridge - Interest	45,525.00	
SE 45th: SE Topeka Blvd to SE Adams Ave	<u>3,587,718.00</u>	3,633,243.00
Shawnee County		
County Bridges	<u>1,500,000.00</u>	1,500,000.00
GO Topeka		2,499,999.96
Audit Charges		4,635.00
Bank Charges		108.26
Total Disbursements		7,637,986.22
Net Receipts (Disbursements)		(150,466.16)
Bank Balance - January 1, 2016		11,793,255.72
Bank Balance - June 30, 2016	\$	11,642,789.56

Note: This is a cash basis report
Prepared by Betty Greiner

ITEM NO. 8: ACTION ITEM: Approval of JEDO 2015 Financial Statements and Auditor's Report: Betty Greiner, JEDO Finance Committee Treasurer (Shawnee County Audit Finance Director).

Betty Greiner presented the JEDO 2015 Financial Statements and Auditor's Report to the JEDO Board. Ms. Greiner will note that the audit is prepared on an accrual basis which means the tax receipts for November and December are included in these numbers although they were not received until 2016.

Deputy Mayor De La Isla made a motion to approve the JEDO 2015 Financial Statements and Auditor's Report. Commissioner Cook seconded.

Following a vote, motion carried unanimously.

ITEM NO. 9: PRESENTATION: Overview of 2nd Quarter Report and current Quarter activities: GO Topeka staff.

Matt Pivarnik, President and CEO of the Topeka Chamber and GO Topeka stated he would like to thank all of them for putting their faith in GO Topeka to do economic development but it could not be done without JEDO. Economic development is very much a team sport and if you find a successful community you will find a lot of folks working on it together. He has reported to them before the things that keep him up at night and he just wanted to review those with them again. Our community pride, our community's image, our brand identity, our workforce, our young talent, our population growth, our legislative success, our quality of life, our entrepreneurship and small business, and working better together. He would also like to take a hat off for our team at GO Topeka. They've been burning the candle at both ends and he is looking forward to days where we have stronger metrics and stronger strategic plans so we are working smart in addition to working hard. He also thinks it is important to thank Scott Smathers who spent three years making an incredible contribution to Shawnee County and to Topeka in the economic development area and he has just been great to work with. We do congratulate him on his new career.

Barbara Stapleton, Director of Workforce and Education for GO Topeka presented to the Board some highlights regarding GO Topeka's Existing Business/Workforce Projects.

- 35 Business Retention & Expansion Visits
- 10 active Business Retention & Expansion projects
- TRM Care Program 35 bus passes issued for work transportation (53 YTD)
- Semi-Annual Manufacturing & Distribution Roundtable held in April
- Financial Services Summit – October 19, 2016
- Project Reef and Project Sand completed up to 228 new jobs and up to \$30 million invested

Molly Howey, Director of Business Development for GO Topeka presented to the Board some highlights regarding GO Topeka's New Business Projects.

- 27 Projects in the pipeline
 - 42% Advanced Systems Tech
 - 27% Professional Services
 - 12% Logistics/Distribution
 - 11% Food Manufacturing
 - 8% Other

- 7 New Projects this quarter
- 7 International prospects
- 4 Site visits
- 1 Formal incentive proposal

Glenda Washington, VP of Entrepreneurial and Minority Business Development for GO Topeka presented to the Board some highlights regarding the EMBD Program:

- Blue Ribbon Academies
- Counseling and Assistance
- Small Business Visits Events/Activities
- Social Media Growth
- Small Business Saturday – November 26th

Ms. Washington also wanted to take this opportunity to give them an update on 712 Innovations. Karen Lane Christilles, Executive Director of 712 Innovations presented the following information to the JEDO Board:

- 125 members
- 37 startups call 712i home
- 14 small businesses with storefronts utilize 712i services
- Washburn School of Business, Entrepreneurial Clinic classroom
- Offers over 20 courses each month on business, equipment training
- September began issuing day passes in partnership with TSCPL
- October 5th, host first 1 Million Cups, a Kaufmann Foundation partnership
- Waiting list for CoWork office space.

Commissioner Archer asked how long is the waiting list.

Ms. Christilles replied they have four companies. Most of them need a larger space than we have, we have one table in an office suite of three available and they need either 2, 3 or up to 7 spaces just for their offices so we can't accommodate any of them.

Councilman Coen asked do people just show up with their library card at 712, or how does that work?

Ms. Christilles responded that we have six librarians, they rotate one afternoon and they are looking at the hours right now so they can accommodate this. But they rotate through, so those passes will be available during the times the librarians are present at 712, right now that is Tuesday, Wednesday and Thursday afternoons. So the librarians will be trained on the equipment people will be able to use, so they will be doing the training or helping with resources or if the person just needs computer access that is available.

Deputy Mayor De La Isla asked do we have any idea on the economic impact that these businesses are having in our community.

Ms. Christilles replied she knows that there is an impact. She does not have metrics for the numbers on that, but she does know that there are about, of those 51 members that have businesses that are represented, there are about 300+ jobs that are represented by those individuals. More to come, but we are growing and we look for that number to get bigger.

Councilman Jensen asked if they have a grant process for low to no income folks, and if so, how many of those have they issued?

Ms. Christilles responded they do not have a grant process; they do have what is called a Service Membership. And the Service Membership is an application and it is for 1 year so one can become a member of 712 for just \$20. The basic membership for the general public is \$50. And there are a couple of services; we match the person with what they are able to do best to kind of help us there. So we don't have a grant, that will be one thing as we move forward that we will look for businesses to help sponsor us for that sort of thing to sponsor membership or to also sponsor awards for innovation and creation of businesses and that sort of thing.

Councilman Jensen asked how many of those do they have working now.

Ms. Christilles stated they have 7 members working right now.

Commissioner Buhler asked if the public wants to learn more about 712 Innovations where do they go.

Ms. Christilles stated they go to their website (www.712innovations.com) and all of the things she has spoken about are listed there. There is a public side to the website and a member's side to the website. But for the general public it talks about classes that are available, hours that we are staffed. The library information is getting ready to go up at the end of this week.

Ms. Washington stated for those of them that have not been over to 712 Innovations, she would invite them to come over and take a look at all the activity that is going on, get a little deeper into what is happening over there.

ITEM NO. 10: ACTION ITEM: Request for continuation of Small Business Incentive: Glenda Washington, VP of Entrepreneurial and Minority Business Development for GO Topeka.

Ms. Washington stated she is so excited to tell them today that the small business incentive program that they approved has been extremely successful. This program has really made a tremendous impact on the community.

Small Business Incentive Report

New Businesses	Jobs Impacted	Dollars Disbursed
12	19 FT/11 PT	\$70,920.11
Existing Bus. Rec.	Jobs Impacted	Dollars Disbursed
28	64 FT/51 PT	\$77,266.68
Business Mix	Retail	Service
	18	22
Month	Number of Clients	Amount Disbursed
March	2	\$ 5,289.00
April	9	\$ 46,524.79
May	8	\$ 24,966.74
June	17	\$ 61,910.89
July	2	\$ 6,547.26
August	2	\$ 2,948.11
Total Clients	40	\$ 148,186.79

*Six companies received multiple incentives.

Ms. Washington indicated as they can see from her report they have already disbursed funds to 40 total clients from this program. We worked really hard to get the message on the street, we didn't realize that between March 1st and the beginning of August that we would be out of money, but we are out of money. People are talking about this program, how it has helped grow their business, how it has helped impact their business. She got a letter from one business owner today who couldn't attend the meeting and it says her business Dandelions (<https://www.dandelionstopeka.com/home>) opened in July, 2016, thanks to the generous matching funds for renovation and equipment she has a colorful, inviting studio that kids and parents love. It is fully equipped with everything that she needs for crafting and running a business. In the two months that she has been open she has had so many parents and grandparents thank her for bringing this to the community. She wanted to pass this along to them and thank them, she wouldn't be here without them and their funding is absolutely necessary for business owners to achieve their dreams while enhancing our community. She would love for them to come by and visit here, located in the Brookwood Shopping Center.

Her request to JEDO tonight is that we continue this program and that JEDO allow them to get another \$150,000 out of the EMBD rollover funds; we have about \$850,000 left in our rollover budget. She requests that we continue this program through this year to support other businesses. We have probably about 5 complete packets that are in her desk and we have 20 that are waiting for her to tell them go ahead and complete their packets and get them back to her. So that is how important this is to the community.

Commissioner Cook asked if she could talk to them a little about what types of retail, what types of services are included.

Ms. Washington replied what retail looks like - Norsemen Brewing Company, Open Window, Forbes Landscape, Paradise Donuts, Harris & Sons, Dandelions – so you know those names, these are not foreign names to us in the community, you know who they are. She can share the list with them as to the kinds of businesses that have taken advantage of the program.

Commissioner Cook asked if this was just spread out to one part of the community or do we really see this across the entire community?

Ms. Washington responded that we are seeing this across the entire community. This is a county program, not just a city of Topeka program.

Mayor Wolgast stated he would request they be provided with the list, he thinks that would be helpful in the future.

Councilwoman Clear asked are these businesses in buildings or are they traveling? Does she have the locations of the businesses on her list?

Ms. Washington indicated yes they were in buildings and yes they are all across the community. She has their locations, the date we gave them the incentive, their email addresses, exactly how much we gave them. It is very thorough and she will get it to them.

Deputy Mayor De La Isla stated she is so excited to hear about this. One of the biggest concerns she has had for a long time is that the Chamber was really focusing on just one group and that there were so many individuals in such need of support. Small business is the backbone of our economy. We love our primary industries, we know that we cannot survive without them and we are doing a great job with that. But we also have this side and she thinks that it would be a travesty if we did not continue this especially knowing that we have so many people on queue.

Deputy Mayor De La Isla made a motion to approve the request in the amount of \$150,000 for continuation of Small Business Incentive. Commissioner Archer seconded.

Councilman Jensen stated he doesn't have a vote on this but he would just want to encourage everyone to approve it. This is the difference between starting a small business and launching a small business to these folks so it is critically important to the success of this sector of our community which is where most of the job growth is going to be in the immediate future.

Councilman Coen stated they originally were given \$150,000 and they ran out of money, is there any reason we don't increase this amount?

Ms. Washington replied that in the proposed budget request for 2017 she has asked for an increase. This is to continue with the program for this year, but next year they will see her asking for more than \$150,000.

Commissioner Buhler stated for clarification this money would be coming from the rollover funds in the EMBD budget.

The following individuals appeared to speak for public comment:

1. Joseph Ledbetter appeared and stated he likes this item and supports it. One of the things he likes about it is the number of businesses it has helped. Small business is obviously the backbone of this economy and the nation's economy actually. To take the money out of rollover funds, which are basically sitting idle is especially useful. He doesn't think they should have these monies sitting, and that amount represents one whole year and about 60% of another year in that section of their budget. So he likes the idea of using it, he likes the fact that it went to 40 different businesses and it went out rapidly. And it is that rapidity of getting those dollars out into the economy that really helps to see results.
2. Lazone Grays appeared and stated nothing that he is about to say has anything to do with the performance of Ms. Washington or GO Topeka. What he has provided to them today is a copy of their Interlocal Agreement and he has underlined and noted a few things on it, especially in the definition of economic development and then on the 3rd page is where it talks about the 10% of the funding is to be "[t]argeted to support economic development for socially and economically disadvantaged individuals and/or business enterprises..." Nowhere in the definition of economic development or in this clause right here does it say small, women or minority businesses.

He has also shared with them a copy of what the definition of what a small business is. Instagram could've been a small business even though they were bought by Facebook for \$1 billion. In their own agreement that they deliberated on and passed, back on the 3rd page, it didn't say that 50% of the 10% would be targeted to socially and economically disadvantaged businesses and that's probably good because if we just focus on small, women and minority business then Oprah, Martha Stewart and Denzel Washington would be eligible for it. But it seems that within their own directive and own agreement, that these funds are supposed to be targeted to those who are socially and economically disadvantaged. Who is this population? He has provided that to them as well. And the reason that this is of interest to him is because he had a stake in having these funds made available for targeted business to try to utilize to drive down the poverty numbers and target unemployment and things of that nature. Again,

nothing against Ms. Washington or the Chamber. She's a professional, and if you ask a professional to get you somewhere, they are going to get you somewhere. If the destination happened to be the wrong place, they are still going to get you there. When the majority of the 10% is used for business but the definition of economic development is inclusive of workforce training and expansion, the only targeted demographic in their definition and in that 10% clause are socially and economically disadvantaged individuals and businesses and now they have youth in there as well.

He doesn't know how he got off base, sometimes a title can change the whole direction but that doesn't mean that was not the intent of where you had voted who you wanted these monies to target. Who would be the socially and economically disadvantaged individuals? He will share that with them. Those receiving cash assistance, public housing, food assistance, and those who have children in the household who are eligible for free or reduced lunch. Not all veteran's or disabled persons are socially and economically disadvantaged. If there are \$4.5 million, maybe there needs to be something to rededicate a portion of those funds to target for those individuals who are not socially and economically disadvantaged who you actually targeted the money for in your own agreement. Upon expiration of time, Mr. Grays requested he be allowed to speak for an additional three minutes.

Deputy Mayor De La Isla moved to extend Mr. Grays three more minutes to comment. Councilwoman Clear seconded. Following a vote, motion carried unanimously.

Mr. Gray stated he does not know how to deal with this. He has heard the comments that they want this to proceed and he does want this to proceed for the sanctity of small business as well. But what they had agreed upon in their interlocal agreement is that you would target those monies for those that are socially and economically disadvantaged. How do you choose who those individuals are if you don't have a working definition of who are the socially and economically disadvantaged? Most of the time if you want certification from the federal government who have to go through some type of test to make sure there aren't any false fronts. He thinks that having 100% of the 10% being just used for business sort of negates their own wording. For individuals he guesses that would mean workforce training and expansion which is a part of their definition, which funds have never been used for. He would really like to take this to heart because it is their agreement saying who they are and who they want to target these funds for. If he had a contract with them and somebody called him out on it, that would be a breach of his contract because he is not spending the money on the people stated in the agreement. He doesn't want to slow down the assistance for small, women or minority owned businesses, but the socially and economically disadvantaged individuals and business who they are supposed to target these funds to, he thinks they should have to come up with some type of an application or test or certification to assure they are providing monies to them. He would like JEDO to uphold its own agreement and dedicate those funds towards the targeted population.

3. Scott Griffiths, GO Topeka Chair, Intrust Bank appeared and stated he wants to acknowledge Glenda Washington and her team for a job well done. These monies that have been spent to date have made a difference for a lot of small businesses and a lot of individuals' lives. The real test is going to maybe be three to four years down the road, and we are going to be keeping an eye on these companies, and we are going to find out where they are, have they grown, have they gone out of business? Now we don't know the end results at this time but we will be watching. He appreciates the positive comments he has heard about the program and he also encourages them voting in favor of continuing it with rollover dollars.

Deputy Mayor De La Isla stated she loves when people come up and stand up for things that we believe in for our community. But at the same time she doesn't want us to be confused with the efforts that have been ongoing currently to work with those areas that are socially and economically challenged. To mention just a few, she has been very privileged to participate with Ms. Barbara Stapleton and some of her efforts with all of the companies that are on the SW corridor of our community, the primary industries, and we have roundtables on how we can engage high school students specifically for organizations that are socially and economically challenged to participate and applying and getting them connected with Washburn Tech. In addition to that we have a program with Highland Park, which is a robotics program; specifically that whole demographic of that school is extremely low income. Topeka Public Schools has a great partnership with this group and the effort is just to get students into the pipeline so that they can go back and be job ready as soon as they are done. The organization is also starting a Diversity and Inclusion Council, they are participates in the Emanitas Conference which focuses on girls that are solely in middle school and high school that are from low economic status in their schools selected by their counselors. The organization is also over at Kansas Works and they specifically have voc rehab, the TANF group, the veteran's group. Furthermore, there is 712 Innovations and we just talked about the great things that they are doing. And finally her colleague Commissioner Cook reminded her that the impetus of including socially and economically disadvantaged individuals to this contract was because our City Manager had requested that we have an additional \$1.5 million this year, as we were doing negotiations for the contract, to focus solely on our community and how we were going to take those programs into the community. So she is really looking forward to us having new reports because this is going to be a brand new program that is starting in 2017, how we are going to be tackling those areas.

Following a vote, motion carried unanimously.

ITEM NO. 11: PRESENTATION: Update on East Topeka Learning Center: Barbara Stapleton, Director of Existing Business & Workforce Development for GO Topeka.

Barbara Stapleton, Director of Workforce and Education for GO Topeka appeared and introduced Clark Coco, Dean of Washburn Tech and Dr. Clayton Tatro, Assistant Dean of Instruction.

Washburn University/Washburn Tech

- Student-Centered, Teaching-Focused
- Meeting Community Needs
- Striving to Reduce Barriers to Post-Secondary Education
- Developing Work-Ready Skills

Mr. Coco stated several months ago they were approached about the idea of delivering some education on the east side of Topeka; it was prefaced with the idea of a CDL. What we do and what we do well is they delivery of what we do at the Student Center, it's all about the students. Many years ago, as a young

educator in the classroom he was asked why does he teach and he said he can't find better company. And that's the truth, we are student centered and we want it to be about students. We are teacher focused; we are very intimate with our students and very driven. If you have been on the campus you have seen the interaction of that. We have many things that we need to do for the community and we have been approached in the last 12 months with needing emergency communications, people to work in the 911 center and we put that on the campus and it is now up and running. We need EMT's, we put that on the campus and it is now up and running. We need cosmetologists. And so the responsiveness of Tech is a very unique thing. So the idea of reaching out to the eastside of our community was striving to reduce the barriers or perceived barriers to post-secondary education. Our goal of course is training people for the workforce and getting them ready and supply the workforce for the folks you are talking about in economic development.

In-Demand Programs

- Commercial Truck Driving (CDL)
 - Full Program (6 weeks – 240 hours) and Short Course (2 weeks – 80 hours)
- Building Technology
- Health Care Technology
- Adult Education and Literacy Services (GED)
- Adults Belong in College (ABC)

Dr. Tatro stated we have had two school districts in Shawnee County contact them regarding the CDL program wanting to know about bus drivers. We have been very fortunate to work with Topeka USD 501 and take over their GED program that is already on our campus. The first six months of us operating that program we hit 150% of our targeted goal in terms of number of participants. We operate a program called A-OK (Accelerating Opportunities in Kansas), that is a unique program in the state of Kansas that allows students to pair up GED education with a technical trade program and the state actually pays for the technical training as well as the GED. So students take the GED in the morning and their technical skills in the afternoon or vice versa and we have had a lot of success and we really believe strongly that is part of their mission as Washburn Tech to reach out to adult basic ed and GED students.

Washburn/Washburn Tech Investments in Proposed Center

- Services
 - Academic and Career Advising
 - Course Offerings
 - Financial Literacy
 - Information Literacy and Technology
 - Mentoring
 - Military Student Success Services
 - Tutoring
 - Health Screenings
- Operating Costs/Daily Operations

Partnering with Washburn Tech and Washburn University Benefits

- Working with community organizations/agencies
- Eastside location much more convenient to certain areas of the community
- Provides new training programs in the community
- Has long-term benefits to the whole community
- Reaching a population of under-represented groups currently not being served
- Provides a facility to continue offering new programs and initiatives.

Programs include CDL, Construction certification, Healthcare Technology, GED, Adults Belong in College, Workplace Skills.

Ms. Stapleton said it would be remiss if we didn't recognize that one of our community members, Mr. Lazone Grays, originally came to them with this idea and shared that there needs to be more of this on the eastside and so it is important that we acknowledge that and also to acknowledge that Scott Smathers did a lot of work on the beginning side of this. This gives them a wrap-up to let them know what are next steps are and how we will be presenting to you when we do bring a request in the future. There has been a site location that has been secured, there is not any funding that has occurred with that, we have until February, 2017 to complete that, but just to have that awareness that we have moved to that point.

Next steps include:

- Selection of project manager/general contractor
- Architectural design
- Remediation cost determination
- Subcontractor bids
- Funding approval of JEDO

Mr. Alonzo Harrison, HBD Construction stated first of all they are a business that has been around Topeka for 58 years every day. His father started the company in 1959. He says that to say that there is a commitment to everyone in the City of Topeka to commit to paying the ½ cent sales tax. He has been a part of this since it was a ¼ cent sales tax and now it has grown. The question now is whether or not everyone in the City is benefiting. The primary jobs, the economic development to have jobs in the \$50,000-\$80,000 range is fantastic but one of the concerns has always been the ability to get to those jobs. By developing these economic development engines and opportunities in the eastern portion of the City you allow people there to get there, to allow access to an underserved population, a whole pool of human capital to grow and develop that is largely untouched. He thinks some of the underlying conditions of the outward acts of violence around here are based on the inability to do other things and have other options. You are creating a great other option that he thinks makes good sense. It is a great investment and it will allow everyone a true opportunity to participate and create a career ladder and enhance the quality of life for the City as well.

Councilwoman Hiller asked just to clarify did she understand correctly from Dean Coco that this outreach and class offerings are going to start immediately in East Topeka even though we are still making progress on securing a building itself?

Dean Coco replied they are offering the CDL program right now on the Huntoon Street campus of Washburn Tech. We are out of space at that campus for the program. Are we prepared to reach out with construction traits and healthcare on the eastside – not yet. We do not have a location to offer on the eastside.

Dr. Tatro stated involving what we discussed regarding Tech Town and bringing the operation to the eastside, working with the Antioch Center and Heartland Works in terms of being able to do that outreach, that is going to get started as early as October.

Dean Coco stated we will be there with our programs from approximately 2-6pm where people can come in and find out more information, explore, see what offerings are out there and we will see where that leads us.

ITEM NO. 12: ACTION ITEM: Approval of Kanza Fire Commerce Park Covenants: Molly Howey, Director of Business Development for GO Topeka.

Molly Howey, Director of Business Development for GO Topeka appeared and stated she was going to give them a little bit of background. Kanza Fire is the commerce park that Mars is in and currently Mars is the only company in that park. We own about 236 acres which is the remaining portion of that park. We have been working on developing some covenants just as a best practice to set standards for the development at the future sites in the park. We have reached a contract with Mars' attorneys that they are comfortable with and are now bringing it to JEDO for approval. Some highlights of the agreement include:

- Restrictions to protect the use of the park
- Association is created when 90% of current GO Topeka land is sold – assessments will begin at that time to be used for maintenance and common areas
- GO Topeka has all powers the association will have until it is created
- Covenants will exist for 20 years and renew every 5 years unless terminated by 2/3 vote
- Remains I-2 zoning but can't be used for offensive or noxious operations

Mayor Wolgast asked if she could give them a few examples of what constitutes “offense or noxious operations?”

Ms. Howey replied she believes in the contract it sites sanitation so dumps and things like that. Anything that would require an air permit she would probably assume would be something that is obnoxious.

Mayor Wolgast asked if we have had interest in the land from companies that would fit into those categories.

Ms. Howey responded yes. Also another thing that it restricts is outside storage. One of the companies that would fit into this category that wouldn't be able to develop there would need 20 acres of outside storage for things that don't look very nice and you probably wouldn't want to come into the community seeing these items scattered throughout. She apologizes for being so vague but it is a prior project. Things that would create toxic fumes, salvage areas. It's a visual thing also.

Commissioner Cook states he understands that if this were to pass that it will be filed with the Shawnee County Register of Deeds. He sees that we have Bill Fiander and Barry Beagle, who work with Planning and Code, maybe asking them; will this have any impact with Shawnee County or the City of Topeka with code enforcements?

Barry Beagle, Director, Shawnee County Planning Department stated with regard to the restrictions and covenants right now Mars is within the City of Topeka so Shawnee County has no influence as regard to that. However, there was at the time we rezoned over 1,000 acres associated with Mars to industrial, there were specific restrictions and performance measures that do apply and those restrictions still apply to that zoned area that is zoned industrial that is outside of the City limits currently.

Bill Fiander, Director, City of Topeka Planning Department stated he would welcome restrictions and covenants under I-2 particularly in a place like this which is high character, major image place for our city. Although he has not reviewed them, we would welcome them in an area like this that we are trying to promote.

Councilman Jensen asked is there a particular reason why a covenant is better than rezoning it to something lighter?

Mr. Fiander responded that this is a private restriction. Zoning would be a public restriction that the City would have to enforce. Quite honestly they act in the same way, it's just who enforces that. So really it is a policy decision as to whether you want a public restriction, a public enforcement or a private one.

Councilman Jensen replied that we have a substantially larger hammer than the private sector in terms of enforcement. Does this provide them more flexibility to use this area in the way that they see best fit? He doesn't see why this is better than us just doing the zoning job that we are charged to do by our citizens.

Mr. Fiander responded he thinks you could look at it being one in the same as far as the restrictions could be folded into a zoning district if in fact that was the way to go and he wouldn't see any issue with that. The one thing is flexibility, if something comes along. We are public and we do have our processes that we do have to go through so that is one thing to consider.

Councilman Jensen replied that also includes the maintenance of the area which is something we wouldn't do with the zoning anyways.

Mayor Wolgast made a motion to approve the Kanza Fire Commerce Park Covenants. Deputy Mayor De La Isla seconded.

The following individuals appeared to speak for public comment:

1. Joseph Ledbetter appeared and stated when he saw this he had questions because covenants run with the land and what they are doing in his opinion is dramatic and not to be taken lightly. If you read the agreement carefully it doesn't talk about just 20 years it says that it will be automatically renewed every 5 years so it goes on for quite a period of time. The problem he has with part of that is the high amount of votes it would take to undo it by the members of the association. He doesn't know why they couldn't put 51% in there instead of 66%. It may be that several decades from now some people would really like to undo some of these provisions like the construction sustainability in Article V, you have an LEED certification that may not be relevant in 20 years and it may be extremely costly to where people just walk away rather than invest in such a venture. There are several places in the agreement that talk about 66% which is 2/3, to change the agreement in the association, change the by-laws, etc. So he would say just out of caution you might give them a 51% threshold which wouldn't be near so high.

As far as limiting noxious fumes and things like that, are we talking about trucks, trains, aren't those part of an industrial park? One of the Articles he was looking at, under regulations to improve, 70% can be improved and 30% will be a buffer. You may have people who would like to have the full use of their land and not just 70% and so what he is getting at is down the road 20 years from now, you may no longer want this to be part of JEDO, it might no longer be desirable to be part of GO Topeka and you may need to just get rid of it and all these restrictions to him are a lot and he's not sure 20 years from now they will want all of those in place when you are just simply trying to sell the land. So these covenants run with the land which means yes they are being recorded with the Register of Deeds and so if you needed to sell this land down the road, just because you no longer needed it in your inventory and it hasn't sold for 7 years but you may wish you had not restricted yourself in these ways.

And as far as industrial I-2 land goes, it is pretty valuable; there is not a lot of it in Shawnee County. You are not trying to create a water park, it is industrial land. He understands buffers but 30% just seems like a lot of land to give up if you are paying good money for land. So he is just throwing that out, it is food for thought, they will do what they want but he is just giving them some caution you are putting some serious changes in this as far as restricting it down the road and how it may be sold.

Following a vote, motion carried unanimously.

ITEM NO. 13: DISCUSSION WITH POSSIBLE ACTION: Report of Section 2 – Renew and Transform (Product Improvement) concerning the Garner Report: Commissioner Shelly Buhler, Mayor Larry Wolgast and Councilman Jeff Coen.

Commissioner Buhler stated to begin with they all have a Memo and it is the second report. Just as a reminder in February of this year we approved a framework for discussion and potential action concerning the Garner Report. And since that time Mayor Wolgast, Councilman Coen and she have met and we have prepared this Memo. So to bring them up to date on the summary of Section 3:

1. We have established the JEDO website (www.jedoecodevo.com) and it is active. We are adding items there so if there are any suggestions for improvements please forward those along.
2. The open communications statement has now been added to the section of the JEDO Operational Rules.
3. Part of the Garner Report response was looking at a time where we could take a local/regional bus tour. We have worked with GO Topeka to look at November 9th from 4-8pm to have bus tour to visit some of the economic development areas, maybe 712 Innovations and we will get out more information about that as we move forward.
4. Heartland Visioning, GO Topeka, Visit Topeka and the Greater Topeka Chamber of Commerce have completed several videos talking about community pride. The links to those videos have been provided.

Commissioner Buhler stated starting on the second page of the Memo is their report of Section 2 of the Garner Report.

Mayor Wolgast stated the first recommendation in Section 2 is to “Invest in more quality of place projects that will enhance the competitiveness of the community and attract and retain talent.” And there are three recommendations listed. The first recommendation, Item 1a is to “Create a plan to improve gateways in the City—including new signage and landscaping.” And that is really the signs that say Welcome to Topeka; he believes there are five on the interstate and major highways coming into the City that we should look at. We are aware that Visit Topeka has had a contract to look at wayfinding signs within the City but also look at the gateway approaches so we have asked Brett Oetting to speak to that and give us a quick overview of the gateway signage that is there for consideration by JEDO in case we want to make that type of investment to support new gateway signs into the City.

Brett Oetting, President/CEO Visit Topeka stated in 2014 Rodgers Brooks International came to town as a consultant and worked with a group of people to do a new branding study for the community and one of the things that came out of that was an improved wayfinding system including the gateways. So that started progressing for the last year and when he took over in 2015 he did some research about that as well, he thought it was a worthwhile project. Studies around the country have shown that proper wayfinding will increase retail sales on that route up on average of 18%. So with the new mission that Visit Topeka has which is to increase not only transient guest tax dollars in the community but sales tax dollars as well he thinks that fits in. On the handout he has given, on the bottom of the first page it shows a price for not only the gateway signs but all of the wayfinding signs and the number of wayfinding signs that would be needed. After that there are two pictures that show what the proposed design of the gateway signs would be. This was completed by the consultants and then came down to the final one after a couple of public meetings where we had public comment of the committee that was working on this, it was narrowed down to these final two. There were six different ones at the time that they came up with. The next couple of pages are the wayfinding signs so they can see that there is a common look and feel, not only with the gateway signs and wayfinding signs but also the new logo that Visit Topeka has, the Chamber has and all the same colors, same design, same curves. The proposal right now for the gateway signs, we have received two bids from local landscaping companies in Topeka. The bid right now that would probably be the best as it stands right now would put \$3,270 per gateway sign. We are looking at seven gateway signs so that is around \$23,000 to have all the new gateway signs installed.

Mayor Wolgast stated a couple points, the committee has looked at the possibility that the signs would say Topeka and Shawnee County, if JEDO funds are used it is a joint effort and not just the City. So there would perhaps have to be a design element there we would have to look at. And these signs would be lighted is that correct?

Mr. Oetting responded yes. This proposal for that price includes lighting and also includes one year of landscaping with the option to renew for the future. One reason why we wanted them to add landscaping in is because with tulips in the springtime and the way they tulips die rather quickly during the summer, we wanted some options to be able to change out the landscaping three times a year to match the season and the look and the feel of what's going on in the City at the time.

Mayor Wolgast asked if this is on the State right-of-ways in most cases or private land.

Mr. Oetting indicated these would be on State right-of-ways as he understands it.

Councilwoman Clear asked how long does it take to get these all installed from start to finish.

Mr. Oetting replied he is not sure on that right now. Is she asking about just the gateway signs or the whole project? For the whole project if we have the funding, the consultants feel it could be done as early as fall of next year. The design work is coming to an end rather quickly, they have started receiving some bids and have been in discussions with engineers that would make these signs and that is something they feel that could be completed by August of next year. There has been discussion, because of the price and the increase in the number of signs we would be looking at, there might need to be a two step process to be able to fund all of this. It is the committee's recommendation that if that was the case we would wait until an extra year later and install them all at the same time, the reason being there are a lot of differences and changes to the signage right now, we would not want to confuse people. There would be some changes to the way the signs would direct people around town compared to the ones that are currently there and so we feel that having half of the existing signs and half of the new signs would not be a wise decision.

Commissioner Archer asked specifically what is JEDO being asked to fund in this package?

Mr. Oetting replied he believes JEDO would be asked to fund the gateway signage portion of that, unless they wanted to pay for the whole thing.

Commissioner Buhler stated at this point, this is just for information only and so as we see in the next item that we have talking about the holistic strategic planning and getting ready for next year's budget, this is for information tonight and as we consider going forward on budgets we would take possible consideration of this expense.

Mr. Fiander stated if he could clarify on a couple of points in terms of timing. It was asked if these are only the state highway, state interstate and yes they are for the most part. MTPO is working with KDOT on locations, a couple we would like to move closer in and some that are not there right now. That being said, they put a hold on anything on the interstate system, they have to come up with a policy that the federal highways will bless and approve. And so we are at a hold on anything along I-70 and 335. We have two on I-70, we have one on 335 and we think we could probably do another one. So we would probably want to try to sync that up so that we do them all at once.

Commissioner Buhler stated Item 1b of the recommendation is "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." It is our recommendation that we seek a public/private partnership to increase access to our community to enhance Broadband. There was another recommendation that was given by Garner that suggests a public/private partnership be explored. The Intergovernmental Cooperation Council participated in a pilot project with the Kansas Department of Commerce and the Mayor's Task Force is continuing this work. We hope to have an RFP by December and that will be discussed for a consultant to assist us to navigate the next steps to close the digital divide. We had allocated she believes in the budget there was \$250,000 for Broadband. We don't have the language; we don't have that RFP yet but look for that to come forward out of the taskforce.

Mayor Wolgast stated as they know the Garner Report states "public free high speed internet access." We are not interested in providing public free internet access. This has caused some concern in the community that we will just wait and JEDO is going to provide free internet access. No that is an incorrect statement or at least we interpret that is not the goal of the JEDO Board to provide free internet access. The other point is we have met with Cox Communications and AT&T representatives and they are involved in the process as we go forward so everyone is welcome at the table.

Commissioner Buhler stated they are hearing very strongly from the school districts about lack of Broadband in certain areas. School districts are very much involved in this conversation along with the City, the County and the library and the providers as well.

Councilman Coen stated Item 1c of the recommendation is to "Create a "cool factor" in the core business district that will encourage families and young professionals to live, work and play there." We have invited Downtown Topeka and others to present information regarding this recommendation.

Vince Frye, President/CEO, Downtown Topeka, Inc. stated he wanted to share with them a new piece that has been made to show the cool things that are happening downtown. Tonight it is being shared with graduating fellows from the Sunflower Foundation from all over the state who are in town and touring our downtown on a walking tour. Tomorrow he will be using it in Wichita speaking on a panel for Leadership Kansas along with Downtown Lawrence and Downtown Wichita. He thinks that's cool. Mr. Garner talked about this "cool factor" in the core business district that will encourage families and young professionals to live, work and play. One of his suggestions was to adopt ordinances that encourage

landlords to improve their properties, encourage home ownership by enticing families and young professionals to move downtown and making infrastructure improvements to increase overall property values. So at this time he would like to tell them a few things that have been done to accomplish that:

First of all, as they know, the new infrastructure financed by the City was completed in 2015. And he was surprised that Mr. Garner wasn't aware of that project when he made his recommendations. The demand for residential downtown exceeds supply. We get calls all the time from people wanting to live downtown and that is cool. The Assumption grade school is being converted into 21 new loft apartments. At least 16 of those have already been leased. We created 3 historic districts in downtown which has allowed investors to reap the benefits of historic tax credits from the state and feds. The City has a neighborhood revitalization program which allows tax rebates for improvements on buildings and residences. And DTI administers a city grant program which provides funding for permanent improvements to downtown buildings. And we have also established a new downtown neighborhood improvement association so he thinks we have done a lot in regards to that particular suggestion by Mr. Garner.

Then he said we need a "cool factor." He doesn't know what was meant by "cool" but to name a few things that have been done that he thinks are "cool." The redevelopment project is complete, that was the #1 priority of the community and their visioning process. And of course the private sector committed \$3.8 million to enhance what the City is doing. We have mid-block arches, pavilions, pocket parks, statutes; lots of things that he thinks are pretty cool. All the empty buildings on Kansas Avenue have been purchased, that totals 26, and they are all purchased by local investors. The Cyrus Hotel is being constructed, we will have a wonderful new restaurant, other restaurants and bars are planned for downtown. Deborah and Randy Clayton intend to construct a new building where HHB BBQ had been. We've created over 35 new events for downtown. Our goal has always been to make downtown the entertainment district for the community. We have noon concerts, we have 2nd Saturday concerts, we have jazz festivals which is October 8th, we have brew festivals, Touch-A-Truck which brought 12,000-15,000 families downtown a couple of weeks ago, movies on the Capitol lawn, Cruisin' the Capitol car show and we even had somebody jumping cars on a motorcycle downtown.

Topeka's downtown was selected by Mainstreet's Across America as the state's top downtown that represents the values of where businesses, families and individuals come together to support each other to live, work and play. DTI was awarded the Waldo Haywood Award last week by the Topeka Civic Theatre for outstanding contributions to promoting the arts in our community. As he said, he is on a panel tomorrow to talk about our great downtown for Leadership Kansas. And really one of the most important things is the creation of a downtown plaza. We have been awarded funding for the transient guest tax and we are very well on our way to having plans to finalize that which we will bring to you. And this is something that hopefully JEDO would be in support of, it is very important for our community and certainly for downtown. And of course we have the most beautiful state Capitol in our downtown. The best part of it is that it is only going to get better. Again he doesn't know what Mr. Garner considers to be a "cool factor" but if he was here today and saw our progress he would think we have made great progress towards that.

Councilwoman Hiller stated one of the proposals we had and maybe where this Broadband thing came from was the idea of a free Wi-Fi access in downtown. How are we on that?

Mr. Frye responded he knows there was a lot of discussion before the project began, that there were conduits that were going to be part of the project that were eliminated due to cost. Other than that, we are certainly desirous of having Wi-Fi in downtown as many communities do across the country.

Councilwoman Hiller replied they were eliminated also because they go do alleys instead of under the street right?

Councilman Jensen stated that Westar Energy provides free Wi-Fi in their pocket park. It is available for everyone 24 hours a day, please enjoy and phone charging.

Gabriel O'Shea Executive Director, Fast Forward appeared and stated that the mission of Fast Forward is to attract and retain young talent to the greater Topeka area. We are in strategic planning mode right now. We have an amazing leadership team full of diverse and dynamic very successful young professionals that are right now behind the scenes doing a lot of work. There are many things they are going to be rolling out in the coming months. We are excited that we are going to have a big announcement on October 21st. They are having a concert called Forge Fest and there they will make their big announcement which comes from six benefactors who are – Bartlett & West, Capital Federal, Advisors Excel, Westar Energy, Federal Home Loan Bank and Washburn University. He would recommend to them as elected officials to use their organization. We are over 1,000 engaged young professionals that are energized and passionate in our community that would love to get involved and help out.

Mayor Wolgast indicated that recommendation, Item 2, of the Garner Report is to “Conduct a countywide community improvement planning effort that looks at assets and neighborhood planning by City and County districts.” And the recommendation was that each member of the JEDO Board was to lead a planning effort within their district to conduct a long-range planning development of how each of our districts could provide better economic development. Our general consensus was that we don't know if we want to do this and actually in conversation, we would like to have the City and County Planning Directors just briefly describe their reactions and thoughts of doing something along those lines.

Mr. Fiander stated he will briefly describe that we are doing a lot of planning by district. In the City we start out at a very high level with our overall Land Use and Growth Management Plan. We prioritize where our growth and investment should be. We work our way down into our long-range transportation planning which we are doing right now, our historic preservation plan we are working with a number of neighborhoods within the districts on surveys as well as new historic districts, identifying assets. And then we got down to the neighborhood level where we have 13 different neighborhood plans in 6 different council districts that we have worked on and updated over the years and we target funds for those as well for implementation for housing and infrastructure. And then we started something new this year as well, we do neighborhood assessments, those folks that we can't get to, to do full-fledged neighborhood plans we have gone out and started one, Councilman Coen may know of the Meadow Crest area, we started an assessment there and just kind of a shot in the arm of an overall condition survey. So we have tried to go to all different levels and prioritize our planning efforts but that gives them an overview

Mr. Beagle stated with regard to planning within the unincorporated area of the County, he would like to say we are in the same position as the City with regard to its Land Use planning efforts. We are embarking on a project to develop a comprehensive plan for the unincorporated area. We have just crossed the threshold of getting that project started. He has passed around an overview of the planning process to give them an idea of the scope and objective and what we hope to accomplish as a result. The specific purpose of the comprehensive plan is to give us a 20 year vision, looking ahead beyond today and charting a positive course towards the future. And as a result of implementing this plan, hopefully we will achieve things in the community, especially in the unincorporated area, that are beneficial for the community in terms of population growth, housing, natural resource conservation, projection of agricultural farmlands, etc. We have a lot of work to do, we are undergoing stakeholder reviews today and they have been quite successful. We have had three steering committee meetings with regard to this effort which have helped us to define what some of the specific issues are that we are trying to address. Thus far the steering committee has identified four key themes to concentrate on which economic

development is one of them and understanding what roles Shawnee County is going to play with regard to our economic development strategies, land use and what types of land use activities we are going to accommodate within the unincorporated areas, natural resources and conservation and then finally transportation and infrastructure. He wishes he could give them a lot of detail at this point with regard to that and how this could potentially add to what has been referenced in the Garner Report but he can indicate to them that with economic development being one of the principal strategies or themes we are looking at, we will be very sensitive to that.

Mayor Wolgast would say we have two fine, outstanding Planning Departments in the City and the County doing an excellent job. They certainly hear the needs of the citizens and elected officials and respond to them. He questions whether it is our recommendation to add developing a plan for each of our districts specifically; he thinks that is not in the best use of the resources of the City and the County.

Councilman Coen reported that recommendation, Item 3, of the Garner Report is that “JEDO should continue to acquire real estate for economic and growth opportunities.” Our response to that would be that GO Topeka plans to review best practices for land acquisition in economic development. GO Topeka will look at our competitors’ land strategies and visit with local private developers to create a land strategy for Shawnee County. GO Topeka does not have plans to acquire any more land in the near future. He was on the GO Topeka Board for a time last year and that was really interesting because he got to see that all come about where they did turn down the interest in the land.

Commissioner Buhler stated that this is all part of being responsive to the Garner Report and making those members of our community aware that there is a lot of activity going on and planning and Visit Topeka and the MTPO. At our December meeting we will tackle Section 1 of the Garner Report and bring those recommendations forward.

The following individuals appeared to speak for public comment:

1. Joseph Ledbetter appeared and stated to make some comments in reference to the Garner Report, one of the things that struck him in reading it, one of the comments was that the City wasn’t showing very well and so he thought he would do his own mini-Garner Report over the last couple of months. He has been driving around the City and he agrees and he really hopes as part of economic development our governing bodies understand the importance of code enforcement and protecting neighborhoods. We haven’t had a JEDO meeting since May 18th and CAG (Citizens for Accountability in Government), an organization he helped form because we were very concerned about what we perceived to be a lack of transparency of funds of tax money with JEDO, with economic development. We had a forum in July, we had both County Commissioners participate, it was very well attended, very well publicized, a lot of tough questions were answered by both parties but we’ve kind of gotten a little bored because when he asks Matt Pivarnik about information he gets answers now, he gets the truth, it’s refreshing. And when he talks to other Board members with the Chamber and GO Topeka they just answer questions, they ask me questions, we have a discourse, we talk about ideas and they say he has some good ideas and he tells them all he wanted to do was come to the table to talk to them, but he had to have some other things first which was truth and openness.

Since we hadn’t had a meeting since May 18th, on May 15th there were some 990’s released and anyone who has read these already knows what he is going to say but what he has is GO Topeka’s and the Chamber of Commerce year 2015 990’s and what this reflects is monies spent last year, not this year under Matt

Pivarnik. And the relevant parts that he wants to get into the record so we can finally close this chapter is the departing President of GO Topeka/Chamber of Commerce, Doug Kinsinger, did get paid a severance package of \$130,000 last year. He hopes that closes the chapter, but he does appreciate people working with us and being candid and being honest and he just likes not having to file a KORA and have that battle, not that he is afraid of a battle. He did get what he wanted eventually through a KORA request, it wasn't done through Court, he thinks some of them know how he did it and that's fine. The point is we don't have to hide things, this is tax money and he appreciates the change in direction.

2. Scott Griffiths appeared and stated he would like to acknowledge Mr. Ledbetter's show of cooperation and having a better discourse between him and the people he represents and the Chamber and GO Topeka. He thinks there is a lot better communication and he would also like to for the record indicate that the money Mr. Ledbetter indicated was paid to Mr. Kinsinger on the 990, that was paid using private dollars, none of that came from public dollars.

ITEM NO. 14: DISCUSSION: Topeka & Shawnee County Holistic Economic Development Strategy: Matt Pivarnik, President and CEO of Topeka Chamber and GO Topeka and Keith Warta, GO Topeka Treasurer, President/CEO, Bartlett & West.

Commissioner Buhler stated to make everyone aware in our Operational Rules in December of each year the JEDO Board shall establish the economic priorities of the coming year. Given that she will turn the floor over to Mr. Pivarnik for this item.

Mr. Pivarnik stated following Mr. Ledbetter talking about war and battles he has a quote which is "All men can see these tactics whereby I conquer, but what none can see is the strategy out of which victory is evolved." ~ Sun Tzu, author of The Art of War. He is here to talk to them a little more about strategy. He has mentioned before he believes we have a lack of strategic plan and lack of metrics. He does applaud everyone for bringing Garner Economics in to perform a review of how economic development could be done better. As he looks through that report, it was strongly recommended that we create performance metrics as part of our ongoing strategy and it also said we should work differently this time by having an edict. That actionable and measureable plans be brought forth following by a review of its success and the implementation of these plans.

We are working with a 35 person steering committee in the community. It is chaired by Keith Warta, who they will hear from shortly, Commissioner Buhler and Mayor Wolgast. We have retained Market Street Services which is an organization that was founded in 1997 and has been a trusted partner in more than 106 community strategies in 34 different states. You do hear the word holistic economic development strategy coming out of our mouths a lot. He thinks early on we thought we need to be the best contractor possible for economic development so we need to have a good strategic plan and good metrics but as we started visiting with folks, they really thought that we should really have a more holistic or more of a global view of economic development, not just what GO Topeka does. Market Street, he could name dozens of communities they are working with, but they are communities like Austin, TX, Des Moines, IA, Nashville, TN and Tulsa, OK.

Finally he thinks part of this holistic strategy and one of his favorite parts of this is that the costs associated with this work is being funded by the private sector, by the United Way, the Topeka Community Foundation and the Topeka/Shawnee County Library and Heartland Visioning. So we do not have to use public dollars. We did start this in August and we went through a

community engagement process, in September soon we will have data from that and he is anxious to show them but this whole project really goes through next March. So he says that to say we really need to work on developing strategy and not spend a lot of time brainstorming special projects rights now.

Keith Warta, GO Topeka Treasurer, President/CEO, Bartlett & West appeared and provided an overview of the project to the JEDO Board.

Holistic Economic Development Strategy Timeline

- August – Phase 1: Community Engagement
- September – Phase 2: Scorecards & Community Assessment
- December – Phase 3: Topeka-Shawnee County Holistic Economic Development Strategy
- March – Phase 4: Implementation Plan

Total survey responses: 2,295

- Race and ethnicity
 - 85.1% White, not Hispanic
 - 7.9% Minority
 - 7.0% all other/prefer not to answer
- Age
 - 20% of respondents in each of the main age groups – 25-34; 35-44; 55-64
- Educational Attainment
 - 7.2% high school diploma or less
 - 6.0% associate's degree
 - 42.4% bachelor's degree
 - 26.5% graduate degree or higher

Councilwoman Hiller stated this really came together under the leadership of Commissioner Buhler and Mayor Wolgast and we had this general goal but she wasn't aware that this whole 35 person Board had come together and that the survey was underway until it was announced and she thinks that's amazing that so many things are moving at the same time.

ITEM NO. 15: General Public Comment

The following individuals appeared to speak for general public comment:

1. Carol Marple appeared and stated she is going to echo a lot of Mr. Ledbetter's words. She would really like to thank Mr. Pivarnik for his willingness to answer questions. He has been very forthcoming and it is refreshing. She was glad to come tonight and see some things happening here. There were some excellent comments. She thinks the small business incentive program sounds like a great program but she agrees with all of them, she likes to see names. You can write down numbers, but if you have a name to go with it then you can believe the number more and that is probably one of her biggest disagreements with some of the presentations that we have had because they are just numbers. They don't really mean anything if you don't have anything to follow through with. First of all to listen to Mr. Grays he has some very good words that we should listen to and put some practice to. She has asked before, she would really like to see copies of the agenda packet printed and available for the public, that would be a big service to them. The survey, it's nice but she thinks 85.1% White, she doesn't think that is a very representative survey and 7.2% have a high school diploma or less, she just

doesn't think it is very representative of our community, but that's just her own comment. And we are going to agree to disagree on a lot of stuff still, we are coming more together with agreements but it was brought up those private dollars again. She just so happened to print something off from the Topeka Chamber website today, she will read it.

“GO Topeka is funded by two sources. GO Topeka receives funds from a countywide ½ cent economic development sales tax which generates around \$5 million annually to use in the attraction of new businesses to the community, expansion of existing businesses, growing new businesses and acquiring and managing assets necessary to support and retain primary jobs. The money is overseen by the Joint Economic Development Organization comprised of elected officials from Shawnee County and the City of Topeka. GO Topeka is also funded by private investors who have invested over \$4 million from 2013 to 2017 to augment the sales tax revenue and provide a solid economic development fund that will continue to help Shawnee County continue to grow.”

Now if you look at the 990's for 2015 you will see some of those private funds were down quite a bit. She thinks this is the biggest problem; we still are dealing with private funds. \$4 million when you break that out in 4 years is nothing compared to what the taxpayers are putting in she does believe that to continue to say as a copout it is private dollars it just doesn't cut it.

2. Lazone Grays appeared and stated what he is sharing with them are some things that probably he has shared before and that he has said before. Just providing a training program within itself is not the cure. There are other things, just like a chair has to have four legs, that you stack together to have a good program and not just something to satisfy the moment but something that will satisfy the long term. He has mentioned numerous times in the past the best practices Transitional Jobs program which is something he would like to see be considered in the future so that as individuals are getting training they should also be getting hands on access. That is not always made available in a training program, you go to class, you finish, you get a certification. As coming out of the Mayor's Neighborhood Summits there was mentioned by several people why not have individuals doing work in the neighborhoods fixing up the neighborhood. Those are the types of community service projects that would be good for students in a trade's skills type of program. The different types of certifications that he has suggested are the types of things that will increase the employability of those individuals. After he left the podium before, there was a comment to his previous comments and he just wanted to mention that it is nothing against the individual contractors, it's just he was having some problems understanding the wording in the interlocal agreement. He is not here just to say anything; he is also here to learn. If there was a legal question he would hope that a person would ask their legal counsel and he was asking a legal question so that he and others could understand that is the contract to be literally or liberally construed when it talks about the dedication of that 10% and who is that population that it is supposed to be dedicated to? He understands all the great things but there was a more finite point of question that he was trying to get answered so that as they deliberate in the future on those funds that they can be looking at them just as well. He will continue working with Mr. Pivarnik and his crew. He would also like to be a part of that Broadband conversation because these are things that are very dear to him.

NO FURTHER BUSINESS appearing the meeting was adjourned at 8:05 p.m.

**Joint Economic Development Organization Board Minutes
October 19, 2016**

City of Topeka Council Chambers, 214 SE 7th Street, Topeka, Kansas, Wednesday, October 19, 2016.

The Joint Economic Development Organization (JEDO) Board members met at 6:00 p.m. with the following voting Board members present: Shawnee County Commissioners Shelly Buhler, Kevin Cook and Bob Archer, City of Topeka Mayor Larry Wolgast, Deputy City Mayor Michelle De La Isla, City Councilmember Jeffrey Coen, and City Councilmember Sandra Clear. Shawnee County Commissioner Shelly Buhler presided as JEDO Chair.

The following nonvoting JEDO Board member was present: City Councilmember Anthony Emerson.
The following nonvoting JEDO Board members were absent: City Councilmembers Karen Hiller, Sylvia Ortiz, Brendan Jensen, Elaine Schwartz and Richard Harmon.

Others present who presented and/or spoke before the Board:

Jackie Carlson, Director of Business Retention and Expansion for GO Topeka; Joseph Ledbetter; Scott Griffith, GO Topeka Chair, Intrust Bank; Matt Pivarnik, President and CEO of Topeka Chamber and GO Topeka; Carol Marple.

Commissioner Buhler called the meeting to order.

ITEM NO. 3: ACTION ITEM: Approval of Funding Commitment – Project Spencer: GO Topeka staff.

Jackie Carlson, Director of Business Retention and Expansion for GO Topeka appeared to give an overview of the proposed funding commitment request for Project Spencer. The company has indicated they are happy for GO Topeka to release their name today, which is Reser's Fine Foods. Many of them know over the last 25 years Reser's has invested in our community. They have built two manufacturing facilities and expanded both of those multiple times. They have also built a truck shop as well as a state of the art distribution center. They are one of our largest employers; they have over 1,000 people here in Topeka. With this project, this is kind of in the initial stages so they still need to go through rezoning, planning, all of that process as well.

Project Spencer Overview

- East Topeka
- 180 New Jobs
- \$86.5 Million in Capital Investment
- Two Phase Project
 - New Facility
 - Facility Investment
- Phase I – construct new 250-300K Square Foot Facility
 - \$67 Million in capital investment between facility and machinery/equipment
 - 40 new jobs
 - Average annual wage nearly \$25,000 (plus benefits and overtime opportunities)
 - Anticipate completion January, 2018

- Phase II
 - \$19.5 million in capital investment between facility and equipment
 - 140 new jobs
 - Average annual wage nearly \$24,000 (plus benefits and overtime opportunities)
 - Anticipate completion Fall 2019

Proposed Incentives

- Total Maximum Incentives = \$665,000
 - Job creation - \$336,000
 - Capital investment - \$329,000
- Performance based

Impact Analysis

- \$115 million One-Time Economic Impact
- \$92 Million Recurring Annual Economic Impact

Recommendation

- Approve the proposed funding incentive package
- GO Topeka Board of Directors recommended approval on October 7, 2016

Councilwoman Clear asked is Reser's going to close their other building.

Ms. Carlson responded no they are not. This will be a new facility and looking at doing some reinvestment in the other facility.

Mayor Wolgast asked if the \$92 million recurring annual economic impact, that is with the additional jobs. That would be in addition to what they have already provided into the community.

Ms. Carlson responded yes that is correct.

Deputy Mayor De La Isla would like to say thank you to Reser's. We are so excited.

Commissioner Cook stated just to recap, these are the starting wages but employees that start at Reser's and then they move up and they stay with Reser's for quite some time. So while we are looking at just the starting wages, we have to look at the full economic impact of these 180 jobs we are going to have employees that are moving up as they continue with the Reser's family.

Ms. Carlson responded that is correct and also with those jobs they provide us a breakdown. Because the incentive is based on the wages, they gave us a breakdown that "X" number of people will start at various amounts, so that number varies but when we look at a weighted average it was at that \$25,000 range. So there will be people starting in the facilities that start higher than that.

Commissioner Cook made a motion to approve the Funding Commitment as presented. Mayor Wolgast seconded.

The following individuals appeared to speak for public comment:

1. Joseph Ledbetter appeared and stated as a citizen he supports this and he thinks it's a good idea. He really likes the idea that it is creating some east side jobs.

2. Scott Griffith, GO Topeka Chair, Intrust Bank appeared and stated he would like to thank JEDO for considering this recommendation. Reser's as they know has been a longtime corporate citizen employing he thinks closer to 1,300 people today. This is a huge investment that they are making in our community and it is on a part of our community that will be pretty impactful long term. He thinks these jobs, even though the wage is maybe lower than some jobs that we would like to have, they are the gateway for future opportunities and advancements. They will be trained and it will create opportunities for them within Reser's and possibly elsewhere if they don't stay at Reser's long term. And finally you heard the economic impact, it is huge and through the construction activity a lot of companies locally will be part of that process. Thank you for your consideration and your approval of the same is appreciated.
3. Matt Pivarnik, President and CEO of Topeka Chamber and GO Topeka appeared and stated he wanted to read off a few organization names. Ronald McDonald House, CASA, TARC, Sheltered Living, Boys Scouts, youth ball teams across the community, American Heart Association, Sertoma, Capper Foundation, Let's Help, Stormont Vail Foundation, Night Out Against Crime, multiple high schools and grade schools, Fiesta Mexicana. What do you think that might be? Those are organizations that Reser's has contributed to in cash in the last 12 months and that doesn't even include food they have donated all over this community. He had somebody tell him recently that they would rather do five expansions of existing business than ten new businesses any day of the week. Expansions, they are already ingrained in our community, they are very philanthropic with their time and their dollars. He would also like to thank Mark Reser and Jeff Russell and Reser's. He will tell them there are a lot of communities in this country who would give their left arm to have an \$86.5 million investment in their community and have a new facility like we are talking about here. He wants to thank them for their confidence in Topeka and thank them for what they already do. Just very recently they increased their starting wages, it was a significant increase. He just wants to encourage them to approve this and thanks for their consideration.

Following a vote, motion carried unanimously.

Commissioner Buhler stated we will see the contract for this agreement at our December meeting is that correct?

Ms. Carlson responded yes that is the goal, tonight was about approving the funding commitment and our goal is to have the contract finalized through the attorneys and have that on the December JEDO meeting.

ITEM NO. 4: General Public Comment

The following individuals appeared to speak for general public comment:

1. Joseph Ledbetter appeared and stated he attended a military council meeting today, he was invited as a veteran and he appreciates the outreach of the Chamber and GO Topeka on reaching out to veterans and our military. He has talked about this a number of times at the JEDO meetings but we have got to do a better job of reaching out to our veterans. We have about 16,000 veterans in this community; a lot of them are still in the workforce or looking for work. He has heard some pretty bad stories about the way some of our veterans have been treated in this community but he thinks there are a lot of good stories too. He thinks that this outreach is very good and he appreciates that Mr. Pivarnik and others have decided that this is a good thing to do and he thinks it needs to continue.

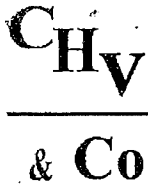
Next, we have had reports that have been done, we recently just had one done, he got to sit in on some of those committee meetings and then we had the Garner Report last year and he participated in those inputs and studies and the recurring theme is that the City doesn't show well and the City esthetically doesn't show well and it keeps coming back to a lack of code enforcement. A number of years ago the County handled that. He doesn't recall the complaints back then that have been generated in past years about code enforcement. But about a year ago he really started paying more attention to it, moved back into the City and saw firsthand of the result of slumlords moving in to very nice neighborhoods and just trashing them, trashing the housing, trashing the property values of very nice neighborhoods in addition to what had already been done to Hi-Crest West which shows long term systemic lack of attention by code enforcement to make a handful of landlords behave and fix their houses up and do what they are supposed to do.

The reason he is bringing it up to JEDO is this is an economic development problem, he has talked to economic development people and they all say the same thing. This is a big problem if it is not dealt with and Topeka has not done a good job of dealing with it so he is bringing it up because we are dealing with economic development. Now the past manager was trying to get a handle on it and he took him on a tour and, I'm not going to speak for him, but he thinks he was a little taken aback by what he saw. And what you've got to do is get out into these neighborhoods and if you have a district you have got to get into these neighborhoods and see what is going on. You can't just assume that staff is paying attention to what is going on. You have got to see them for yourselves. Because that is the only way you are going to realize what these studies say and have said that the City doesn't show well. We are the Capitol city for crying out loud, let's take some pride and take the bull by the horns and deal with this problem and fix it. It doesn't take a long time but it does take resolve and that's what's key. You have got to have people that are resolved and passionate to fix the problem. If you don't have that, you don't have much of an army.

2. Matt Pivarnik, President and CEO of Topeka Chamber and GO Topeka appeared and stated he wanted to read them something from the Capital Journal. M&M's is going to have a new flavor candy and it will only be manufactured in Topeka. The Mars Topeka factory announced Wednesday caramel flavor M&M's will hit store shelves in May, 2017. M&M's caramel over the past year has invested over \$100 million in Topeka, hiring over 70 associates to support the national launch. Congratulations to JEDO.
3. Carol Marple appeared and stated that was a great vote for Reser's. They are just absolutely the greatest asset to our community. She has been able to work with them on a few things and they are an excellent company to work with. They are so involved in our community and this is just such a win-win for our community there are no words how excited she is about that. On another note she would like to ask is there any update on the proposed incentive to the Goodyear plant? We have 1,300+ jobs involved there and there are a lot of rumors floating around and she just wondered if we were going to get an update on any kind of incentive package for them.

Commissioner Buhler stated that is all she has signed up for public comment and she does not believe at this time they have any kind of update for the incentive with Goodyear. We do have another meeting scheduled for December 14, 2016. That is our regularly scheduled quarterly meeting and we will be looking at Section 1 of the Garner Report as well as our budget for next year. The Mayor and Councilman Coen and she met this morning to prepare for that meeting. She would also like to take this opportunity to remind everyone that JEDO will have a media bus tour on November 9, 2016 from 4pm-8pm and we will be meeting at the downtown Ramada parking lot.

NO FURTHER BUSINESS appearing the meeting was adjourned at 6:20 p.m.



COCHRAN HEAD VICK & CO., P.A.

Certified Public Accountants

September 2, 2016

1333 Meadowlark Lane
Kansas City, KS 66102
(913) 287-4433
(913) 287-0010 FAX

Ms. Betty Greiner, Financial Administrator
Joint Economic Development Organization
c/o Shawnee County, Kansas
200 Southeast 7th Street, Suite 201
Topeka, Kansas 66603-3903

Dear Ms. Greiner and Members of JEDO:

We are pleased to confirm our understanding of the services we are to provide Joint Economic Development Organization (JEDO), a joint venture of the City of Topeka, Kansas and Shawnee County, Kansas, for the year ending December 31, 2016. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund-information, including the related notes to the financial statements, which collectively comprise the basic financial statements of JEDO as of and for the year ending December 31, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement JEDO's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to JEDO's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- Management's Discussion and Analysis (if presented).

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary

information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of JEDO and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of JEDO's financial statements. Our report will be addressed to Board of Directors of JEDO. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that JEDO is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed

to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of JEDO and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of JEDO's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of JEDO in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement

services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those

used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to JEDO; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Cochran Head Vick & Co., P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a Regulator or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Cochran Head Vick & Co., P.A. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Regulator. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit fieldwork in May 2017 and to issue our reports no later than June 30, 2017. Mr. David L. Cochran, CPA, is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$4,775. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to JEDO and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,
COCHRAN HEAD VICK & CO., P.A.



David L. Cochran, CPA

For the Firm

RESPONSE:

This letter correctly sets forth the understanding of the Joint Economic Development Organization.

By: _____

Title: _____

Date: _____



Certified Public Accountants, LLP

211 South 84th Street
Suite 100
Lincoln, NE 68510

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- Tax Planning and Preparation
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- Business Consulting
- Business Valuations
- Computer Consulting

System Review Report

To the Shareholders of
Cochran Head Vick & Co., P.C.
and the Peer Review Committee of the Missouri Society of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of **Cochran Head Vick & Co., P.C.** (the firm) in effect for the year ended July 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of **Cochran Head Vick & Co., P.C.** in effect for the year ended July 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. **Cochran Head Vick & Co., P.C.** has received a peer review rating of *pass*.

BMG Certified Public Accountants, LLP

Lincoln, Nebraska
December 17, 2014

City of Topeka & Shawnee County



Agenda Item No. 4

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Presentation: JEDO Finance Committee 3rd Quarter Cash Statement (2016): Betty Greiner, JEDO Finance Committee Treasurer (Shawnee County Audit Finance Director).

**Joint Economic Development Organization
Cash Statement
As of September 30, 2016**

Receipts:

Sales Tax - City of Topeka	\$	5,947,598.45
Sales Tax - Shawnee County		5,716,029.17
Refund		22,041.45
Interest Income		2,553.50
Total Receipts		<u>11,688,222.57</u>

Disbursements:

City of Topeka		
Topeka Blvd Bridge - Interest	45,525.00	
SW 21st Street - Urish Road to Indian Hills	<u>3,587,718.00</u>	3,633,243.00
Shawnee County		
County Bridges	<u>1,500,000.00</u>	1,500,000.00
GO Topeka		3,749,999.94
Audit Fee		4,635.00
Bank Charges		122.37
Total Disbursements		<u>8,888,000.31</u>
Net Receipts (Disbursements)		<u><u>2,800,222.26</u></u>
Bank Balance - January 1, 2016		<u>11,793,255.72</u>
Bank Balance - September 30, 2016	\$	<u><u>14,593,477.98</u></u>

Note: This is a cash basis report

Prepared by Betty Greiner



Agenda Item No. 5

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Action Item: APPROVAL of Reser's Fine Foods/Project Spencer Incentive Contract: GO Topeka staff.



MEMORANDUM

To: JEDO

From: Jackie Steele, Director of Business Retention & Expansion

Date: 12/7/2016

RE: Reser's Fine Foods Contract

Included in the JEDO packet is an incentive agreement between GO Topeka and Reser's Fine Foods, Inc. At a special meeting on October 19, 2016, JEDO approved a funding commitment of \$665,000 in association with Reser's Fine Foods expansion project. Following is an overview of the project.

- 180 New Full Time Jobs
- \$86.5 Million in Capital Investment
- Two Phase Project
 - Construct a new 300,000 square foot facility
 - Reinvest in an existing facility
- Economic Impact Analysis
 - \$115 Million One-Time Economic Impact
 - \$92 Million Recurring Annual Economic Impact
- Performance Based Incentives

hundred seventy (370) Full Time Employment Positions (defined below) at the 10th Street Facility; and

WHEREAS, as a result of such efforts to construct the Croco Facility and renovate the 10th Street Facility BUSINESS will be able to retain jobs and add up to One Hundred Eighty (180) new jobs, and continue operations at both facilities for the foreseeable future; and

WHEREAS, GO TOPEKA desires to assist and promote BUSINESS by offering it up to Three Hundred Thirty-Six Thousand Dollars (\$336,000) in employment incentives and Three Hundred Twenty-Nine Thousand Dollars (\$329,000) in facility improvement incentives; and

WHEREAS, the parties wish to memorialize their understanding regarding the details of the incentive package to this legally enforceable contract.

WITNESSETH:

NOW, THEREFORE, in consideration of such mutual benefits and of the mutual covenants and agreements expressed herein, the parties covenant and agree as follows:

1. Local Employment Incentive. GO TOPEKA agrees to make available to BUSINESS the following employment incentive ("Employment Incentive") for net new Full Time Employment Positions added and maintained by the BUSINESS, subject to the limitations and requirements below:

\$1,500 incentive for Full Time Employment Positions with a January 1 to December 31 annual compensation of \$20,800 to \$24,960;

\$2,000 incentive for Full Time Employment positions with a January 1 to December 31 annual compensation exceeding \$24,960 and up to \$30,000;

\$3,000 incentive for Full Time Employment Positions with a January 1 to December 31 annual compensation of over \$30,000 and up to \$39,999;

\$4,000 incentive for Full Time Employment Positions with a January 1 to December 31 annual compensation of over \$40,000.

For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, over-time, bonuses or other cash incentives paid by BUSINESS to the Full Time Employment Position in the period of January 1 through December 31 of the same year, but does not include benefits, contributions to retirement plans or profit sharing (if any).

Each Employment Incentive will be divided into five (5) equal installments to be paid in five (5) consecutive annual installments if the subject Full Time Employment Position is maintained for the entire January 1 to December 31 calendar year.

Notwithstanding anything to the contrary herein, a maximum Employment Incentive available hereunder shall not exceed more than Three Hundred Thirty-Six Thousand Dollars (\$336,000) in aggregate, and shall not exceed Eighty Thousand Dollars (\$80,000) in any one calendar year. To qualify for an incentive, the net new Full Time Employment Positions must be in place no later than January 1, 2021.

As used herein, a "Full Time Employment Position" is an employee position that includes approximately 2,080 paid hours of service in Shawnee County, Kansas, during each January 1 to December 31 calendar year. Each position shall be eligible to receive health insurance benefits, at least half of the premiums or employee benefit cost (to receive such benefits) are paid by the BUSINESS, and paid holiday and vacation leave. Nothing

herein shall require that a Full Time Employment Position be held by the same person, nor shall this Agreement preclude BUSINESS from changing the title, purpose or utility of a position (as long as it meets the other requirements identified herein, including compensation). Each Full Time Employment Position must be one which has the BUSINESS withholding and paying all applicable federal, state and local employment taxes attributable to the employee. More than one position cannot be aggregated to qualify for an Employment Incentive.

A Full Time Employment Position shall not fail to qualify for the Employment Incentive if the position is vacated (voluntarily or otherwise) and BUSINESS is undertaking an open and active search and such position is filled within ninety (90) days after the vacancy during the January 1 to December 31 calendar year; provided, however, that the vacancy could affect the compensation of the position (and therefore the amount of the Employment Incentive available). (If unfilled for longer than ninety (90) days during a January 1 to December 31 calendar year, the position will cease to qualify as Full Time Employment Position and will not be eligible for an Employment Incentive for that year).

GO TOPEKA will endeavor to make an Employment Incentive payment by April 30 of the year in which the qualifying Full Time Employment Positions was maintained for the entire previous January 1 to December 31 calendar year; provided, however, that BUSINESS must first provide GO TOPEKA with sufficient documentation relating to such employment levels (as required elsewhere herein).

The parties recognize there may be some turnover and fluctuations in the BUSINESS' employment levels. Therefore, subject to the termination provision, a position may qualify for an Employment Incentive in one year after failing to qualify in

a prior year (and forfeiting that Employment Incentive installment); provided, however, that if the average per hour compensation for a position increases (into another incentive category) over its initial, first year amount, the incentive may also increase subject to the maximum employment incentive provided for herein, but if the compensation for a position decreases (into a lower incentive category), the incentive shall be decreased to meet the incentive category.

For purposes of illustration, if BUSINESS maintains throughout January 1, 2017 to December 31, 2017, ten (10) new Full Time Employment Positions receiving a January through December calendar year compensation of \$41,000, BUSINESS would be eligible to receive an Employment Incentive installment of \$800 per employee ($\$4000 / 5$ years), for a total installment for that year of \$8000 ($\$800 * 10$ employees), payable in 2018. If, in January to December 2018, there were no changes except that one of the positions was not maintained for the entire year, BUSINESS would again receive an Employment Incentive installment of \$800 per employee, but the total installment would be reduced by \$800 due to the lost position, for a total installment of \$7200 payable in 2019.

2. Facility Incentive. BUSINESS shall be entitled to a Facility Incentive of up to Three Hundred Twenty-Nine Thousand Dollars (\$329,000), allocated as follows.

For the Croco Facility:

- (a) a maximum Facility Incentive of up to \$50,000 for machinery and equipment installed thereat; and
- (b) a maximum Facility Incentive of up to \$210,000 in the construction of that Facility.

For the 10th Street Facility:

- (a) A maximum Facility Incentive of up to \$19,000 for machinery and equipment installed thereat; and

(b) a maximum Facility Incentive of up to \$50,000 for the renovation of that facility.

The Facility Incentive shall be earned and payable as follows: Two Thousand Dollars (\$2,000) for every Million Dollars of Equipment installed at the Facilities, and Five Thousand Dollars (\$5,000) for every Million Dollars of building and facility improvements at the Facilities; provided, however, that such incentives shall be capped for each Facility as set forth above, and the maximum Facility Incentive shall not exceed an aggregate of Three Hundred Twenty-Nine Thousand Dollars (\$329,000). GO TOPEKA shall endeavor to pay Facility Incentives within three months of the completion of the construction and/or improvement of the facilities; provided, however, that BUSINESS must first provide GO TOPEKA with sufficient documentation relating to such investment, including occupancy certificates or similar showing that the construction and/or improvement of the facilities are complete and the facilities are operational. To qualify for a Facility Incentive, the equipment, additions or improvements must be completed by December 31, 2020.

3. Incentive Calculation Documentation. When and as reasonably requested by GO TOPEKA, BUSINESS shall provide GO TOPEKA with state and federal employment, tax return and/or other information reasonably necessary to establish employment levels in Shawnee County, Kansas, for purposes of calculating Employment Incentives and monitoring BUSINESS's performance hereunder. When and as reasonably requested by GO TOPEKA, BUSINESS shall provide GO TOPEKA with invoices, receipts, occupancy certificate(s), and other information reasonably necessary to establish the amount invested in both the Croco Facility and the 10th Street Facility. GO TOPEKA is granted the right to audit financial documents at any time during this Agreement. GO TOPEKA is granted the right to reduce payments

made to the BUSINESS by amounts found to be improper, unauthorized or unsubstantiated. GO TOPEKA shall have sole authority in this regard and shall base its decision upon information submitted, including absence of documents to substantiate expenditure.

4. Use of Funds. The funds received by BUSINESS pursuant hereto shall be used for the purpose of constructing, improving, repairing or equipping the Croco Facility and the 10th Street Facility and/or in the employment or training of persons to be employed in Shawnee County, Kansas.

5. Termination. If (a) BUSINESS fails to invest at least Sixty Million Dollars (\$60,000,000) in the Croco Facility by December 31, 2018; (b) if its Full Time Employment Positions at the Croco Facility fall below three hundred twenty (320) at any time before December 31, 2024; (c) or if BUSINESS fails to invest at least Seventeen Million Dollars (\$17,000,000) in the 10th Street Facility by December 31, 2020; or (d) if its Full Time Employment Positions at the 10th Street Facility fall below One Hundred Twenty (120) at any time before December 31, 2026; this Agreement shall terminate prospectively such that GO TOPEKA shall not be required to make any further incentive payments to BUSINESS under this Agreement.

6. Notices. Any notices required or permitted to be given pursuant to this Agreement may be delivered in person or mailed, certified mail, return receipt requested, to the addresses identified above.

7. Miscellaneous. The following miscellaneous provisions shall apply to this Agreement:

a. BUSINESS agrees to make every reasonable effort to use Shawnee County, Kansas-based vendors for the construction, improvements and equipment, as well as the training, contemplated herein. BUSINESS or its subsidiary

to which this Agreement may be assigned, shall have qualified to do business in Kansas and be in good standing with Kansas prior to being eligible to receive any incentive payments pursuant hereto.

b. BUSINESS agrees to make every reasonable effort to use, if qualified, Shawnee County residents to fill new Full Time Employment Positions in Shawnee County, Kansas.

c. BUSINESS shall provide prompt advance notice to GO TOPEKA of any material change in BUSINESS's ownership, control or management, including issues of insolvency or bankruptcy, or other material changes that could reasonably result in a default by BUSINESS under any agreement to which it is a party related to the matters set forth herein, or a change in the Full Time Employment Positions maintained in Shawnee County, Kansas.

d. BUSINESS agrees to participate in a public event with GO TOPEKA in Shawnee County, Kansas, celebrating the new business and employment expansion contemplated by this Agreement. Such event would include general recognition of JEDO's and GO TOPEKA's involvement in the project.

e. This writing contains the entire agreement reached between the parties hereto with respect to the subject matter hereof, and may be amended only in writing, duly executed by all parties concerned.

f. This Agreement shall be interpreted under the laws of the State of Kansas, with venue being solely in the state District Court of Shawnee County, Kansas. In the event any provision is found to be unenforceable or unconstitutional, all other provisions shall remain in full force and effect.

g. Time is of the essence in this Agreement.

h. By signing this Agreement, the parties affirm that they have the authority of their respective companies to enter into this Agreement and bind their respective corporations.

i. This Agreement shall bind and inure to the benefit of the parties to this Agreement, their heirs, legal representatives, assignees, transferors and successors.

j. No failure by a party to insist on prompt performance by the other party of its obligations hereunder shall constitute a waiver of rights under the Agreement. Similarly, the waiver by a party of any breach of any provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach of that same or any other provision.

k. This Agreement may be executed in counterparts, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties.

l. The parties acknowledge and agree that BUSINESS shall not assign, transfer, hypothecate or otherwise encumber this Agreement and its rights hereunder, without the prior written approval of GO TOPEKA; provided, however, that BUSINESS may assign this Agreement to an entity owned and controlled by it.

m. GO TOPEKA makes no representation as to the taxability or tax effect of this Agreement and the incentive payments hereunder.

n. GO TOPEKA's obligations hereunder are contingent upon approval hereof by Joint Economic Development Organization ("JEDO") and the continued funding of GO

TOPEKA at adequate levels through a portion of the Shawnee County retailer's sales tax and/or by JEDO. GO TOPEKA may unilaterally reduce or eliminate any payments hereunder in the event that sufficient funds are not available (taking into account GO TOPEKA's other obligations). GO TOPEKA will endeavor to give BUSINESS advance notice of any reduction of funds when practical. BUSINESS agrees and understands that if there are not sufficient funds appropriated or available to GO TOPEKA to continue to make any payments hereunder (taking into account GO TOPEKA's other obligations), GO TOPEKA may terminate this Agreement with written notice of termination to BUSINESS. The reduction or elimination of any payments, and/or termination of this Agreement pursuant to this paragraph, shall not cause any penalty or damages to be charged to GO TOPEKA and BUSINESS waives and releases any rights, causes of action or claims it may have should such insufficiency of funds occur.

o. In carrying out the terms and provisions of this agreement, BUSINESS shall not unlawfully discriminate against any employee, applicant for employment, recipient of service or applicant to receive or provide services because of race, color, religion, sex, age, disability, national origin or any other status protected by applicable federal or state law or local ordinance.

p. Every duty, right, or obligation contained in this Agreement imposes an obligation of good faith in its performance or enforcement. For the purposes of the Agreement, "good faith" dealing means honesty in fact in the conduct or the transaction concerned.

q. Nothing herein contained shall be construed or held to make any party a partner, joint venturer or associate of another party in the conduct of its business,

nor shall either party be deemed the agent of the other, it being expressly understood and agreed that the relationship between the Parties hereto is and shall at all times remain contractual as provided by the terms and conditions of this Agreement.

r. The parties agree to execute and deliver such other documents, agreements or instruments as may be necessary or convenient to effect the purposes of this Agreement and to comply with any of the terms hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

"BUSINESS"

RESER'S FINE FOODS, INC.

By: _____

Print Name: Paul Leavy

Title: Chief Financial Officer

"GO TOPEKA"

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

By: _____

Print Name: Matt Pivarnik

Title: President and CEO

City of Topeka & Shawnee County



Agenda Item No. 6

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Presentation: Economic Development Activities 2016 Year-End Review: GO Topeka staff.



Economic Development

3rd Quarter 2016

Report to JEDO



3rd Quarter 2016

GO Topeka staff worked in the third quarter of 2016 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 third quarter met with 30 site location consultants and corporate real estate professionals in face to face meetings. During the third quarter, staff worked with 7 new prospects resulting in 1 site visit. The current portfolio of New Business Attraction projects, at the end of the third quarter includes 25 projects, capturing potential for 3,639 new direct jobs and \$417,000,000 in new capital investment. Leads and prospects are being developed on an ongoing daily basis.

The Existing Business and Retention program made 27 visits in the third quarter of 2016 and is currently working on 13 active projects, of which 3 were opened this quarter. Based upon data received to date, the 13 projects represent \$331,000,000 in new capital investment, and 1565 direct new and retained jobs. Seven annual audit verifications are in progress. Efforts continue to grow partnerships with business, industry and education to meet the needs of local businesses through future training opportunities and the Manufacturing and Distribution roundtable, hosted in September.

Workforce & Education initiatives continue to develop and grow. Participation and support of diversity & inclusion meetings began, in partnership with local employers to support their needs. Assistance was provided to local high schools to secure internship opportunities for their seniors in internship classes. Served as a convener to connect business with education partnerships through Washburn Tech. Offered work ethic development training in conjunction with the Board of Regents to school districts and primary employers. Hosted the Shawnee County Superintendents' Forum to unite the county school districts and encourage shared insights and future collaboration.

GO Topeka's Entrepreneurial and Minority Business Development (EMBD) program continues to serve as a foundation for entrepreneurial growth and development. By providing training, financial assistance and counseling to the small business community, GO Topeka is creating an atmosphere that supports, nurtures and sustains its entrepreneurs. Collaborating with entities such as Washburn University, 712 and the Procurement and Technical Assistance Center and others will ultimately help entrepreneurs dream bigger and turn their dreams into a reality.

The following report gives much more detail as to all the accomplishments and results of GO Topeka staff for the third quarter 2016.

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 1st Quarter

- 8 new prospects

Progress 2nd Quarter

- 7 new prospects

Progress 3rd Quarter

- 7 new prospects

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

Progress 1st Quarter

- 3 formal incentive proposals

Progress 2nd Quarter

- 1 formal incentive proposal
- 4 site visits

Progress 3rd Quarter

- 1 site visit

Goal 1.3: 235 personal contacts with Site Consultants and National Corporate Realtors over course of year (face to face meetings)

Progress 1st Quarter

- Face-to-face meetings with 53 site consultants and national corporate realtors at Site Selectors Guild, Industrial Asset Management Council, KCADC meetings, Retail Industry Leaders of America and one-on-one meetings set by GO Topeka staff.

Progress 2nd Quarter

- Face-to-face meetings with 48 site consultants and national corporate realtors at SelectUSA, in-community meetings and target industry conferences.

Progress 3rd Quarter

- Face-to-face meetings with 30 site consultants and national corporate realtors at KCADC events, IEDC and SEDC.

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 1st Quarter

- As of March 31, 2016, the current GO Topeka portfolio of new business attraction prospects/projects includes:
 - 24 projects
 - \$1,226,800,000 potential capital investment
- As of March 31, 2016, the current GO Topeka portfolio of existing business expansion prospects/projects includes:
 - 10 projects
 - \$35,000,000 potential capital investment

Progress 2nd Quarter

- As of June 30, 2016, the current GO Topeka portfolio of new business attraction prospects/projects includes:
 - 27 projects
 - \$1,314,000,000 potential capital investment
- As of June 30, 2016, the current GO Topeka portfolio of existing business expansion prospects/projects includes:
 - 10 projects
 - \$6,000,000 potential capital investment

Progress 3rd Quarter

- As of September 30, 2016, the current GO Topeka portfolio of new business attraction prospects/projects includes:
 - 25 Projects
 - \$417,000,000 potential capital investment
- As of September 30, 2016, the current GO Topeka portfolio of existing business expansion prospects/projects includes:
 - 13 projects
 - \$331,000,000 potential capital investment

Q2 - Futamura USA – approximately \$30M in capital investment

Goal 2.2: Attract new primary jobs (new and expanding primary employers)

Progress 1st Quarter

- Current GO Topeka portfolio of new business attraction projects/prospects includes:
 - 4790 potential new direct jobs
- Current GO Topeka portfolio of existing business expansion projects/prospects includes:
 - 256 potential new direct jobs

Progress 2nd Quarter

- Current GO Topeka portfolio of new business attraction projects/prospects includes:
 - 5840 potential new direct jobs
- Current GO Topeka portfolio of existing business expansion projects/prospects includes:

- 778 potential new direct jobs

Progress 3rd Quarter

- Current GO Topeka portfolio of new business attraction projects/prospects includes:
 - 3639 potential new direct jobs
- Current GO Topeka portfolio of existing business expansion projects/prospects includes:
 - 1548 potential new direct jobs

Q2 - se2 – Up to 200 new 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: \$44,512 (2015 Fourth quarter, most recent available
 Source: Kansas Department of Labor, Bureau of Labor Statistics)

Progress 1st Quarter

- Current GO Topeka portfolio of new business attraction and existing business expansion projects/prospects includes:
 Average projected wage of \$36,902 based on projects/prospects information to date.

Progress 2nd Quarter

- Current GO Topeka portfolio of new business attraction and existing business expansion projects/prospects includes:
 Average projected wage of \$35,133 based on projects/prospects information to date.

Progress 3rd Quarter

- Current GO Topeka portfolio of new business attraction and existing business expansion projects/prospects includes:
 Average projected wage of \$34,842 based on projects/prospects information to date.

Additional Attraction Actions Implemented in 1st Quarter 2016

- Met with commercial brokers and retail and logistics companies at the national Retail Industry Leaders of America Logistics Forum.
- Marketed Topeka/Shawnee County to over 20 of the top site selectors in the country at the Site Selectors Guild conference.
- Represented Topeka/Shawnee County at the Industrial Asset Management Council spring conference.
- Launched a new GIS system on the GO Topeka website.
- Attended the Kansas Economic Development Alliance Legislators Forum.
- Hosted Lawrence and Manhattan chambers for a Kansas Research Nexus meeting to grow our regional legislative partnership.
- Attended the KCADC Alliance meeting to market Topeka/Shawnee County to Kansas City area brokers.
- Selected a new Customer Relations Management program to launch in early second quarter.
- Attended community broadband meetings to collaborate on future plans.

Additional Attraction Actions Implemented in 2nd Quarter 2016

- Hosted 13 site consultants for a Team Kansas event in Topeka.
- Attended community broadband meetings to collaborate on future plans.
- Attended International Economic Development Council conference in Tulsa, OK.
- Co-hosted a booth at the SelectUSA Investment Summit with Kansas Department of Commerce.
- Attended Kansas International Trade Day at Washburn University.
- Hosted lunch and learn for local brokers to learn about new GIS system on our website and talk about marketing their properties.

Additional Attraction Actions Implemented in 3rd Quarter 2016

- Attended multiple KCADC meetings with corporate real estate partners.
- Attended International Economic Development Council conference in Cleveland, OH.
- Attended the Southern Economic Development Council Annual meeting in Kansas City where we received an award for “Website Content and Functionality”
- Attended the Economic Development Research Partners retreat.
- Presented at the Topeka Neighborhood Leaders meeting.
- Attended community broadband meetings.
- Hosted one company for an in-community site visit.
- Met with local developers about possibility of future projects.

Business Retention & Expansion

Team Leader: Jackie Carlson

Workforce and Education

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 1st Quarter

- 54 business visits were conducted in the first quarter of 2016. Of those visits, 27 consisted of major employers.

Progress 2nd Quarter

- 35 business visits were conducted in the second quarter of 2016. Of those visits, 16 consisted of major employers.

Progress 3rd Quarter

- 27 business visits were conducted in the third quarter of 2016. Of those visits, 10 consisted of major employers.

Goal 3.2: Provided assistance to companies needing help. Assistance includes providing resources, referrals, problem solving, and expansion assistance.

Progress 1st Quarter

- Staff currently is working to assist 10 companies, of which 3 projects were opened in the first quarter of 2016.

Progress 2nd Quarter

- Staff is currently working to assist 10 companies, of which 1 project was opened in the second quarter of 2016.
- Staff completed Projects Reef (se²) and Sand (Futamura USA) with up to 228 new jobs and up to \$30 million invested.

Progress 3rd Quarter

- Staff is currently working to assist 13 companies, of which 3 projects were opened in the third quarter of 2016.

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 1st Quarter

- The Washburn Institute of Technology scholarship program awarded 50 awards for the spring semester.
- Eighteen bus passes have been provided through the Topeka Rescue Mission's CARE program, a workforce initiative.

Progress 2nd Quarter

- Thirty-five bus passes were provided through the Topeka Rescue Mission's CARE program, aiding in participants' transportation needs to interviews and secured job opportunities.
- The KanVet Benefits Office was staffed and opened on Washburn Tech's campus. A service for all veterans in the community in need of benefits assistance.

Progress 3rd Quarter

- Eighteen bus passes provided through the Topeka Rescue Mission's CARE program.
- 5 employers and 3 schools participated in the work ethic development training, hosted by Washburn Tech to provide measurable outcomes beyond traditional soft skills training.

Additional Existing Business and Workforce Development Activities Implemented in 1st Quarter 2016

Existing Business:

- Hosted the HR Breakout with recruitment information and resources regarding hiring opportunities via the Veteran's Employment Center, www.vets.gov
- Meetings began for the planning of the Financial Services Summit, to be hosted in October 2016.
- Planning continued for the 2nd Manufacturing & Distribution Roundtable, to be hosted April 18, 2016.

Workforce Development:

- Coordinated meetings regarding Washburn Tech East planning.
- Attended USD501's Education Summit.
- Met with Topeka's Justice Unity and Ministry Project team and the Topeka Metro regarding workforce transportation concerns at their request.
- Attended Washburn Tech's National Technical Letter of Intent Signing Day.
- Continuing coordination of the KanVet Benefits Office at Washburn Tech.

Additional Existing Business and Workforce Development Activities Implemented in 2nd Quarter 2016

Existing Business:

- Meetings continue for planning of the Financial Services Summit, to be hosted October 19, 2016.
- Hosted the 2nd Manufacturing & Distribution Roundtable, bring employers and educational institutions together to align needs of employment and education.

Workforce Development:

- Coordinated meetings between employers and the workforce center for hiring event needs.
- Development of a work ethic training initiative to support school districts and employers.
- Met with DCF's Hope Mentoring director to explore workforce opportunities.

Additional Existing Business and Workforce Development Activities Implemented in 3rd Quarter 2016

Existing Business:

- Hosted the 3rd Manufacturing & Distribution Roundtable, introducing our new director of business retention & expansion.

Workforce Development:

- Coordinated meetings between employers and Washburn Tech for training needs.
- Development of a work ethic training initiative to support school districts and employers.
- Meetings continue for planning of the Financial Services Summit, to be hosted October 19, 2016.

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 1st Quarter

As of January 2016, EMBD has made a significant first quarter impact on pre venture, entrepreneurs and existing small businesses through counseling, training, educational seminars

- Lunch and Learn Attendees (2 sessions/76 attendees)
- New Venture (One class/10 participants)
- Community Outreach (TIBA/Hermanitas, NOTO, Downtown Merchants, Brookwood and Fairlawn Plaza)
- Counseling Sessions (assistance/counseling of 93)
- Site visits conducted during the period (10)

Progress 2nd Quarter

Second quarter introduced a number of new training options for businesses in Shawnee County. EMBD collaborated with existing businesses to deliver practical training for new and existing small business owners and their employees.

- Lunch and Learn Attendees (100)
- Cyber Summit (25)
- Breakfast Buzz (31)
- Google Workshops (73)
- Community Outreach (Topeka Gives, Brookwood and Fairlawn Plaza Merchants)
- Small Business Awards (328)
- Counseling Sessions (89)
- Site Visits (NOTO Brookwood, Downtown and Fairlawn Plaza Merchants)

Additional EMBD Actions/Activities and Initiatives implemented during Second Quarter.

- Sponsored Quickbooks I and II classes for 10 small businesses owners.
- Involved with and/supported 10 community programs.
- Increased contact through social media by 21% during second quarter.

Progress 3rd Quarter

Third Quarter workshops included trainings for small businesses and corporate professionals. Volunteer professionals conducted the workshops and shared real world examples and solutions.

- Google for Business Workshops (66)
- Human Resources Workshops (39)
- Breakfast Buzz (34)
- Women of Influence (325)
- Legal Issues (16)
- Community Outreach – Various retail and community presentations (41)

Goal 4.2 Increase the number of applications received by TSCFOF during FY-2016 year.

Progress 1st Quarter

- In an effort to build the pipeline for the TSCFOF, EMBD continues to market the TSCFOF in addition to a new financial tool. Radio and television ads have been recorded. The radio ad is currently being aired.
- The Topeka/Shawnee Small Business Incentive Program was launched in February and has been extremely successful during First Quarter. The Incentive Program provided assistance to 11 small businesses, offering a match of more than \$51,000 to help with the growth or expansion of these businesses. Businesses range from a landscape business to

a sign company. The pipeline of this program is strong and currently has 16 businesses in the processing stage.

Progress 2nd Quarter

- The pipeline for the TSCFOF continues to grow. There are currently three prospects in the pipeline for the Loan Fund and one potential. The makeup of these companies includes a small pet food manufacturer, two auto repair shops and one miscellaneous business.
- The Topeka/Shawnee Small Business Incentive Program continues to assist in filling the gap for small businesses. The Charts below provide supporting data.

New Businesses Rec. Incentives	Jobs Created	Dollars Disbursed
12	19 FT/11 PT	\$70,920.11

Existing Bus. Rec. Incentives	Jobs Created or retained	Dollars Disbursed
26	57 FT/47 PT	\$74,318.57

Disbursements by Month	Number of Clients	Amount Disbursed
March	2	\$ 5,289.00
April	9	\$ 46,524.79
May	8	\$ 24,966.74
June	17	\$ 61,910.89
July	2	\$ 6,547.26
Total Clients	38	\$ 145,238.68

Progress 3rd Quarter

- JEDO Board approved the use of rollover funds to replenish the Small Business Incentive Program. As the report below indicates, Incentive requests are very active. They currently include 14 retail businesses and 30 service based businesses.

Small Business Incentive Report (YTD)

New Businesses Rec. Incentives	Jobs Impacted	Dollars Disbursed
18	30 FT/16 PT	\$109,875.48

Existing Bus. Rec. Incentives	Jobs Impacted	Dollars Disbursed
26	95 FT/116 PT	\$124,920.06

Business Mix	Retail	Service
	14	30

Month	# of Incentives	Amount Disbursed
March	2	\$ 5,289.00
April	9	\$ 46,524.79
May	8	\$ 24,966.74
June	17	\$ 61,910.89
July	2	\$ 6,547.26
August	2	\$ 2,948.11
September	10	\$ 61,608.75
October	4	\$ 25,000.00
Total Incentives	55	\$ 234,795.54

*Please note

Eight companies received multiple incentives.

Three Pending Application - \$16,500.00

Goal 4.3

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

Progress 1st Quarter

- The Department of Commerce and the Federal Home Loan Bank were featured at annual breakfast, hosted by EMBD. The Department of Commerce shared steps necessary to be able to do business with Commerce. The Federal Home Loan Bank presented on the upcoming project of the new Federal Home Loan Building. The representative informed the group that they would need a variety of different skills to assist with this project. She will be in touch with GO Topeka when the RFPs are complete.

Progress 2nd Quarter

- In a collaborative effort, EMBD is working with the Federal Home Loan Bank to increase the minority contractor participation on the construction of their new facility. EMBD, along with the General Contractor (McPhersons Contractors, Inc.), will be hosting a Pre-Bid Meeting in August to inform subcontractors about potential opportunities on the new FHLB Building Project.

Progress 3rd Quarter

- EMBD is currently working with the Procurement and Technical Assistance Center. EMBD continues to be a resource for penetrating the Topeka market. Working with the Regional Director to put together the request to house a PTAC Specialist in this region. Over the past three years, PTAC has aided Shawnee County businesses in procuring several million dollars in business. Having a local contact will make an impact.

Additional EMBD Actions/Initiatives Implemented in 1st Quarter 2016:

- Collaborated with LULAC and the NAACP to create minority business directories. These businesses will be used as a tool to assist corporate buyers with identifying minority businesses opportunities as well as a reference tool for members of the community.
- Met with the leaders of Central Topeka to discuss possible options for the Dillon grocery store.
- Met with NOTO business owners to share information about the Small Business Incentive program. NOTO businesses have aggressively taken advantage of the incentive program, making it a huge success.
- Continued the conversation with PTAC regarding housing an office in Topeka market.
- Involved with and/or supported 16 community programs/organizations since January 2016.
- Work with KTWU on marketing the Working Capital small business program
- Recorded ads promoting the Topeka/Shawnee County Small Business Incentive and the TSCFOF. Radio ads are currently running. The television ads are running on KTWU. The programs are also marketed in TK Magazine.
- Grew the social media outreach by 16% during the first quarter.

Additional EMBD Actions/Initiatives Implemented in 2nd Quarter 2016:

- EMBD is in continuous discussion with the Kansas Procurement and Technical Assistance Center (PTAC) about expanding its reach and maintaining an office in the Shawnee County region. PTAC certifies small businesses to do business with the federal government and

assist them with bid preparation. As mentioned in the 2016 Association of PTAC's report, companies working with PTAC were awarded 73,000 government contracts worth over \$12 billion. PTAC is funded through cooperative agreements between local host organizations and the U.S. Defense Logistics Agency (DLA). APTAC estimates that the return-on-investment is \$344 for every federal dollar invested in the PTAC program.

Additional EMBD Actions/Initiatives Implemented in 3rd Quarter 2016:

EMBD continues to work on several Special Initiatives. Some of them include:

- Serving as a Board Member of 712i, the local Co-Work/Maker Space, assisting with identifying a sustainable funding sources and developing a growth plan;
- Collaborating with the Topeka Chamber to coordinate small business workshops for the upcoming Chamber Business Expo;
- Working with Washburn University School of Business to host the Third Annual Pitch Contest for student entrepreneurs;
- Supporting businesses throughout the County by planning and promoting the 2016 Small Business Saturday initiative.

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

**Financial Statements & Accountant's
Compilation Report**

July 31, 2016

Accountant's Compilation Report



MIZE HOUSER
& COMPANY P.A.

Growth Organization of Topeka / Shawnee County, Inc.
120 S.E. 6th Ave. – Suite 110
Topeka, Kansas 66603

Management is responsible for the accompanying financial statements of Growth Organization of Topeka / Shawnee County, Inc.–Public (a division of Growth Organization of Topeka/Shawnee County, Inc., consisting primarily of activities related to the City of Topeka and Shawnee County Joint Economic Development Organization grant), (Go Topeka), which comprise the statements of assets, liabilities and change in funds-modified cash basis as of July 31, 2016, and the related statement of income and expense-modified cash basis for the one month and seven month periods then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

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Supplemental information (presented only for supplementary analysis purposes):

Schedule of committed/pending incentive offers and site expenditures as of July 31, 2016.

We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.–Public.

Mize Houser & Company P.A.

Mize Houser & Company P.A.
Certified Public Accountants

November 14, 2016
Topeka, Kansas

BNO:rb:sc
Enclosures

www.mizehouser.com ■ mhco@mizehouser.com

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534 S Kansas Ave, Suite 400 ■ Topeka, KS 66603-3454 ■ 785.234.5573 p ■ 785.234.1037 f
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211 E Eighth St, Suite A ■ Lawrence, KS 66044-2771 ■ 785.842.8844 p ■ 785.842.9049 f

Go Topeka, Inc.
Statement of Assets, Liabilities, &
Change In Funds-Public - Modified Cash Basis
July 31, 2016

Assets

Current Assets		
Cash-Sales Tax (A)		7,297,209
Investments-Sales Tax (A)		5,882,005
Other Current Assets		11,093
Total Current Assets		<u>13,190,307</u>
Other Assets		
Land Held for Development	7,645,194	
Total Other Assets		<u>7,645,194</u>
Total Assets		<u><u>20,835,501</u></u>

Liabilities and Fund Balance

Current Liabilities		
EMBD Carryover	850,436	
Due to/(from) Chamber	-9,496	
KF Park & Fire House Fund	203,159	
Other Payables	<u>0</u>	
Total Current Liabilities		1,044,099
Fund Balances		
Opening Fund Balance	17,867,963	
Excess-Current Year	<u>1,923,439</u>	
Total Liabilities and Fund Balance		<u><u>19,791,402</u></u>
		<u><u>20,835,501</u></u>

(A) - Subject to commitments. See supplemental schedule.

Go Topeka, Inc.
Statement of Income and Expense - Public
Modified Cash Basis
July 31, 2016

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue						
Sales Tax	416,667	416,666	1	2,916,667	2,916,662	5
Net Investment Income (Fees)	1,884	100	1,784	9,040	700	8,340
Other Program Revenue	494	1,000	(506)	25,362	15,600	9,762
Total Revenues	<u>419,045</u>	<u>417,766</u>	<u>1,279</u>	<u>2,951,068</u>	<u>2,932,962</u>	<u>18,106</u>
Expenses						
Program Expenses						
Business Retention	10,680	13,916	3,236	75,808	96,362	20,554
New Business Attraction	25,541	34,657	9,115	246,090	367,147	121,056
Workforce Development	2,535	29,641	27,106	87,063	147,687	60,624
Government Relations Consultant	1,500	1,500	-	10,570	35,875	25,305
Research & Governmt'l Relations	6,510	8,775	2,265	62,307	78,125	15,818
Entrepreneurial & Minority Bus Dev	18,312	44,801	26,489	247,798	377,807	130,009
Small Business Innovation Center	795	975	180	6,315	81,825	75,510
Site/Prospect Support	10,991	5,155	(5,836)	32,181	36,085	3,904
Incentives & Site Expend - Direct	-	-	-	(24,976)	(24,976)	-
Total Program Expenses	<u>76,865</u>	<u>139,420</u>	<u>62,555</u>	<u>743,156</u>	<u>1,195,936</u>	<u>452,781</u>
General & Administrative Expenses	15,403	13,460	(1,943)	79,234	94,220	14,985
Total Operating Expenses	<u>92,268</u>	<u>152,880</u>	<u>60,611</u>	<u>822,390</u>	<u>1,290,156</u>	<u>467,766</u>
Transfer to Visioning	0	0	0	60,000	60,000	0
Small Business Incentive Program	6,547	7,000	453	145,239	147,000	1,761
Revenues over (under) Expenses	<u><u>320,230</u></u>	<u><u>257,886</u></u>	<u><u>62,343</u></u>	<u><u>1,923,439</u></u>	<u><u>1,435,806</u></u>	<u><u>487,634</u></u>

SUPPLEMENTAL INFORMATION

Go Topeka, Inc.
Committed/Pending Incentive Offers and Site Expenditures
July 31, 2016

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>THEREAFTER</u>	<u>Totals</u>
Cash:					
Committed - Performance Based:					
Alorica	60,000	60,000	40,000		160,000
Big Heart Pet 2	63,000				63,000
Big Heart Pet 2	150,000				150,000
FHLB	840,000	227,000	60,000	122,000	1,249,000
Koch & Co	20,000	20,000	2,000	40,000	82,000
PTMW	70,000				70,000
Yantra	16,000	10,000	10,000	60,000	96,000
Terminex	27,600	3,600	1,800		33,000
Mars Escrow - Employment Incentive		260,000			260,000
Futamura USA		49,600	48,800	107,600	206,000
se2		80,000	160,000	760,000	1,000,000
Total Committed - Performance Based	1,246,600	710,200	322,600	1,089,600	3,369,000
Expected:					
Site Improvements	50,000				50,000
Dev. & Maintenance	45,000	45,000	45,000		135,000
Total Expected	95,000	45,000	45,000	0	185,000
Total Committed and Expected	1,341,600	755,200	367,600	1,089,600	3,554,000
Under Consideration:					
Pending Cash Incentives	40,000	194,000	164,000	330,000	728,000
Total Under Consideration	40,000	194,000	164,000	330,000	728,000
Total before EMBD	1,381,600	949,200	531,600	1,419,600	4,282,000
EMBD Carryover					850,436
KF Park and Fire House Fund					203,159
Total					5,335,595

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

**Financial Statements & Accountant's
Compilation Report**

August 31, 2016

Accountant's Compilation Report



MIZE HOUSER
& COMPANY P.A.

Growth Organization of Topeka / Shawnee County, Inc.
120 S.E. 6th Ave. – Suite 110
Topeka, Kansas 66603

Management is responsible for the accompanying financial statements of Growth Organization of Topeka / Shawnee County, Inc.–Public (a division of Growth Organization of Topeka/Shawnee County, Inc., consisting primarily of activities related to the City of Topeka and Shawnee County Joint Economic Development Organization grant), (Go Topeka), which comprise the statements of assets, liabilities and change in funds-modified cash basis as of August 31, 2016, and the related statement of income and expense-modified cash basis for the one month and eight month periods then ended, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

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Supplemental information (presented only for supplementary analysis purposes):

Schedule of committed/pending incentive offers and site expenditures as of August 31, 2016.

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Mize Houser & Company P.A.

Mize Houser & Company P.A.
Certified Public Accountants

November 14, 2016
Topeka, Kansas

BNO:rb:sc
Enclosures

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Go Topeka, Inc.
Statement of Assets, Liabilities, &
Change In Funds-Public - Modified Cash Basis
August 31, 2016

Assets

Current Assets		
Cash-Sales Tax (A)		7,627,372
Investments-Sales Tax (A)		5,883,025
Other Current Assets		10,467
Total Current Assets		<u>13,520,864</u>
Other Assets		
Land Held for Development	7,645,194	
Total Other Assets		<u>7,645,194</u>
Total Assets		<u><u>21,166,058</u></u>

Liabilities and Fund Balance

Current Liabilities		
EMBD Carryover	850,436	
Due to/(from) Chamber	-9,425	
KF Park & Fire House Fund	203,159	
Other Payables	<u>0</u>	
Total Current Liabilities		1,044,170
Fund Balances		
Opening Fund Balance	17,867,963	
Excess-Current Year	<u>2,253,925</u>	
Total Liabilities and Fund Balance		<u><u>20,121,888</u></u>
		<u><u>21,166,058</u></u>

(A) - Subject to commitments. See supplemental schedule.

Go Topeka, Inc.
Statement of Income and Expense - Public
Modified Cash Basis
August 31, 2016

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue						
Sales Tax	416,667	416,666	1	3,333,333	3,333,328	5
Net Investment Income (Fees)	1,090	100	990	10,130	800	9,330
Other Program Revenue	787	1,300	(513)	26,149	16,900	9,249
Total Revenues	<u>418,543</u>	<u>418,066</u>	<u>477</u>	<u>3,369,612</u>	<u>3,351,028</u>	<u>18,584</u>
Expenses						
Program Expenses						
Business Retention	11,080	12,066	986	86,888	108,428	21,540
New Business Attraction	28,824	34,157	5,333	274,914	401,303	126,389
Workforce Development	5,765	4,641	(1,124)	92,828	152,328	59,500
Government Relations Consultant	1,500	1,625	125	12,070	37,500	25,430
Research & Governmt'l Relations	5,936	15,775	9,839	68,243	93,900	25,657
Entrepreneurial & Minority Bus Dev	19,532	49,901	30,369	267,330	427,708	160,378
Small Business Innovation Center	-	975	975	6,315	82,800	76,485
Site/Prospect Support	3,149	5,155	2,006	35,330	41,240	5,910
Incentives & Site Expend - Direct	-	-	-	(24,976)	(24,976)	-
Total Program Expenses	<u>75,785</u>	<u>124,295</u>	<u>48,509</u>	<u>818,941</u>	<u>1,320,231</u>	<u>501,290</u>
General & Administrative Expenses	10,074	13,460	3,386	89,308	107,680	18,371
Total Operating Expenses	<u>85,859</u>	<u>137,755</u>	<u>51,895</u>	<u>908,250</u>	<u>1,427,911</u>	<u>519,661</u>
Transfer to Visioning	0	0	0	60,000	60,000	0
Small Business Incentive Program	2,198	2,200	2	147,437	149,200	1,763
Revenues over (under) Expenses	<u><u>330,486</u></u>	<u><u>278,111</u></u>	<u><u>52,375</u></u>	<u><u>2,253,925</u></u>	<u><u>1,713,917</u></u>	<u><u>540,008</u></u>

SUPPLEMENTAL INFORMATION

Go Topeka, Inc.
Committed/Pending Incentive Offers and Site Expenditures
August 31, 2016

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>THEREAFTER</u>	<u>Totals</u>
Cash:					
Committed - Performance Based:					
Alorica	60,000	60,000	40,000		160,000
Big Heart Pet 2	63,000				63,000
Big Heart Pet 2	150,000				150,000
FHLB	840,000	227,000	60,000	122,000	1,249,000
Koch & Co	20,000	20,000	2,000	40,000	82,000
PTMW	70,000				70,000
Yantra	16,000	10,000	10,000	60,000	96,000
Terminex	27,600	3,600	1,800		33,000
Mars Escrow - Employment Incentive	260,000				260,000
Futamura USA	49,600	48,800	48,800	107,600	206,000
se2	80,000	160,000		760,000	1,000,000
Total Committed - Performance Based	1,246,600	710,200	322,600	1,089,600	3,369,000
Expected:					
Site Improvements	50,000				50,000
Dev. & Maintenance	45,000	45,000	45,000		135,000
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Under Consideration:					
Pending Cash Incentives	40,000	194,000	164,000	330,000	728,000
Total Under Consideration	40,000	194,000	164,000	330,000	728,000
Total before EMBD	1,381,600	949,200	531,600	1,419,600	4,282,000
EMBD Carryover					850,436
KF Park and Fire House Fund					203,159
Total					5,335,595

See Accountant's Compilation Report

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

**Financial Statements & Accountant's
Compilation Report**

September 30, 2016

Accountant's Compilation Report



MIZE & HOUSER
COMPANY P.A.

Growth Organization of Topeka / Shawnee County, Inc.
120 S.E. 6th Ave. – Suite 110
Topeka, Kansas 66603

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We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.–Public.

Mize Houser & Company P.A.

Mize Houser & Company P.A.
Certified Public Accountants

November 14, 2016
Topeka, Kansas

BNO:rb:sc
Enclosures

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Go Topeka, Inc.
Statement of Assets, Liabilities, &
Change In Funds-Public - Modified Cash Basis
September 30, 2016

Assets

Current Assets		
Cash-Sales Tax (A)		7,900,995
Investments-Sales Tax (A)		5,885,103
Other Current Assets		13,398
Total Current Assets		<u>13,799,497</u>
Other Assets		
Land Held for Development	7,645,194	
Total Other Assets		<u>7,645,194</u>
Total Assets		<u><u>21,444,691</u></u>

Liabilities and Fund Balance

Current Liabilities		
EMBD Carryover	850,436	
Due to/(from) Chamber	223	
KF Park & Fire House Fund	203,159	
Other Payables	<u>0</u>	
Total Current Liabilities		1,053,818
Fund Balances		
Opening Fund Balance	17,867,963	
Excess-Current Year	<u>2,522,910</u>	
Total Liabilities and Fund Balance		<u><u>20,390,873</u></u>
		<u><u>21,444,691</u></u>

(A) - Subject to commitments. See supplemental schedule.

See Accountant's Compilation Report

Go Topeka, Inc.
Statement of Income and Expense - Public
Modified Cash Basis
September 30, 2016

	Current Period			Year to Date		
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Revenue						
Sales Tax	416,667	416,666	1	3,750,000	3,749,994	6
Net Investment Income (Fees)	2,144	100	2,044	12,273	900	11,373
Other Program Revenue	4,333	1,300	3,033	30,482	18,200	12,282
Total Revenues	423,144	418,066	5,078	3,792,755	3,769,094	23,661
Expenses						
Program Expenses						
Business Retention	18,148	35,166	17,018	105,036	143,594	38,558
New Business Attraction	16,744	38,507	21,762	291,658	439,810	148,152
Workforce Development	18,070	30,141	12,071	110,898	182,469	71,571
Government Relations Consultant	1,500	1,500	-	13,570	39,000	25,430
Research & Governmt'l Relations	7,474	10,475	3,001	75,717	104,375	28,658
Entrepreneurial & Minority Bus Dev	72,768	102,201	29,433	340,098	529,909	189,811
Small Business Innovation Center	1,590	975	(615)	7,905	83,775	75,870
Site/Prospect Support	6,871	5,155	(1,716)	42,201	46,395	4,194
Incentives & Site Expend - Direct	-	-	-	(24,976)	(24,976)	-
Total Program Expenses	143,165	224,120	80,954	962,107	1,544,351	582,244
General & Administrative Expenses	10,243	13,460	3,217	99,552	121,140	21,588
Total Operating Expenses	153,409	237,580	84,171	1,061,658	1,665,491	603,832
Transfer to Visioning	0	0	0	60,000	60,000	0
Small Business Incentive Program	750	0	(750)	148,187	149,200	1,013
Revenues over (under) Expenses	268,985	180,486	88,499	2,522,910	1,894,403	628,507

SUPPLEMENTAL INFORMATION

Go Topeka, Inc.
Committed/Pending Incentive Offers and Site Expenditures
September 30, 2016

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>THEREAFTER</u>	<u>Totals</u>
Cash:					
Committed - Performance Based:					
Alorica	60,000	60,000	40,000		160,000
Big Heart Pet 2	63,000				63,000
Big Heart Pet 2	150,000				150,000
FHLB	840,000	227,000	60,000	122,000	1,249,000
Koch & Co	20,000	20,000	2,000	40,000	82,000
PTMW	70,000				70,000
Yantra	16,000	10,000	10,000	60,000	96,000
Terminex	27,600	3,600	1,800		33,000
Mars Escrow - Employment Incentive		260,000			260,000
Futamura USA		49,600	48,800	107,600	206,000
se2		80,000	160,000	760,000	1,000,000
Total Committed - Performance Based	1,246,600	710,200	322,600	1,089,600	3,369,000
Expected:					
Site Improvements	50,000				50,000
Dev. & Maintenance	45,000	45,000	45,000		135,000
Total Expected	95,000	45,000	45,000	0	185,000
Total Committed and Expected	1,341,600	755,200	367,600	1,089,600	3,554,000
Under Consideration:					
Pending Cash Incentives	40,000	194,000	164,000	330,000	728,000
Total Under Consideration	40,000	194,000	164,000	330,000	728,000
Total before EMBD	1,381,600	949,200	531,600	1,419,600	4,282,000
EMBD Carryover					850,436
KF Park and Fire House Fund					203,159
Total					<u><u>5,335,595</u></u>

City of Topeka & Shawnee County



Agenda Item No. 7

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Presentation: Update on East Topeka Learning Center: Barbara Stapleton, Director of Existing Business & Workforce Development for GO Topeka.

City of Topeka & Shawnee County



Agenda Item No. 8

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Discussion: Update on Topeka & Shawnee County Holistic Economic Development Strategy: Matt Pivarnik, President and CEO of Topeka Chamber and GO Topeka and Keith Warta, GO Topeka Treasurer, President/CEO, Bartlett & West.



PHASE 1: COMMUNITY ASSESSMENT AND REGIONAL SCORECARDS

Submitted by Market Street Services Inc.
www.marketstreetservices.com

September 20, 2016

MARKET ST

TABLE OF CONTENTS

Steering Committee.....	3
Project Overview	4
Community Assessment.....	5
1. A Critical Need to Improve Community Pride.....	7
2. Threats to a Strong Workforce Go Beyond Population Growth	9
3. Quality of Place Enhancements are Needed to Change Outlooks	16
4. Homegrown Talent: A Need to Connect the Local and Regional Talent Pipeline.....	25
5. Enhancing Economic Opportunities Through Existing Strengths	31
6. Prosperity and Well-being Lag Behind	44
Conclusion: The Way Forward	49
Appendix A: Regional Scorecards.....	50
Scorecards: Data Sources	61
Endnotes.....	64

STEERING COMMITTEE

<u>Name</u>	<u>Organization</u>
Commissioner Shelly Buhler (tri-chair)	Shawnee County
Keith Warta (tri-chair)	Bartlett & West
Mayor Larry Wolgast (tri-chair)	City of Topeka
Zach Ahrens	The Topeka Capital Journal
Dr. Tiffany Anderson	Topeka Public Schools, USD 501
Brent Boles	Schendel Lawn & Landscape
Michelle De La Isla	City of Topeka/Westar Energy
Tara Dimick	TK Business Magazine
Pat Doran	FHLBank Topeka
Dr. Jerry Farley	Washburn University
Neil Fisher	KBS Constructors
Sarah Fizell	ArtsConnect
Abel Frederic	St Francis Health Foundation
Lindsay Freeman	Advisors Excel
Sean Frost	Washburn University Foundation
Vince Frye	Downtown Topeka, Inc.
Scott Gales	Architect One
Trey George	Topeka Housing Authority
Doug Gerber	City of Topeka
Scott Griffith	INTRUST Bank
Alonzo Harrison	HDB Construction
Frank Henderson	Topeka Rescue Mission
T.D. Hicks	Antioch Missionary Baptist Church
Brett Klausman	Midwest Health
Miriam Krehbiel	United Way of Greater Topeka
Kurt Kuta	CoreFirst Bank & Trust
Joe Ledbetter	Ledbetter Law
Gina Millsap	Topeka & Shawnee County Public Library
Allen Moore	Frito Lay
Lalo Munoz	El Centro of Topeka
Brett Oetting	Visit Topeka
Jim Parrish	Parrish Hotels
Marsha Pope	Topeka Community Foundation
Eric Rea	se ²
Mark Ruelle	Westar Energy
Greg Schwerdt	Schwerdt Design Group
Bret Spangler	Mars Chocolate
Janet Stanek	Stormont Vail Health
Michelle Stubblefield	jones huyett Partners
Allan Towle	Fidelity State Bank & Trust
Wendy Wells	US Bank
Lonnie Williams	L&J Building Maintenance
Doug Wolff	Security Benefit Life

The Topeka-Shawnee County Holistic Economic Development Strategy planning initiative was made possible by the generous support of the following organizations: GO Topeka, Heartland Visioning, Topeka & Shawnee County Public Library, Topeka Community Foundation, and the United Way of Greater Topeka.

PROJECT OVERVIEW

The four-phase research and strategic planning process will last approximately eight-months, concluding in March 2017. A diverse Steering Committee comprised of representatives from the public, private, and non-profit sectors will guide the process and ensure that it lays the foundation that will allow people and businesses to thrive and wealth to accumulate in the community.

Phase 1: Community Engagement

The knowledge and opinions of stakeholders and the public at large are invaluable when identifying the assets to leverage, opportunities to seize, and challenges to overcome. This phase involved reaching out to as many regional stakeholders as possible through an online survey, individual interviews, and focus groups and informed the subsequent phases of the process.

Phase 2: Regional Scorecards and Competitive Assessment

This phase evaluated Topeka-Shawnee County's competitiveness as a place to live, work, and do business. It begins with an examination of common metrics that influence how external audiences perceive the community. These metrics were included on a set of "scorecards" that show how Topeka-Shawnee County compares to other communities. The scorecards are complemented by an in-depth Community Assessment that weaves qualitative and quantitative findings into a set of "stories" that provide a concise narrative of the region's opportunities and the challenges it will face as it seeks to become a more prosperous, successful place and increase quality of life for all its residents.

Phase 3: Holistic Economic Development Strategy

The third phase brings together the findings and strategic implications from the first two phases to create a Holistic Economic Development Strategy that will guide the community's collective actions in the next five years. Strategic recommendations within the plan will be driven by the research findings – including both qualitative and quantitative feedback. Examples of best practice programs, policies, and initiatives from communities around the country will be included when relevant and appropriate to help inform strategic recommendations and their subsequent implementation.

Phase 4: Implementation Plan

If the Holistic Economic Development Strategy represents "what" the Topeka-Shawnee County community will pursue strategically, the Implementation Plan helps define "how" GO Topeka and its partners can effectively and efficiently implement the Strategy's recommendations. For each of the strategic recommendations, the Implementation Plan will identify lead implementers, key partners, potential costs, the appropriate timeline for implementation, and metrics for measuring implementation success.

COMMUNITY ASSESSMENT

This assessment examines the competitive issues facing Topeka-Shawnee County by evaluating them through the prism of what Market Street believes to be the three critical aspects of a community: its people, their prosperity, and the quality of place. Findings related to these key attributes are incorporated into nine key stories that help explain its current realities, key successes, and remaining challenges. These stories emerged from public input provided by residents in Topeka-Shawnee County as well as in-depth analysis of data covering demographic, socioeconomic, economic, and quality of life trends within the community. Collectively, they help take stock of conditions in the community as they presently exist and identify initial areas that may warrant strategic attention.

FOCUS GROUPS AND INTERVIEWS: A thorough assessment of a community's strengths, weaknesses, opportunities, and challenges must be informed by input from the people that live and work in the area. Accordingly, a series of focus groups and interviews with individuals from the community's public, private, and non-profit sectors was conducted in August 2016.

Public input – including focus groups, interviews, and an online survey – is differentiated throughout the report and presented in blue text.

ONLINE SURVEY: In addition to in-person input solicited via focus groups and interviews, an online community survey was open to the public for roughly three weeks in August 2016. **A total of 2,295 residents, workers, and business leaders responded to the survey**, providing necessary input that will help ensure that this assessment and the forthcoming strategy are well-informed and mindful of the needs, wants, and opinions of stakeholders in Topeka-Shawnee County.

DATA SOURCES: A variety of public and private data sources are used throughout this Assessment. A great deal of information is drawn from the Census Bureau and other public sources including the Bureau of Labor Statistics (BLS), the Bureau of Economic Analysis (BEA), the National Center for Education Statistics (NCES), the Federal Bureau of Investigation (FBI), and the Internal Revenue Service (IRS). Proprietary data covering economic composition (employment, wages, exports, etc.) is provided by Economic Modeling Specialists, Inc. (EMSI).

COMPARISON GEOGRAPHIES: Throughout this assessment, Topeka-Shawnee County is utilized as the primary geographic unit of analysis, and is typically referred to as “Topeka-Shawnee County” or “the community.” In tables, charts, and other figures, “Shawnee County” is used as a necessary abbreviation. In addition to state and national averages, the community's performance is benchmarked against three counties with which it shares certain characteristics and/or competes for jobs, workers, and investment: Minnehaha County, SD (Sioux Falls, SD); Polk County, IA (Des Moines, IA); and Sangamon County, IL (Springfield, IL). Included as Appendix A at the conclusion of this report are a series of Regional Scorecards, which compare the Topeka Metropolitan Statistical Area to nine other metropolitan areas (including Des Moines, IA; Sioux Falls, SD; and Springfield, IL) with which it competes for jobs and workers. Each scorecard evaluates the region's competitiveness across multiple indicators that help measure how the region has performed in recent years in key areas that reflect its ability to grow prosperity.

STRUCTURE: The report examines a wide variety of demographic, socioeconomic, economic, and quality of life indicators to tell a series of stories about the community and uncover the key strengths, weaknesses, assets, and challenges facing the community. It is built upon an in-depth quantitative analysis and a significant amount of community input. This information has been woven into **six key stories** that present a narrative discussion of the key issues facing Topeka-Shawnee County.

These six stories are:

1. A Critical Need to Improve Community Pride
2. Threats to a Strong Workforce Go Beyond Population Growth
3. Quality of Place Enhancements Are Needed to Change Outlooks
4. Homegrown Talent: A Need to Connect the Local and Regional Talent Pipeline
5. Enhancing Economic Opportunities Through Existing Strengths
6. Prosperity and Well-being Lag Behind

1. A Critical Need to Improve Community Pride

This Community Assessment tells a set of stories about Topeka-Shawnee County. It covers a range of issues that matter to community and economic development – economy, talent, education, quality of place, quality of life, and so on. But it begins with a discussion of a single issue that relates to nearly every other aspect of Topeka-Shawnee County’s competitiveness: **the community’s deep and persistent low morale. This was by far the most common and troubling theme to emerge from an extensive public input process** that included personal interviews, focus groups, and a survey that received nearly 2,300 responses from people who live and/or work in Topeka-Shawnee County. Virtually every person with whom Market Street directly interacted during this input process described a prevailing sense of negativity in the community. Stakeholders used terms such as “pessimism” and “self-doubt” to describe this issue. One input participant called it a “pervasive ‘Can’t Do’ attitude.” The following direct quotes from stakeholders further illustrate the challenge:

“Topeka’s attitude problem and self-loathing are its biggest weaknesses.”

“There are too many people saying ‘it will never work in Topeka, so why try?’ ”

“The biggest challenge facing Topeka-Shawnee County is combating the negativity and stigma attached to Topeka by the people who live here. All people do here is talk about how everything in this town is terrible. (We have) an attitude problem and I think it keeps people from wanting to be a part of our community. Instead of ‘wow, what a great zoo!’ or ‘our downtown is really turning into something, let’s go check it out!’ or ‘hey, let’s go down to (a festival),’ all I ever hear from anyone is ‘Topeka sucks, Downtown will never amount to anything so who cares, and all these community projects are a waste of money and we should just fire everyone.’ If people would actually find some tiny bit of positivity about this place, others might actually want to come be a part of growing with us.”

Topeka-Shawnee County stakeholders have almost certainly heard these types of comments before. They are presented here not to belabor the point but to summarize one of the community’s biggest competitive challenges. Individuals who are proud of their community typically make the best advocates for meaningful change and the best ambassadors to promote a community to the outside world. When a substantial portion of residents are unhappy or feel that their positive perspectives are drowned out by pessimistic voices, the negative consequences can be severe and wide-ranging. For instance, the online survey asked respondents to rate the likelihood that they would continue to live in Topeka-Shawnee County. A narrow majority said they were “very likely” to remain in the community, but roughly 45 percent said they were “not likely” or only “somewhat likely” to do so. **When asked whether their children, once grown, would remain in the community, just 10.4 percent of respondents said this was “very likely” compared to 56.1 percent who said it was “not likely.” This is an alarming finding that is likely the product of a complex range of issues, but stakeholders said the community’s low morale has a substantial impact**

on how its youngest residents think about their future. To paraphrase the words of one input participant, if Topeka-Shawnee County's adults do not fully believe in their community, then why should its children?

Many input participants suggested that the community's challenges – economic, social, and otherwise – have a strong influence on the public mindset. As subsequent stories in this assessment will show, Topeka-Shawnee County does indeed face some serious issues. The community is losing residents to places such as Kansas City and Lawrence, which, coupled with other trends, places constraints on its workforce. Its quality of place, including the availability of social offerings and the community's overall physical appearance and aesthetics, needs significant improvement. In addition, a range of data indicators show that some residents are not prospering and thriving.

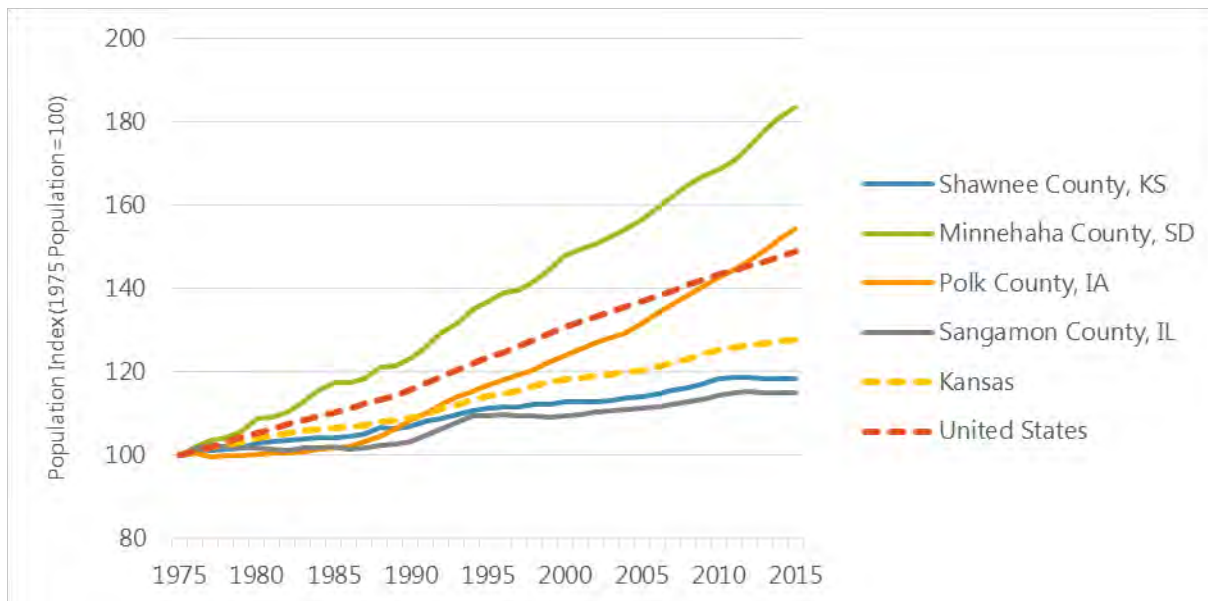
These are all serious challenges and many of them should be familiar to Topeka-Shawnee County stakeholders, particularly those who have been engaged in previous planning processes. This report seeks to move beyond a simple restatement of these well-understood issues in two key ways. First, it seeks to contextualize these stories. No two communities face the exact same set of issues, and local conditions can present unique challenges. **That said, Topeka-Shawnee County is not alone in facing any of these challenges, and many exist to some degree throughout the United States.** On net, the community is in a far more advantageous position than some and has numerous assets that can be leveraged to raise levels of prosperity and improve quality of life for its residents. None of Topeka-Shawnee-County's challenges are insurmountable, and as will be evident at certain points in this Assessment, work that is already underway to address issues related to quality of place has already begun to have a positive influence on internal perceptions of the community. Second, each story is presented with an eye toward specific strategic actions that Topeka-Shawnee County can pursue to address a challenge or capitalize on an opportunity. **To that end, each of the remaining five stories concludes with a discussion of "Key Takeaways and Strategic Implications" that can help the community make the transition from understanding into action and, when possible, pessimism into optimism.**

2. Threats to a Strong Workforce Go Beyond Population Growth

Population growth was a common theme throughout the public input process. Specifically, stakeholders frequently noted that Topeka-Shawnee County has added fewer residents over time relative to the nation, the state, and many other similar communities. Data clearly reveals why this is a common perception. Figure 1 displays a population growth index for Topeka-Shawnee County and its benchmark geographies. The 1975 population level in each geography is set to a value of 100, with all future population values “indexed” to this 1975 level. The production of such an index allows for visual comparisons of population change over time in geographies with vastly different population levels. The figure illustrates the degree to which Topeka-Shawnee County’s population growth has lagged behind some of its comparisons over the course of four decades. But it also illustrates that the region has experienced relatively consistent, albeit modest, population growth that appears to have stagnated in recent years. Shawnee County added nearly 6,500 residents between 2005 and 2010. But between 2010 and 2015, its population increased by just 372, a growth rate of 0.2 percent that lagged behind the United States (3.9), Kansas (1.8), and the next-closest comparison county (Sangamon at 0.5). Additionally, the Topeka MSA had the lowest overall growth rate among all comparison metros in the Workforce Sustainability Scorecard.

A majority of metros around the country – including major metros in Kansas – are capturing an increasingly large share of their state’s population growth, but this is not occurring in Topeka-Shawnee County. Between 2005 and 2015, Kansas’ population grew by roughly 166,000. Approximately 86 percent of this growth occurred in Douglas, Johnson, Riley, and Sedgwick counties. During this time period, Topeka-Shawnee County captured just four percent of Kansas’ population growth despite representing roughly six percent of the state’s total population base.

FIGURE 1: POPULATION GROWTH INDEX, 1975-2015 (1975 = 100)



Source: United States Census Bureau, Moody's Analytics

Many input participants viewed Topeka-Shawnee County's slow population growth as a disadvantage or sign of distress. But taken alone, population change is not a reliable indicator of a community's success or future prospects. Many prosperous, healthy communities have low or even negative growth, while some high-growth communities perform poorly on a litany of other measures of prosperity and well-being. Additionally, flat-to-modest population growth can even be seen as advantageous relative to certain alternatives. For instance, communities that are losing population face immediate threats to their fiscal and workforce sustainability while rapidly growing areas often struggle to scale infrastructure and basic services to keep up with the influx of new residents.

Rapid population growth does not necessarily equate to community well-being; it can certainly reflect a prosperous and vibrant community, but it is not a necessary condition for prosperity and well-being. Similarly, slow population growth is not by itself a threat to long-term prosperity and well-being. But in a global marketplace with an ever-increasing premium on talent, successful communities will be those that are able to sustain a deep and knowledgeable workforce. And here data and public input reveal that the community has significant cause for concern. **Much more than the "headline" population growth figure, factors such as migration patterns, age dynamics, and educational attainment trends suggest that Topeka-Shawnee County has much work to do toward maintaining a stable and competitive workforce into the future.**

Regarding migration trends, stakeholders in Topeka-Shawnee County expressed concerns that the community is losing its best and brightest residents to other places, notably the Kansas City and Lawrence regions. **Some input participants said they were especially concerned that the community is approaching an "inflection point" – if talented residents continue to leave the community, there will be less incentive for their peers to want to stay or move to the community in the first place.**

Stakeholders said they feared that this type of negative feedback loop could cause the community to tip from “low growth to negative growth” if this trend continues.

Data reveals that Topeka-Shawnee County is indeed losing residents to other communities around the country. Population change is determined by two factors that the Census Bureau tracks through its Components of Population Change program: natural change (births minus deaths) and net migration (both domestic and international).ⁱ This data shows that between 2010 and 2015, Topeka-Shawnee County experienced a net outflow of nearly 4,000 migrants to other parts of the United States. The small growth that the community did experience can be attributed entirely to natural change and a small net gain of international migrants.

A different data program from the Internal Revenue Service (IRS), the Statistics of Income program, offers more detailed insight into the origins and destinations of these domestic migrants. This data is compiled from anonymized tax return data. If a given return moves from one county to another between tax years, the program categorizes that return – and all its associated exemptions – as having migrated between counties. Examining the number of exemptions that move from county to county in a given year can provide a rough estimate of the net flow of actual people from place to place.ⁱⁱ The IRS data clearly illustrates a pattern that is present in many other small and mid-sized communities: **Topeka-Shawnee County is gaining residents from smaller nearby communities and rural areas while losing residents at an even greater rate to other large and/or highly competitive metro areas.** Figure 2 shows that nine out of the top 10 “source” counties for in-migrants to Topeka-Shawnee County were smaller communities in Kansas. Meanwhile, the top “destination” counties included many of the counties in the Kansas City metro area; Lawrence (Douglas County); Wichita (Sedgwick County); and Dallas-Fort Worth, Texas (Tarrant and Bexar counties). In the average year between 2004 and 2014, Topeka-Shawnee County experienced a net loss of approximately 400 residents to the Kansas City and Lawrence metro areas, with roughly half of those out-migrants settling in Johnson County, KS.

FIGURE 2: SHAWNEE COUNTY NET MIGRATION, 2004-2014

Top Sources		Top Destinations	
Riley County (KS)	519	Johnson County (KS)	-1,984
Lyon County (KS)	516	Jackson County (MO)	-629
Pottawatomie County (KS)	474	Douglas County (KS)	-519
Jackson County (KS)	435	Wyandotte County (KS)	-345
Osage County (KS)	387	Sedgwick County (KS)	-330
Geary County (KS)	307	Tarrant County (TX)	-227
Los Angeles County (CA)	255	Maricopa County (AZ)	-224
Wabaunsee County (KS)	242	Clay County (MO)	-214
Ellis County (KS)	203	Bexar County (TX)	-167
Franklin County (KS)	179	Platte County (MO)	-131

Source: Internal Revenue Service (IRS)

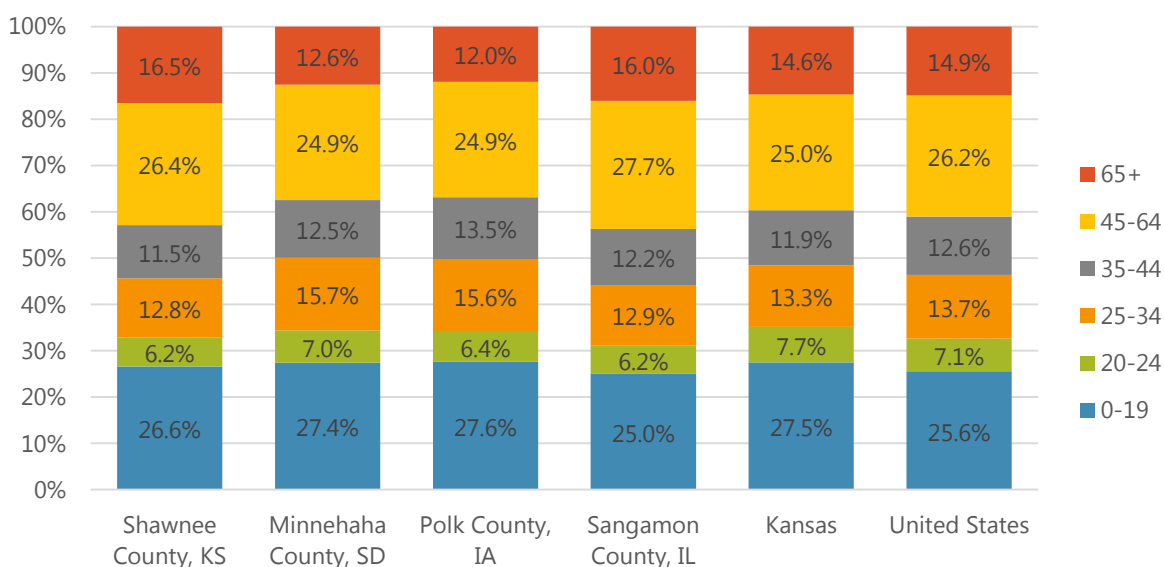
Input participants suggested that Topeka-Shawnee County is fighting against a “generational” tide wherein younger individuals and families are gravitating towards metro areas that offer desirable amenities and quality of life advantages. Topeka-Shawnee County is not alone in facing this challenge. As previously referenced, similar trends can be observed in many other small and mid-sized communities, especially in the Midwest. In addition to this broader trend, **stakeholders also said that Topeka-Shawnee County’s central geographic location and proximity to Kansas City and Lawrence is both a “blessing and a curse.”** On the one hand, input participants said that these communities allow local companies to draw from a much larger labor pool and provide relatively nearby shopping, entertainment, and other opportunities for local residents. On the other hand, these communities provide steep competition to Topeka-Shawnee County to attract and retain talented people.

Stakeholders said that in some instances, individuals who leave Topeka-Shawnee County still work in the community, so they are not totally lost to the workforce. Data from the U.S. Census Bureau’s Longitudinal Employer-Household Dynamics (LEHD) program reveals that of the primary jobs based in Topeka-Shawnee County in 2014, 37.8 percent were held by individuals who lived outside the county.ⁱⁱⁱ According to the data, Douglas and Johnson counties were the two most common sources of workers who commute into Topeka-Shawnee County. Together they supplied approximately 7,208 workers, accounting for about 20 percent of all inbound commuters and filling 7.7 percent of all total primary jobs in Topeka-Shawnee County. **Even if an individual can move to Overland Park and still work in Topeka, input participants said there is still a loss in the form of that person’s broader economic impact and civic and cultural energy. According to LEHD data, of the primary jobs in the community that pay at least \$40,000 per year, nearly 40 percent are held by individuals who live outside of Topeka Shawnee-County.**

Not being able to find the necessary talent locally, many companies have resorted to recruiting workers from outside the region. Roughly 55 percent of survey respondents from the business community “agreed” or “strongly agreed” with the statement, “My business frequently has to recruit workers from outside Shawnee County,” however, talent recruitment has not come without difficulty. Half of respondents “disagreed” or “strongly disagreed” with the statement, “My business has no trouble recruiting workers from outside Northeast Kansas to Topeka-Shawnee County.”

Ultimately, the broad migration trends are changing the makeup of the community’s population base and, by extension, its workforce. Another significant factor that could have an impact on the community’s workforce in the future is its age dynamics. Workforce sustainability is a significant concern around the country as Baby Boomers begin to retire. As shown in Figure 3, in the United States as a whole, there are just enough workers between the ages of 25 and 44 (26.3 percent) to replace those between the ages of 45 and 64 (26.2 percent) who will reach retirement age in the next 20 years. Any shortfall can be made up through international in-migration. But in Topeka-Shawnee County, just 24.3 percent of the population is between the ages of 25 and 44 while 26.4 percent is aged between 45 and 64. The ratio between these two groups is often referred to as the “dependency ratio” where a ratio of 1.0 indicates that there are exactly enough younger workers to replace older workers as they retire. But across the broader Topeka MSA, the dependency ratio was 0.87, worst among all comparison metros in the Workforce Sustainability Scorecard.

FIGURE 3: AGE DISTRIBUTION, 2015



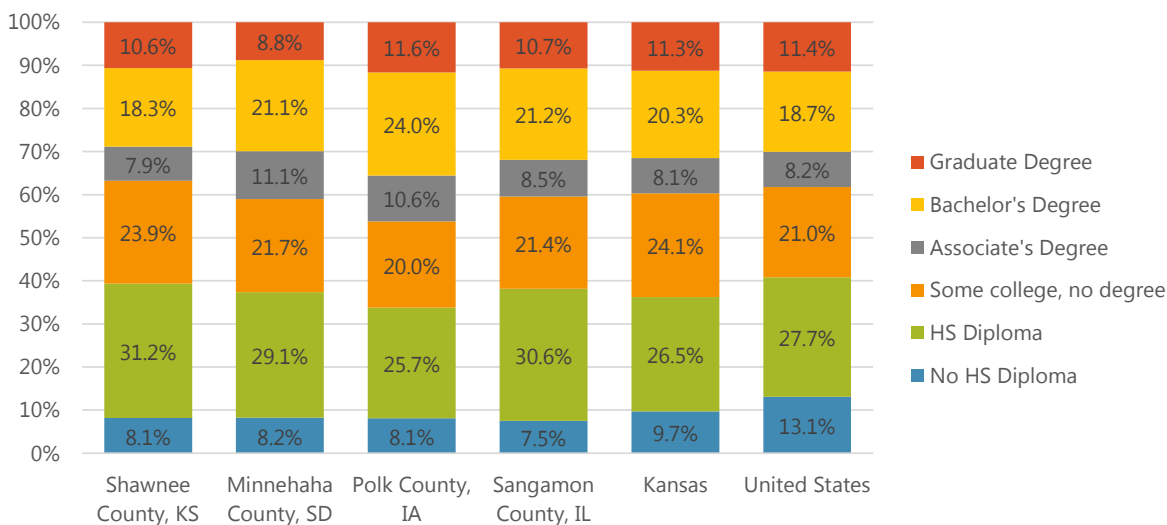
Source: United States Census Bureau, Population Estimates

A comparison of the 2015 numbers in the preceding figure and equivalent age distribution data from 2010 further reveals that Topeka-Shawnee County's population is aging. In 2015, there were 3,760 more individuals aged 65 and over living in Topeka-Shawnee County than there were in 2010. But between these two years, the number of individuals in the prime working-age range of 25 to 64 *decreased* by 2,222. Significant growth in the 65-and-over cohort was to be expected (and was observed in all comparison geographies) as the initial wave of Baby Boomers began turning 65 in the early part of this decade. But nearly every other age cohort in Topeka-Shawnee County was also smaller in absolute terms in 2015 than it was in 2010. **This suggests that the previously referenced net migration losses are substantially driven by individuals of prime working age leaving the community (as opposed to retirees).** Given that Topeka-Shawnee County already possesses a relatively older population, the fact that its population is skewing older in contrast to trends in the nation and highly competitive comparison communities makes issues of workforce sustainability even more concerning. **The strategic implication is obvious: Topeka-Shawnee County must retain and attract more workers, particularly young workers. Fortunately, this is not an insurmountable obstacle.** Taking relatively small but meaningful steps to retain a few hundred people a year who might otherwise leave the community can have a substantial impact on the community's core indicators, trajectory, and overall mindset.

In terms of workforce *quality*, educational attainment is often used as a basic measure to gauge the overall level of talent in a community. As shown in Figure 4, 28.9 percent of adults aged 25 and over in Topeka-Shawnee County have attained at least a bachelor's degree or higher, slightly below the figures for Kansas (31.6) and the United States (30.1). The gap is even wider compared to Polk County, which is home to the large insurance hub of Des Moines, which requires a large pool of well-educated workers; 35.6 percent of Polk residents have attained a bachelor's degree or higher. At the regional level, the Topeka MSA ranked seventh out of 10 communities on the Workforce Sustainability Scorecard for the proportion of individuals

aged 25 and older with a bachelor’s degree or higher and seventh for individuals 25 and over with an associate’s degree or higher.

FIGURE 4: EDUCATIONAL ATTAINMENT, 2014



Source: United States Census Bureau, ACS 1-yr estimates

In order to compete for jobs with high skill requirements, communities must boast a well-educated workforce. Companies and site selectors involved in certain types of location decisions may only consider communities that are more educated on average than the nation as a whole. But at present, Topeka-Shawnee County has proportionally fewer associates degrees, bachelor’s degrees, and graduate degrees relative to the United States. Additionally, there is evidence that this gap could grow. One way that communities can improve their talent pool is to attract new skilled and educated workers from other places. As previously discussed, Topeka-Shawnee County is experiencing net out-migration, and the in-migrants it is attracting are only slightly more educated than the community’s existing residents. Roughly 30 percent of in-migrants to Topeka-Shawnee County have a bachelor’s degree or higher – a figure that falls far below that of high-performing regions. Roughly 40 percent of in-migrants to Sangamon County had obtained at least a bachelor’s degree – a sharp contrast to Topeka-Shawnee County seeing as the two communities share many other growth and demographic dynamics.

Another troubling finding is that younger residents of Topeka-Shawnee County are only slightly more educated than their older counterparts. In both the United States and Kansas, the educational attainment rate of the 25 to 44 cohort is roughly 3.7 percentage points higher than that of the 45 to 64 age group. But in Topeka-Shawnee County, this 25 to 44 educational attainment rate is just 1.5 percentage points higher. Additionally, educational attainment rates in the 25 to 44 cohort are rising faster in the state and nation than they are in Topeka-Shawnee County. **Simply put, Topeka-Shawnee County is slightly less educated than the United States as a whole, and if current trends continue, this gap will only widen.**

Input participants from the business community familiar with the hiring needs of their companies expressed concern regarding workforce availability, particularly when it came to seeking applicants that had higher levels of skill and experience. But one employer remarked that even for entry-level positions that had been relatively easy to fill in the past, “the well is beginning to run dry.”

KEY TAKEAWAYS AND STRATEGIC IMPLICATIONS

Stakeholders in Topeka-Shawnee County frequently cited the community’s low population growth as a concern. But population growth by itself is not an indication of strength and low-growth communities can certainly achieve sustained prosperity and success provided other fundamentals are solid. In Topeka-Shawnee County, however, there are numerous threats to the long-term competitiveness of the workforce that go beyond mere population growth. The community is losing residents to other nearby metros, which is undermining the present-day talent pool and weakening future prospects as the community’s demographics are trending older. Additionally, educational attainment rates for younger Topeka-Shawnee County residents fall behind the equivalent figures for the nation, state, and other competitive communities. Given that Topeka-Shawnee County is experiencing net domestic out-migration, this indicates that the currently modest educational attainment gap between the community and the nation is likely to grow if trends continue. **In short, if the status quo holds, these dynamics will lead to a tighter labor market and a comparatively less educated workforce, which will significantly threaten the community’s future prosperity. A shrinking workforce will also contribute to a shrinking tax base and, accordingly, a reduced capacity to address these and other challenges.**

Fortunately, these trends can be addressed through strategic action. In general, there are two ways to improve the quality and quantity of workers in a community. One is developing homegrown talent to ensure that the next generation of workers are prepared to contribute to and thrive in a vibrant economy. **Addressing the “talent pipeline” at every stage is a proven long-term strategy to enhance a competitive workforce and drive prosperity**, and the fourth story of this Assessment will cover issues related to the topic.

In the more immediate future, Topeka-Shawnee County must focus on improving its appeal to talented workers who are already in the workforce. For many communities, this means attracting new residents from other places. While Topeka-Shawnee County can certainly pursue this aim, a more pressing concern is retaining the talent already in the community. Between 2004 and 2014, the community lost a net average of 400 residents per year to the Kansas City and Lawrence metro areas alone. It is difficult through data alone to determine the educational attainment levels of these net out-migrants, **but in the experience of input participants, these individuals tended to be well-educated. Simply put, Topeka-Shawnee County could make a tremendous positive impact on its current and future workforce if it is able to retain those individuals who already have a connection to the community. On the matter of how to better attract and retain talent, Topeka-Shawnee County stakeholders contacted through the public input process were in strong consensus: improve the community’s quality of place.** As the next story will detail, this is consistent with what research reveals to be what people value in a place to live.

3. Quality of Place Enhancements Are Needed to Change Outlooks

Now more than ever, talent is the most important location consideration for businesses and a key determinant of the economic success of communities. Accordingly, the competition for highly skilled and educated workers is intensifying. People weigh many factors when deciding where to live – employment opportunities, housing options, living costs, the quality of schools, and innumerable personal reasons. Research suggests that the most important among them are related to quality of place and quality of life. Quality of place generally refers to the vibrancy and physical characteristics of a community while quality of life refers to the well-being and happiness of its residents. There are numerous factors that influence quality of place and quality of life, and many of them are subjective. But they are nevertheless closely linked with a community’s economic prospects, particularly when it comes to talent attraction and retention. **Simply put, quality of place and quality of life are inextricably linked to economic development and overall prosperity.**

The public input process revealed that Topeka-Shawnee County stakeholders have significant concerns related to these factors. Notably, input participants were in strong consensus that the community has a relative lack of certain amenities such as nightlife opportunities, high-end restaurants, and walkable mixed-use neighborhoods that are densely populated with a variety of businesses. The significance of these concerns is best exemplified by numerous anecdotes shared by a variety of business executives and professionals with direct knowledge of the hiring practices of local firms. **These leaders said that their companies routinely pitch prospective employees from outside the community on working in Topeka-Shawnee County but living in Lawrence or the Kansas-side suburbs of Kansas City to take advantage of the quality of life and place available in those communities. Some leaders also reported that their firms take advantage of hotels and dining options in Kansas City and Lawrence when entertaining clients and visiting executives, bringing their guests to Topeka-Shawnee County only to visit the business itself.** Many of these stakeholders said they engage in these practices reluctantly and wished conditions were different. Some said they were supportive of the efforts of Heartland Visioning and others to begin understanding this issue. However, all ultimately felt that they were acting in the best interest of their businesses. **This and other input builds to an important central theme: if Topeka-Shawnee County is to retain its best and brightest workers and become more successful in attracting educated outsiders, quality of life and place must play a critical role.**

Community Attachment

The preceding point is underscored by the insightful research conducted by the John S. and James L. Knight Foundation and Gallup in its “Knight Soul of the Community 2010” report. The report was the culmination of three years of research in 26 communities around the country (including Wichita in Kansas) that sought to determine what attaches people to a community. The report defines community attachment as, “an emotional connection to a place that transcends satisfaction, loyalty, and even passion. A community’s most attached residents have strong pride in it, a positive outlook on the community’s future, and a sense that it

is the perfect place for them. They are less likely to want to leave than residents without this emotional connection. They feel a bond to their community that is stronger than just being happy about where they live.”

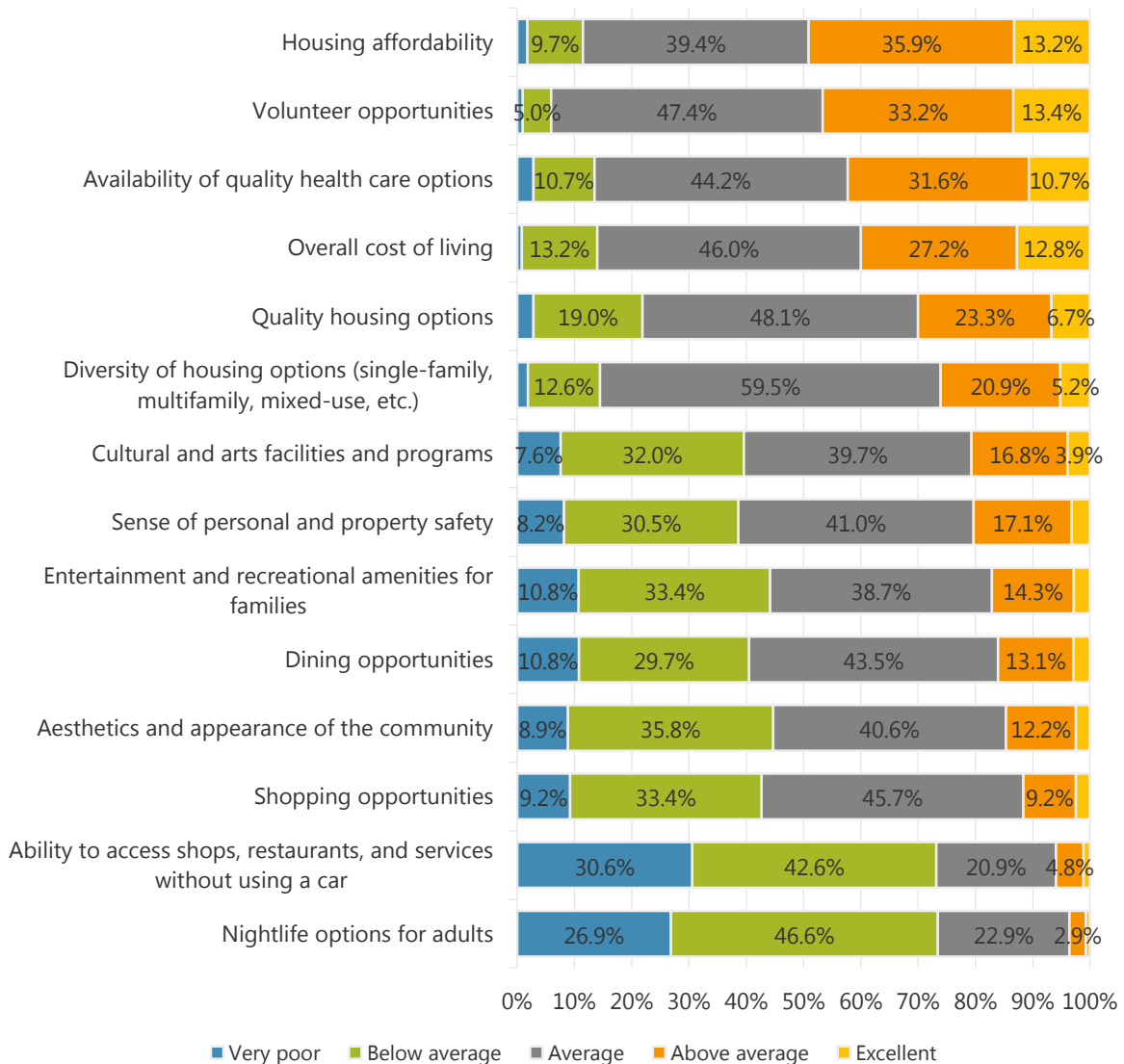
According to the report, there are three factors that primarily drive community attachment:

- ✓ **Social offerings** (such as entertainment infrastructure, community events, places to meet people)
- ✓ **Aesthetics** (physical beauty, green spaces, etc.)
- ✓ **Openness** (how welcoming a place is to different types of people)

The report found that if people are attached to their community then they are more likely to engage in it and help make it a better place. Beyond that, residents that are more attached to their community are also more likely to shop and dine locally, ultimately benefiting the local economy. Further, employees that are actively engaged and attached to their community often lead to increased productivity, profitability, and higher rates of employee retention. All told, the report found a positive relationship between communities with higher levels of community attachment and those that were economically successful, underscoring the importance that emotional attachment plays in the well-being of a community.

As discussed in the first story in this Assessment, Topeka-Shawnee County has significant issues with community attachment; just one in ten survey respondents said their children were “very likely” to remain in the community when they grow up. Additionally, more than 60 percent of respondents disagreed that Topeka-Shawnee County is an “attractive and desirable place to live for young professionals.” The responses summarized in Figure 5 help explain why this may be the case. Survey respondents were asked to rate 14 quality of life and place aspects that influence the community’s attractiveness as a place to live. **Of these factors, only one – housing affordability – was rated as “above average” or “excellent” by a majority of participants. And on 10 of the factors, at least three out of four respondents gave a response of “average” or worse. Compared to similar surveys conducted for other Market Street client communities, these are unusually poor perceptions.** While they may reflect challenges related to quality of life and place, they may also be evidence of the negative mindset described in the first story. The remainder of this story focuses on various aspects of quality of place and quality of life in Topeka-Shawnee County, beginning with its social offerings, aesthetics, and openness and continuing with other key themes that emerged from public input.

FIGURE 5: PLEASE RATE THE FOLLOWING ASPECTS OF TOPEKA-SHAWNEE COUNTY'S QUALITY OF LIFE, BASED ON YOUR EXPERIENCES WHERE YOU LIVE.



Source: Market Street Services; Topeka-Shawnee County Community Survey (2016)

A significant lack of "everyday" social offerings

When discussing the social offerings available in Topeka-Shawnee County, it is necessary to draw a distinction between the urban and rural areas of the community. Input participants who lived in less-developed portions of the county expressed strong preferences for rural living. In these contexts, a lack of amenities and social offerings is not only to be expected but in fact preferable. Individuals who lived in these areas said they had no problem with driving a long distance – to Kansas City, Lawrence, or Manhattan to go to dinner or spend a night out.

But stakeholders in urban areas of the community, particularly the City of Topeka, frequently lamented that they must go to other cities to socialize by necessity, not by choice. These input participants said Topeka simply does not have the type of gathering places and social opportunities that other nearby communities have. Many of the factors related to social offerings shown in Figure 5 received a large share of “below average” or “very poor” ratings. These include arts programs and facilities, recreation and entertainment options for families, dining and shopping opportunities, and nightlife options for adults, the latter of which just 3.6 percent of respondents viewed as “above average” or “excellent” compared to 73.5 percent who saw it as “below average” or “very poor.”

However, stakeholders had high praise for various cultural and entertainment options in the city. These included the Topeka Zoo, the Discovery Center, Gage Park, Hummer Sports Park, the award winning Topeka-Shawnee County Public Library, car shows, lakes, parades, and the burgeoning arts community and First Friday Art Walk events in NOTO. Many of these offerings, however, are places that a resident may visit a few times a year or are connected to special events while others are specific to outdoor recreation. **Input participants ultimately expressed a desire for more “everyday” places for people of all ages to socialize – namely a greater variety of restaurants, coffee shops, bars, and other establishments where casual and chance meetings occur.** Some stakeholders said that Topeka would ideally have numerous social offerings clustered within walkable mixed-use areas such as Downtown Topeka, NOTO, and other neighborhood commercial centers. **Promoting such mixed-use districts by leveraging existing assets with additional investment in infrastructure and, potentially, incentives for businesses and new developments could be another potential path toward significantly – and relatively quickly – improving morale within the community.**

Promising developments related to aesthetics and a desire for much more

Input participants expressed excitement over recent developments related to aesthetics in their community. **The Kansas Avenue streetscape project, pocket parks, and other recent downtown developments drew high praise. But overall, just 14.7 percent of survey respondents rated the “aesthetics and appearance of the community” as “above average” or “excellent”** compared to the nearly 45 percent of respondents who viewed them as “below average” or “very poor.” One input participant said, “It is sometimes embarrassing to take out-of-town guests out and about in Topeka. Aesthetically, everything just seems either outdated or dilapidated. Even the newer stuff is surrounded by outdated and ugly buildings.” Another participant said changing these conditions will require a new mindset about what types of investments are important: “I don't need Topeka to become Lawrence or Boulder or Santa Fe but we need to show care for our community ... many people are vocally negative about spending public money for aesthetic improvements but it builds a stronger, happier community in the long run.” Aesthetic upgrades can be implemented quickly and at a low cost relative to major redevelopment projects that might require years of time and major capital investments to advance. But aesthetic improvements can make an immediate impact and help quickly change perceptions about a community; even simple yet noticeable improvements such as public art or landscaping can help address the morale issues described in the first story.

Input participants noted that the Kansas River and its waterfront represents a significantly underutilized place-based asset. Stakeholders were encouraged by efforts in various stages of planning related to further activating the river, including ongoing work by the National Park Service and its partners

to create an Oregon Trail-themed park at the site of the historic Pappan's Ferry crossing. Some stakeholders were also pleased that leaders in Topeka-Shawnee County are taking steps to address the "gateways" into the community. Gateways are the entry points and key corridors into the community that significantly influence the first impressions of visitors to a community and can "re-establish the tone" for residents returning home from an out-of-town trip. A poor first impression due to poor conditions on a public right-of-way and/or blighted, vacant, outdated, or underutilized properties can have a significant negative impact on how people perceive a community. Some input participants viewed improving the visual appeal of the community to travelers passing through Downtown Topeka on Interstate 70 as a key opportunity, while blighted and underutilized commercial properties along many other critical streets and roads entering the city present a major challenge.

Mixed feelings related to openness

The online survey asked respondents whether they agreed with the statement, "Topeka-Shawnee County is a welcoming place." Roughly 45 percent of respondents said they "agree" or "strongly agree" with this statement – more than double the proportion that disagreed with this statement. But when Market Street posed this same question to survey takers in two mid-sized Midwestern communities in recent years, the responses were far more positive, with 80 and 69 percent of individuals agreeing or strongly agreeing with the statement. On a more positive note, there was little divergence in the responses to questions about how welcoming and inclusive Topeka-Shawnee County is based on factors such as race, ethnicity, and longevity in the community. Many other communities exhibit significant discrepancies in how people of different backgrounds perceive the openness of the place they call home.

Concerns about public safety

As with many communities, crime was cited by some input participants as one of the challenges facing Topeka-Shawnee County. Roughly 40 percent of survey respondents felt that the community's sense of personal and property safety was "very poor" or "below average." While violent crime rates in Topeka-Shawnee County are roughly equivalent to the national averages, property crime rates are elevated compared to the comparison communities. On the Quality of Life Scorecard, the Topeka MSA ranked fifth and seventh out of nine MSAs, respectively, for violent and property crime rates per 100,000 residents.^{iv} Additionally, while crime rates are falling in Topeka-Shawnee County, the national reduction in crime has been more significant. Between 2008 and 2013, the violent crime rate in Shawnee county fell by 7.2 percent while incidents of property crime dropped by 13 percent. Nationally, violent and property crime rates declined by 17.2 percent and 15 percent, respectively.

Some input participants noted that crime is worse in some areas than others, mitigating its impact on the community as a whole but placing a significant burden on individuals who live or work in areas experiencing a high incidence of crime. Others felt that perceptions of crime are sometimes exaggerated consistent with the previously discussed self-image issues in Topeka-Shawnee County. One participant said, "I do feel safe in the community, but I often hear so many negative things about crime in the community it causes me doubt sometimes. I think it's more of a reflection on community members' poor attitudes than the actual safety of the community." But even if crime is indeed geographically isolated, the individuals who live in these areas are still faced with a significant reduction in their quality of life. And in any case, perception is often

reality in community and economic development, and internal or external beliefs that a community is unsafe can impact a community's ability to attract residents and jobs. Perceptions of poor public safety can impact the viability of a place – particularly a downtown. Communities have addressed these realities and perceptions through a variety of approaches. Some are as basic as better lighting and a greater presence of police or uniformed public safety employees, while others entail more complex approaches. **Overall, addressing real and perceived public safety issues can be an integral part of an effective and place-making strategy.**

Affordable housing and easy commutes...

When asked about Topeka-Shawnee County's greatest strength or asset, input participants frequently cited its low cost of living. Housing affordability had the best rating among the quality of life aspects in Figure 5 with 49.1 percent of respondents rating it as "above average/excellent." Indeed, across a variety of measurements related to housing costs, Topeka-Shawnee County ranked favorably among its comparison communities. Figure 6 shows how the comparison communities stack up on a "home affordability ratio" – the median home value in a locality divided by its median household income. Topeka had the lowest (i.e. best) home affordability ratio among all comparison communities and among the 10 metro areas on the Quality of Life Scorecard. *Additionally stakeholders cited home affordability as one of Topeka-Shawnee County's chief advantages over communities such as Lawrence.* According to Zillow data, the median home value in the Topeka metro area was just 60 percent of the median home value in the Lawrence metro area as of June 2016. And among the 10 communities on the Quality of Life Scorecard, the Topeka MSA also had the fourth-lowest percentage of renters spending at least 30 percent of their income on rent, suggesting that both home ownership and the rental market are relatively affordable. *Recall, however, that public input revealed that Topeka-Shawnee County frequently advise new hires from outside the region to live in other communities.* This suggests that housing affordability alone is not sufficient to attract talent, which is consistent with the general principle that housing prices are at least in part based on market attributes such as the proximity to an abundance of social offerings. **But for those already living in Topeka-Shawnee County, housing costs are unquestionably a benefit from a household well-being standpoint given how low home prices are relative to incomes.**

FIGURE 6: HOME AFFORDABILITY RATIO, 2014

	Median Home Value	Median Household income	Home Affordability Ratio
Shawnee County, KS	\$121,900	\$53,507	2.28
Minnehaha County, SD	\$159,100	\$54,829	2.90
Polk County, IA	\$161,000	\$60,978	2.64
Sangamon County, IL	\$132,200	\$55,103	2.40
Kansas	\$132,100	\$52,504	2.52
United States	\$181,200	\$53,657	3.38

Source: United States Census Bureau, ACS 1-year Estimates

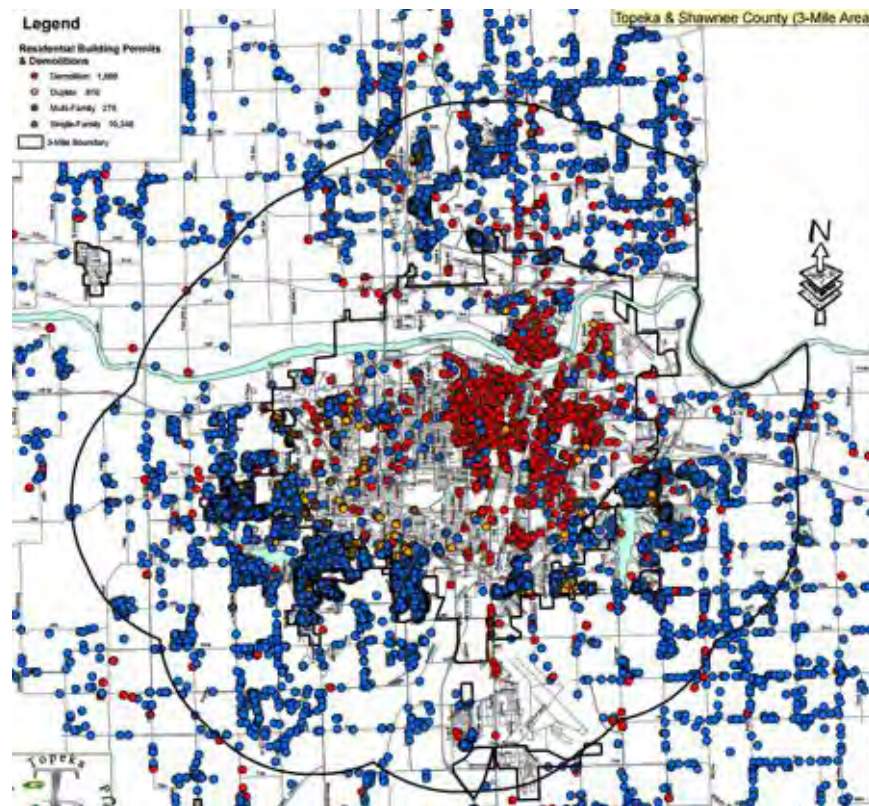
Input participants also cited the short commutes and overall lack of traffic in Topeka-Shawnee County as a major advantage for the community over larger regions. Survey participants rated the community's traffic congestion and roadway connectivity favorably. The average commute time in Shawnee County was 17.2 minutes in 2014, which was less than the comparison counties, Kansas, and the United States. Roughly 87 percent of workers in the county have a commute time of less than 30 minutes. Nationally, only 63.1 percent of workers enjoy similarly short commutes.

...But a lack of mixed-use and transportation options

While housing is affordable and car commutes are relatively easy, input participants noted that Topeka-Shawnee County generally lacks the type of mixed-use “live-work-play” environments that are increasingly in demand, particularly among young professionals and empty nesters. One participant said, “We have very separated spaces – residential here, commercial here, manufacturing here, etc. We have very few areas of mixed-use properties where you can actually live, work and play in your own neighborhood.” This is consistent with feedback from online survey respondents. Nearly three quarters of survey participants rated the “ability to access shops, restaurants, and services without using a car” as “below average” or “very poor.” Quantifying the presence of mixed-use neighborhoods is difficult, but the AARP Livability Index has developed a “Mixed-Use Neighborhood” index that looks at the density of nearby employment at the neighborhood scale to measure how well an area offers convenient access to retail, entertainment, health care, education, and food or personal services. The index is on a scale of 0 to 1, with higher scores indicating a greater likelihood of mixed-use character. This data can then be aggregated to the city or county level. The City of Topeka scores a 0.74 on this metric, slightly below the national median of 0.81 and the scores of communities such as the cities of Lawrence (0.84) and Des Moines (0.83).

Several real estate and development trends may have influenced the relative lack of mixed-use environments in the City of Topeka and its surroundings. According to data from the U.S. Department of Housing and Urban Development, relatively few multifamily building permits have been issued in Topeka-Shawnee County in recent years even though a national apartment construction boom was occurring across the United States.^v Additionally, data from the City of Topeka's Land Use and Growth Management Plan – 2040 shows a “hollowing out” of available housing units in the core of the community. Figure 7 shows the residential building and demolition permits issued in and around the City of Topeka between 1990 and 2013. The blue, brown, and yellow dots represent building permits while the red dots represent demolitions. Most of the growth in the supply of single-family homes has occurred at the periphery of the community, particularly in Southwest Topeka. Of the nearly 1,700 demolition permits issued during this time period, the vast majority were concentrated around Downtown Topeka and the core of the community. **This is consistent with feedback from input participants who noted struggles in many of the community's older areas that were developed when neighborhoods were decidedly more mixed-use in character.** Stakeholders reported an abundance of blighted or vacant properties in some of the city's core neighborhoods, and expressed concerns about absentee landlords and regulations that make it difficult to compel or incentivize these individuals to care for or sell their properties.

FIGURE 7: RESIDENTIAL BUILDING AND DEMOLITION PERMITS, 1990-2013



Source: City of Topeka

While a lack of mixed-use neighborhoods limit the ability of residents to access jobs, services, and amenities without a car, input participants also noted that infrastructure for pedestrians and bicycles needs improvement. On the online survey, the quality and connectivity of both sidewalks and bike lanes received poor ratings. Stakeholders noted that the City of Topeka has adopted pedestrian and bikeways master plans and that some improvements have already been put into place but that significant additional resources must be devoted to additional infrastructure in order for these visions to be realized.

Overall, input participants said it is difficult to get around even some of the most intensely developed portions of Topeka without a car. In addition to conditions for pedestrians and bicycles, survey participants also found public transportation options wanting. Nearly half of survey respondents rated the community's public transportation connectivity as "very poor" or "below average." Likewise, the frequency of public transportation and public transportation quality also received less than favorable ratings.

None of the aforementioned conditions are necessarily uncommon in United States communities of any size. But a lack of transportation options can reflect negatively on a community's quality of life and place as it attempts to attract and retain talented individuals. Additionally, communities that lack efficient transportation options for individuals without access to a car may serve only to compound workforce problems. For instance, area stakeholders from the business community reported that limited public transit and short operating hours make it difficult for many prospective manufacturing workers to fill "third-shift"

positions that fall outside conventional working hours. Employers said that many individuals are forced to walk or bike along highways and other roads with high speed limits that lack safe infrastructure, putting themselves at significant risk. Countless communities of Topeka-Shawnee County's size – and even much larger regions – have public transportation systems that are characterized by poor bus connectivity and infrequent services. Addressing such an issue in the form of dramatically increased public transportation offerings can be expensive. More realistic approaches to address these issues can include providing more safe bicycle and pedestrian infrastructure and encouraging more mixed-use development that allows individuals to live in close proximity to their place of work.

KEY TAKEAWAYS AND STRATEGIC IMPLICATIONS

Quality of life and quality of place are critically important to retaining and attracting talented individuals and, by extension, a community's present and future economic prospects. **Stakeholders in Topeka-Shawnee County understand that the community must address issues related to quality of place and quality of life, particularly related to community aesthetics, the vibrancy of neighborhoods (particularly those struggling with blight and disinvestment), and the relative lack of social offerings and walkable mixed-use districts.** Doing so is critically important to the community's ability to retain and attract talent and, by extension, compete in the present and future economy.

Input participants also noted that there are many established and emerging champions in the community who are already working at scales large and small to make Topeka-Shawnee County a better place to live, work, and play. Stakeholders said they were inspired by recent and ongoing improvements ranging from streetscaping on Kansas Avenue and other planned private developments in Downtown Topeka to the new Midwest Health Aquatic Center. An array of public and private efforts – from riverfront development and levy repair planning to the work of organizations such as Heartland Healthy Neighborhoods – are further sources for optimism. **Input participants said that these developments have already had a small positive impact on overall internal perceptions in the community. Some stakeholders described feeling for the first time that there is a “real energy” in the community and that “things are happening.”**

These sentiments stand in sharp contrast to the prevailing morale in the community and are indications of just how quickly and dramatically perceptions can change if people see signs of progress. They are also notable because they are the product of what can generally be characterized as “early-stage” improvements to the community's quality of life and quality of place. **For instance, input participants were especially excited about developments in the NOTO district, including a small collection of new businesses, a burgeoning arts scene, and the First Friday Art Walk events. One input participant called the developments in NOTO “the best thing to happen to Topeka in a long time.”** The progress to date has indeed been meaningful, but it represents only a fraction of what is possible. A master plan under development for NOTO has the potential to provide the blueprint for further transforming the neighborhood, and similar quality of place enhancements can and should be made in other areas across the Topeka-Shawnee County community. **But the fact that even early incremental progress has been met with positive enthusiasm from stakeholders is a highly promising sign. Broadening and expanding upon these developments offers Topeka-Shawnee County a path toward improving its self-image.**

4. Homegrown Talent: A Need to Connect the Local and Regional Talent Pipeline

The quality of place and quality of life considerations discussed in the previous story generally focus on retaining existing residents and, potentially, attracting new people to a community. A necessary complement to these efforts is a strong “talent pipeline” – that is, ensuring that education and training providers are well-aligned and have the resources they need to prepare the community’s younger residents for college and careers. As discussed in the second story of this Assessment, Topeka-Shawnee County may increasingly be at a competitive disadvantage relative to other communities for certain types of jobs and investment if it does not reverse trends related to its educational attainment. **Over the long-run, focusing on “homegrown” talent and ensuring that workforce development efforts are holistic, collaborative, comprehensive, and relevant will be critical to Topeka-Shawnee County’s prosperity and success.** This section briefly discusses the various components of the community’s talent production capacity – from pre-kindergarten to post-secondary programs.

Early Childhood Education

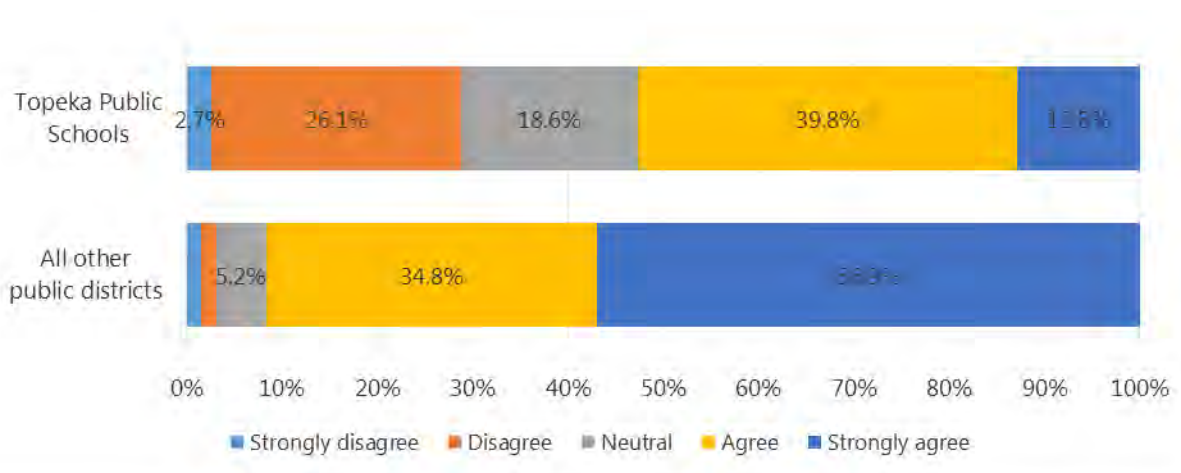
Nurturing homegrown talent is sometimes framed in the context of a “cradle-to-careers” pipeline. As the name would suggest, this pipeline begins with programs geared toward a community’s residents (and sometimes even includes services for expecting parents); for good reason, as there are numerous studies that document the benefits associated with early childhood education and the lifelong impact that it has on an individual’s well-being. Every year, the National Institutes for Early Education Research (NIEER) publishes a State of Preschool report that profiles state-funded pre-kindergarten programs in each state and ranks them based on a variety of factors including accessibility and quality standards. According to the report, Kansas ranked 25th in access for 4-year-olds and 40th in state spending per student in 2015. The state’s preschool program, Kansas State Pre-Kindergarten Program, is not available for 3-year-olds. As is the case in other segments of the talent development pipeline, state budget constraints have resulted in funding cuts for pre-kindergarten programs and, as a result, NIEER data shows that funding per enrolled child declined by roughly 20 percent and the share of 4-year-olds enrolled in pre-kindergarten programs dropped by three percentage points between 2010 and 2015.

According to Census estimates, nearly half of 3- and 4-year olds in Shawnee County are enrolled in some form of schooling, either public or private. On the Workforce Sustainability Scorecard, the Topeka metro ranked third-highest in the share of its population enrolled in pre-kindergarten. [Input participants praised the Pine Ridge Partnership, which includes the Topeka Housing Authority, United Way of Greater Topeka, Topeka Public Schools, and volunteers from the community.](#) The free, public pre-kindergarten program is located in its namesake public housing community and has won state and national awards, including the Magna Award from the National School Board Association in 2014. **Understanding the importance of investing in early childhood development, input participants reported that more could, and should, be done to improve and expand the accessibility and availability of affordable, quality options for families across Topeka-Shawnee County.**

K-12 Schools

On the online survey, stakeholders were asked whether they or their children had attended a K-12 school in Topeka-Shawnee County in the past five years. Participants were then asked a series of questions about the district or system with which they were most familiar. The answers to these questions – along with additional feedback gathered through interviews and focus groups – adheres to a pattern seen in communities of all sizes around the country. Stakeholders hold overwhelmingly positive views of rural and suburban school districts, while views of the community’s core school district are mixed. Figure 8 illustrates this difference. It compares responses to the prompt “children in this district receive a high-quality education” between individuals who are familiar with Topeka Public Schools (formally known as USD 501) and the aggregate responses of individuals familiar with all other public districts that serve at least a portion of the county, inclusive of Auburn Washburn, Kaw Valley, Seaman, Shawnee Heights, and Silver Lakes. **Roughly 53 percent of respondents familiar with Topeka Public Schools said that they “agreed” or “strongly agreed” with the statement compared to an astounding 91.7 percent of respondents from the area’s other school districts.**

FIGURE 8: SURVEY RESULTS – “CHILDREN IN THIS DISTRICT RECEIVE A HIGH-QUALITY EDUCATION”*



Source: Market Street Services; Topeka-Shawnee County Community Survey (2016)

*Respondent or respondents' children attended a K-12 school in Shawnee County at any point in the past 5 years

Before proceeding, it should be re-emphasized that Topeka Public Schools is far from the only urban core district that struggles relative to its nearby counterparts. Both nationally and locally, much of the performance gap can be attributed to demographic and socioeconomic differences between the districts. **For instance, 77.4 percent of students in Topeka Public Schools received free and reduced lunches in the 2013-14 school year, more than 30 percentage points higher than the rate in any other school district servicing Topeka-Shawnee County.**^{vi} Additionally, 10 percent of Topeka Public Schools students are Limited English Proficient or English Language Learners. A wide variety of research indicates that students in these categories are statistically more likely to lag behind those who are native English speakers and/or come from higher-income homes. This section touches on specific challenges and opportunities in the community’s K-12 pipeline.

Topeka Public Schools accounts for nearly half of all public school enrollment in the county. Accordingly, it has the largest influence on Topeka-Shawnee County’s homegrown talent pipeline among local K-12 districts. Additionally, the quality of a community’s core school district is also an important talent retention and attraction factor, as it typically serves the type of dense, walkable, and mixed-use neighborhoods that are increasingly appealing to households with talented adults who have young children or are considering starting a family. As Topeka-Shawnee County seeks to retain and attract residents, improve its economic competitiveness, and revitalize Downtown Topeka and other core areas, the quality and *perceived quality* of education in its core school district will play an important role.

As shown in Figure 9, four-year cohort graduation rates at most school districts serving the county are strong, with five exceeding the state average and four topping 91 percent. The graduation rate in Topeka Public Schools was 71.1 percent in the 2014-15 school year, a slight improvement over the rate from four years prior but significantly below the state average of 85.7 percent. Additionally, the dropout rate in Topeka Public Schools was 3.4 percent, more than double the state average and more than triple the next-highest rate in Shawnee County. [These numbers are consistent with feedback from input participants who said that the community must make efforts to keep students – particularly those in Topeka Public Schools – engaged and on track toward a college or career.](#)

FIGURE 9: GRADUATION RATE AND DROP-OUT RATES, 2014-15

USD	Name	Drop-out Rates	Graduation Rate	4-year Pct. Pt. Chg.	
				Drop-out Rates	Graduation Rate
437	Auburn Washburn	1.0%	88.6%	-0.1	1.0
321	Kaw Valley	0.6%	97.9%	-0.1	2.3
345	Seaman	0.9%	91.3%	0.0	1.7
450	Shawnee Heights	0.8%	91.0%	-0.4	-4.1
372	Silver Lake	0.6%	94.4%	-0.2	1.3
501	Topeka	3.4%	71.1%	-0.2	0.7
State Average		1.6%	85.7%	0.1	2.6

Source: Kansas Department of Education

Note: Graduation rate is for the four-year adjusted cohort. A dropout is any individual who: 1. was enrolled in school at some time during the previous school year and was not enrolled on October 1 of the current school year; or 2. was not enrolled on October 1 of the previous school year although expected to be in membership (i.e. was not reported as a dropout the year before) and 3. has not graduated from high school or completed a state- or district-approved education program and 4. does not meet any of the following exclusionary conditions: transfer to another public school district, private school, or state- or district-approved education program, temporary school-recognized absence due to suspension or illness, or death.

One promising development has been an increased focus on college and career readiness. [Input participants from the business and education fields spoke highly of the Topeka Center for Advanced Learning and Careers \(TCALC\).](#) The school currently had four pathways: Engineering and Advanced Manufacturing, Bioscience and Biomedicine, Business Technology and Media, and Human Services. [Additionally, input participants cited student access to dual enrollment programs as a strength of local talent pipelines.](#) Enabling high school students to get a jump-start on their post-secondary studies at a lower and more affordable rate is an

important component of a cradle-to-career pipeline. A recent action by the state legislature provided funding for Kansas high school students to qualify for free college tuition in certain approved technical courses at the state's technical and community colleges. The plan aims to better prepare high school students for college and careers and to help meet the state's greatest workforce needs. In the 2015-16 school year, approximately 800 students in Shawnee County were also enrolled in a postsecondary institution. "Career prep" efforts in high schools often have the greatest effect on keeping students who are at risk of falling through the cracks on track toward college or a career – especially when those careers involve positions in manufacturing or skilled trades that often pay high wages and that employers report can be difficult to fill.

ACT scores among the county's public school districts were for the most part above the state average. In 2015, the statewide average score was 21.8. Only Topeka Public Schools had a lower district-wide average (20.3), a figure that is higher than those of many other core school districts. Comparing ACT scores across districts can be challenging, as participation rates vary widely and only six states require and pay for all 11th grade students to take the ACT. [For instance, input participants familiar with Topeka Public Schools noted that ACT participation levels varied widely within the district based on factors such as race and ethnicity. These stakeholders said that minority students were significantly less likely to take the test, which is a key requirement for four-year college applications.](#)

According to data from the Kansas Department of Education, a large majority of graduates from public schools in Topeka-Shawnee County are continuing their education beyond high school. From the 2012 graduating class, nearly 70 percent of county graduates enrolled in an institute of higher education within 16 months of receiving their diploma, and approximately two-thirds of these individuals completed at least one year's worth of course credit within two years of enrolling in college. **Improving upon these figures across the community and continuing to emphasize college and career readiness will be crucial if the community is to raise its educational attainment levels through homegrown talent.**

Higher Education

Topeka-Shawnee County's proximity to communities such as Lawrence can create a challenge for talent attraction. **But on the other hand, the community's proximity to higher education institutions is a competitive advantage – and potentially a massive one.** Notably, Topeka-Shawnee County is itself home to Washburn University and Washburn Tech and is situated between Kansas State University in Manhattan and the University of Kansas in Lawrence, in addition to other nearby institutions. All told, the community and its employers have access to a tremendous supply of talent within a 50-mile radius of the center of Topeka. **As shown in Figure 10, in the 2014-15 academic year, institutions within this area conferred roughly 15,500 degrees and 2,300 certificates and enrolled nearly 88,000 students.** All of those figures dwarf those for the areas within 50 miles of Sioux Falls and Springfield, IL. Enrollment within 50 miles of Des Moines was slightly higher, but institutions in Northeast Kansas conferred more total certificates, bachelor's, master's, and doctoral degrees. In fact, institutions within 50 miles of Topeka-Shawnee County conferred 9,584 bachelor's degrees – 82 percent of the total for all of the other three comparison communities combined.

FIGURE 10: HIGHER EDUCATION DATA, 2014-15

	Total Enrollment	Total Degrees	Total Certificates
Topeka, KS	87,686	15,405	2,305
<i>Baker University</i>	3,911	886	-
<i>Benedictine College</i>	2,294	391	-
<i>Central Baptist Theological Seminary</i>	460	33	1
<i>Haskell Indian Nations University</i>	930	186	-
<i>Kansas City Kansas Community College</i>	9,215	648	678
<i>Kansas State University</i>	27,699	5,195	247
<i>Ottawa University-Ottawa</i>	654	115	-
<i>University of Kansas</i>	30,698	6,319	180
<i>University of Saint Mary</i>	2,093	387	-
<i>Washburn Institute of Technology</i>	1,884	-	1,080
<i>Washburn University</i>	7,848	1,245	119
Des Moines, IA	95,887	13,953	1,551
Sioux Falls, SD	17,686	2,694	529
Springfield, IL	33,912	4,362	2,208

Source: NCES

Note: Includes all 2- and 4-year public and private, nonprofit institutions within a 50-mile radius of the central business district of the principal city.

Input participants from the business community and the general public frequently cited Topeka-Shawnee County's higher education assets as key assets that boost the community's talent pipeline and labor pool. **Members of the business community lauded Washburn Tech for its increased outreach and partnerships with the area's employers and public schools.** These stakeholders said they would like to see more programs like the defunct Manufacturing Technology training initiative, or M-Tech. The initiative was launched in partnership with Washburn Tech, local manufacturing companies, and GO Topeka through a grant to prepare students for entry-level production positions. Unfortunately, stakeholders reported that the initial grant funding for the program ran out, forcing the program to cease operations. Input participants from the business community had high praise for M-Tech and expressed concerns that programs without a true "owner" and dedicated funding stream too often lose momentum and weaken relationships over time.

Washburn University drew strong praise for the major improvements it's made over the past decade, from the transformation toward embracing a more traditional college model to its record enrollment numbers. Washburn University has a variety of programs that align with local employers' needs. Input participants cited the university's participation in the Kansas Insurance Certificate (KIC) program is a prime example. The certificate program began as a joint initiative of the Kansas Insurance Department and the Kansas Insurance Education Foundation and is supported by a variety of insurance companies throughout the state. Students in the certificate program receive scholarship opportunities, internships, and preferred placement, among other benefits. Stakeholders said the program is well positioned to help local companies such as Security Benefit and Blue Cross Blue Shield of Kansas meet their workforce needs. Input participants said they would like to see further collaborations between Washburn University and local and state-level businesses and

organizations to meet additional needs in other areas, particularly technology-focused positions, which employers said can be difficult to fill. Topeka-Shawnee County is not the only community where employers report such difficulty, as national demand for some skills is outstripping the supply of talent. Even firms in some of the most competitive regions in the nation struggle to find qualified candidates for certain positions. To ease conditions locally, input participants from the business community said they would like to see more training programs related to computer science, programming, and information technology. **Stakeholders also noted that Topeka-Shawnee County also retains a high percentage of Washburn University graduates, and stakeholders said it draws students from outside the community,** particularly rural portions of Kansas, who may be inclined to stay in Topeka-Shawnee County upon graduation. Accordingly, Washburn University is a critical source of local talent.

Input participants from the business community said attracting recent graduates from other nearby four-year universities is more difficult. Stakeholders said these graduates are frequently drawn to Kansas City and other large metros with a wider range of quality of life and quality of place amenities. This is significant because roughly 55 percent of survey respondents who identified as an owner, executive, or manager of a local firm said their business frequently has to recruit workers from outside the community. Nearly half indicated that doing so is difficult at least some of the time. Topeka-Shawnee County is far from the only community to experience these issues, but stakeholders singled this out as a significant issue. **Some of these input participants noted, however, that internship programs can be valuable tool for attracting talent from universities outside of Topeka-Shawnee County to the community.** One representative from a local employer said that the firm is frequently able to hire graduates from outside institutions thanks to a robust summer internship program. The participant said that without the connections established through this program, the firm would have little to no chance to attract these same individuals upon graduation. **Accordingly, multiple input participants expressed a desire to see employers expand internship programs for students both in and outside Topeka-Shawnee County – potentially even in a collaborative nature – to ease the challenge of attracting young talent to the community.**

KEY TAKEAWAYS AND STRATEGIC IMPLICATIONS

As is the case in all communities, Topeka-Shawnee County's "talent pipeline" has strong points and areas for improvement. The most important theme related to talent production to emerge from the public input process was a need for better coordination among the community's various education and training providers, the business community, and other relevant partners. Input participants generally felt that a lot of the right components of a comprehensive cradle-to-careers pipeline are in place, and significant improvements could be derived from ensuring that they are properly aligned and working together in an efficient manner.

Other needs that emerged from both data and input include the following: maintaining and expanding early childhood education programs, continuing efforts to boost achievement in Topeka Public Schools, reviving the M-Tech program at Washburn Tech, expanding computer and IT programs, and strengthening connections in the region. Additionally, input participants said that given the community's workforce dynamics, engaging and training individuals who are marginally attached to the labor force should be a priority. Stakeholders said that while some existing training programs are strong, many are difficult to access

without a car, a significant barrier for individuals living on very low incomes; expanded efforts should seek to mitigate this difficulty.

5. Enhancing Economic Opportunities Through Existing Strengths

The three previous stories discussed the population and talent dynamics in Topeka-Shawnee County and the quality of place and talent pipeline considerations that impact them. As talent is now the most important factor influencing a community's competitiveness, all of these have a significant bearing on Topeka-Shawnee County's economic prospects. This section explores the local economy in greater detail, including analyses of the general economic conditions and business climate, a brief discussion of target sector performance, and an examination of diversification opportunities.

General Economic Conditions

Topeka-Shawnee County's labor force is shrinking. An individual is considered to be in the "labor force" when they are working or actively looking for work, and the statistic is based on where people live. In other words, a Shawnee County resident who works in Riley County would be considered part of Shawnee County's labor force. In contrast, the "total employment" figures discussed later in this section refer to those jobs inside a community's borders. In other words, a job in Shawnee County is counted in the community's total employment count regardless of where the employee lives. As shown in Figure 11, there were nearly 2,000 fewer people in the labor force in 2015 than there were in 2010, a 2.1 percent decrease that came on the heels of a slight increase in the preceding five-year period. This decline can likely be attributed to a combination of previously mentioned dynamics: namely an aging population with more workers retiring and negative net-migration. Sangamon County, which has in common many of these same population dynamics, was the only other comparison community to post a substantial labor force decline between 2010 and 2015.

FIGURE 11: LABOR FORCE, 2005-2015

	2005	2010	2015	5-yr Chg		10-yr Chg.	
				#	%	#	%
Shawnee County, KS	93,338	93,584	91,606	(1,978)	-2.1%	(1,732)	-1.9%
Minnehaha County, SD	93,785	99,159	106,517	7,358	7.4%	12,732	13.6%
Polk County, IA	227,980	244,947	255,763	10,816	4.4%	27,783	12.2%
Sangamon County, IL	105,121	108,727	104,942	(3,785)	-3.5%	(179)	-0.2%
Kansas	1,465,640	1,500,764	1,499,009	(1,755)	-0.1%	33,369	2.3%
United States	149,320,000	153,889,000	157,130,000	3,241,000	2.1%	7,810,000	5.2%

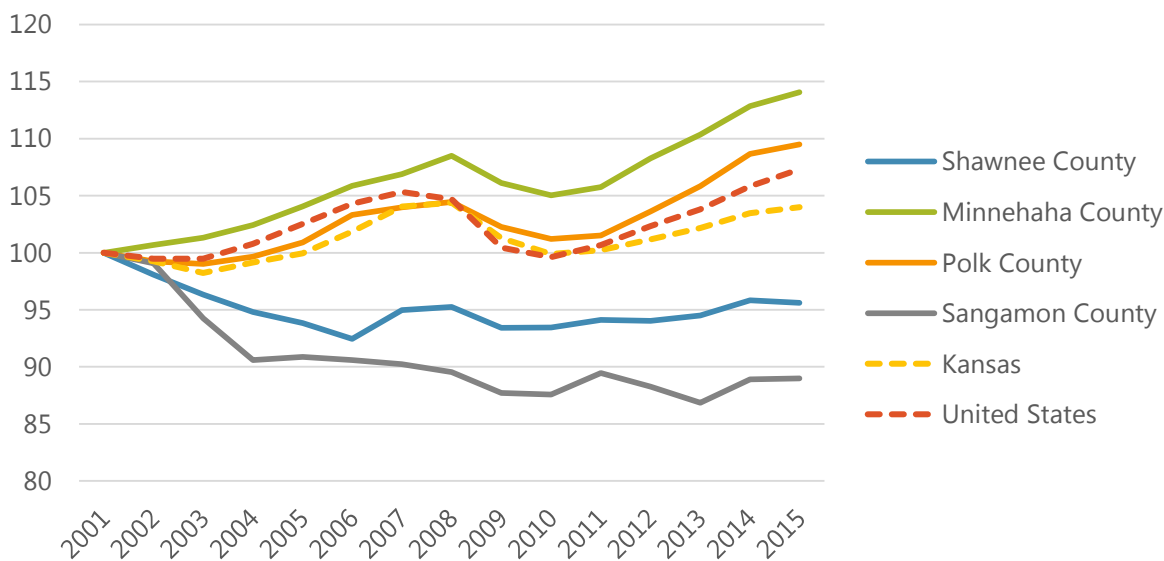
Source: Bureau of Labor Statistics, LAUS

Unemployment rates are calculated by dividing the number of individuals who are not working but are actively looking for work by the total size of the labor force. Topeka-Shawnee County's unemployment rate

has consistently tracked below the national average. In May 2016, the community's unemployment rate was 3.7 percent, down nearly three percentage points from 6.5 percent in the same month in 2011. Nationally, the unemployment rate in May 2016 was 4.5 percent compared to 8.7 percent five years earlier. It should be noted, however, that the community's low unemployment rates can be attributed in part to its relatively smaller labor force. For instance, there were 600 more Topeka-Shawnee County residents employed in 2015 than there were in 2010, but in this five-year period, the community's labor force also shrank by 2,000 workers. So while low unemployment rates are certainly preferable to the alternative, a smaller labor force ultimately inhibits Topeka-Shawnee County's economic potential.

Figure 12 displays an index of total employment for each comparison geography – that is, the total number of jobs that are based within that community. It shows that Topeka-Shawnee County experienced a significant decline in employment in the early 2000s, in sharp contrast to national trends between the “early 2000s recession” and the Great Recession. (Sangamon County also experienced a sharp employment decline during this time period.) Several major closures influenced Topeka-Shawnee County's early 2000s job losses, including the relocation of the Menninger Clinic psychiatric facility to Waco, TX (a loss of more than 1,000 jobs) and the closure of the TeleTech call center (which accounted for another 800 positions eliminated).

FIGURE 12: TOTAL EMPLOYMENT INDEX, (2000=100)



Source: Economic Modeling Specialists International (EMSI), www.economicmodeling.com

The community saw almost no employment decline as a result of the Great Recession. This was likely a product of several factors. The community's largest sectors – government and health care – are less tied to economic cycles, and given the community's job losses in the early 2000s there was less initial “boom” to “go bust.” Even though the Great Recession had a significant negative impact on state and other government jobs, federal employment at facilities such as the Topeka VA Medical Center and the Coast Guard Pay and Personnel Center likely helped stabilize the government employment base. Additionally, business subsector data and anecdotal evidence suggests that several businesses in Topeka-Shawnee County happened to

expanded significantly in the years most impacted by the recession, and given the relatively small size of the local economy, this may have had a further mitigating effect. Overall, the community had 3,500 more jobs in 2015 than it did in 2006 but still has nearly 5,000 fewer jobs than it did in 2001. On the Economic Performance Scorecard, the Topeka MSA ranked seventh among the 10 metro areas with a five-year employment growth rate of 1.6 percent, ahead of Springfield, IL; Jefferson City, MO; and Fort Smith, AR-OK.

As shown in Figure 13, employment in Topeka-Shawnee County is heavily concentrated in two business sectors: government and health care. Together, they account for more than 40,000 jobs – 38.3 percent of the total for all of Topeka-Shawnee County. Nationally, these sectors account for just 20.1 percent of total employment. These figures are not surprising given the community's political status and geographic position. As a state capitol, Topeka-Shawnee County is home to more than 8,200 state government jobs over and above the federal and local government jobs (inclusive of public schools) that are found in virtually all communities. Topeka-Shawnee County's central location and proximity to rural areas without their own hospitals helps to drive the health care sector. [Input participants also said that the community's hospitals – Stormont Vail and St. Francis – and other health care providers draw patients from a significant portion of Northeast Kansas and beyond.](#)

FIGURE 13: SHAWNEE COUNTY EMPLOYMENT BY BUSINESS SECTOR, 2005-15

Description	LQ	2015 Jobs	# Change 05-15	% Change 05-15	US % Change 05-15	Share of Total Jobs
Finance & Insurance	● 1.57	6,398	519	8.8%	-4.1%	6.1%
Government	● 1.43	23,559	(145)	-0.6%	1.6%	22.3%
Health Care & Social Assistance	● 1.29	16,872	1,239	7.9%	25.0%	16.0%
Management of Companies & Enterprises	● 1.08	1,609	1,194	287.6%	25.5%	1.5%
Admin. & Support & Waste Mgmt/Remed. Svcs.	● 1.05	6,863	3,123	83.5%	7.9%	6.5%
Utilities	● 0.98	371	(470)	-55.9%	1.1%	0.4%
Other Services (except Public Administration)	● 0.98	4,978	(698)	-12.3%	2.7%	4.7%
Construction	● 0.92	5,182	(299)	-5.5%	-14.2%	4.9%
Retail Trade	● 0.91	9,984	(715)	-6.7%	1.1%	9.5%
Accommodation & Food Services	● 0.84	7,414	1,275	20.8%	17.3%	7.0%
Transportation & Warehousing	● 0.84	2,938	(785)	-21.1%	9.2%	2.8%
Manufacturing	● 0.79	6,686	(1,016)	-13.2%	-13.5%	6.3%
Wholesale Trade	● 0.75	3,041	(331)	-9.8%	1.0%	2.9%
Information	● 0.74	1,459	(1,265)	-46.4%	-10.0%	1.4%
Professional, Scientific, & Technical Services	● 0.74	4,900	610	14.2%	18.7%	4.6%
Real Estate & Rental & Leasing	● 0.68	1,180	(424)	-26.4%	-6.2%	1.1%
Arts, Entertainment, & Recreation	● 0.49	852	(92)	-9.7%	13.4%	0.8%
Educational Services	● 0.32	847	175	26.0%	24.1%	0.8%
Mining, Quarrying, & Oil & Gas Extraction	● 0.23	125	80	177.8%	41.0%	0.1%
Crop & Animal Production	● 0.12	161	(26)	-14.1%	-1.1%	0.2%
Total		105,418	1,950	1.9%	4.7%	

Source: Economic Modeling Specialists International (EMSI), www.economicmodeling.com

Note: Location quotients (LQs) are a ratio of the region's share of employment in a given business sector divided by that same sector's share of total national employment. A location quotient greater than 1.0 indicates that the region's share of employment in a given sector is greater than the average American community, and may be a sign that the region affords businesses in this sector with some level of competitive advantage.

The federal, state, and local governments together support nearly 24,000 jobs locally, but as recent experience has shown, these positions can be vulnerable when budgets tighten. Between 2008 and 2015, for instance, the community lost 1,300 state government jobs, a 13.5 percent decline. The health care sector helped offset these losses, however, as it added more than 1,200 positions between 2005 and 2015. This represented a 7.9 percent increase, far short of the national gain of 25.0 percent. This difference is likely a product of Topeka-Shawnee County's slow population growth. Health care is a sector that is said to "follow rooftops" – that is, people generally consume most of their health care services locally and the sector's growth potential is usually linked to population increases. That said, Topeka-Shawnee County's aging population likely fueled some growth as patients require more services related to age.

Figure 13 is sorted from highest to lowest by "location quotient," a statistic that measures how concentrated a given sector is in a local economy relative to the full national economy. A high location quotient typically

indicates that the community possesses some sort of competitive advantage within a certain industry in order to justify a higher local concentration of jobs. **At the top of the table is finance and insurance with a location quotient of 1.57. This indicates that the sector is 57 percent more concentrated locally than it is in the national economy.** Finance and insurance accounts for nearly 6,400 jobs or roughly 6.1 percent of the total workforce in the community. Wages within the industry pay on average \$54,170, which is 31 percent higher than the average wage in Topeka-Shawnee County. The sector also added 519 jobs between 2005 and 2015, an 8.8 percent growth rate. This growth is impressive given that the past decade has been a turbulent one in finance and insurance due to the Great Recession, a shifting regulatory climate, and consolidation trends within certain subsectors of the insurance industry. Topeka-Shawnee County also lost roughly 200 jobs when Athene USA shifted operations to Des Moines in 2014. **Overall, national finance and insurance employment declined by 4.1 percent between 2005 and 2015 – that Topeka-Shawnee County significantly out-performed this trend is a highly positive sign.** Input participants highlighted homegrown companies Advisors Excel and Security Benefit (and its related companies such as se2) as being significant contributors to this growth and major assets to the community. Stakeholders also mentioned recent positive developments with Federal Home Loan Bank, a federally chartered corporation that recently elected to continue its long history in the community and construct a new headquarter building with assistance from JEDO.

Throughout the public input process, a wide variety of stakeholders said they viewed Topeka-Shawnee County as a “blue collar” town that manufactures and moves goods. But while manufacturing and distribution jobs may be highly visible in the community, these sectors are in fact less concentrated locally than they are in the national economy. Manufacturing, wholesale trade, and transportation and warehousing – the three sectors most commonly associated with making and moving goods – have location quotients ranging from 0.79 to 0.84. For context, multiple mid-sized communities in the Midwest have manufacturing location quotients of 2.0 or higher. There is some evidence that manufacturing and distribution employment may be “hidden” in business sector data due to the fact that many firms in these fields use contract employees who may be counted in the administrative and support services sector (NAICS 56). Administrative and support services added more than 3,100 jobs to the local economy in recent years – by far the most of any sector in Topeka-Shawnee County.^{vii} An analysis of occupational data reveals that actual firms dealing directly with the production of movement of goods are less concentrated in Topeka-Shawnee County than they are in the United States. **In other words, despite perceptions, the community is actually less reliant on traditionally “blue collar” occupations than the hypothetical “average” community. Instead, the community’s key economic drivers are government, health care, and various other corporate and service-based sectors, primarily finance and insurance.** The prevalence of health care and state government jobs in Topeka-Shawnee County likely has an influence on the community’s relatively low per capita income. Nationally, the average annual wage in the manufacturing sector is 36 percent higher than the average wage in the health care sector. And in Kansas, average annual wages in the state’s manufacturing sector are more than \$7,500 higher than the average state government wage. In Topeka-Shawnee County, average annual wages in the manufacturing sector are \$51,244 compared to \$41,676 in health care and \$43,064 across all government sectors. The average annual wage for all sectors is \$41,222.

Target Sector Performance

Topeka-Shawnee County recently completed a process to refine its target business sectors – the areas in which the community focuses marketing and other economic development resources in order to attract and grow jobs and investment. GO Topeka, the community’s economic development arm, now focuses its activities around four main targets: Advanced Systems Technology, Food Manufacturing, Logistics & Distribution, and Professional & Financial Services. These target sectors were identified based on the community’s existing sector composition and asset base, their growth potential, and other factors.^{viii} This subsection provides a brief overview of the recent performance in these sectors. Figure 15 on the following page details recent sector performance by target area. **Overall, these target sectors drastically outperformed other areas of the local economy in the past decade. Between 2005 and 2015, they combined to add more than 3,300 jobs. All other sectors combined to lose nearly 1,400 jobs during this time period.**

FIGURE 15: TOPEKA-SHAWNEE COUNTY EMPLOYMENT BY TARGET SECTOR, 2005-15

NAICS	Description	LQ	2015 Jobs	# Change 05-15	% Change 05-15	US % Change 05-15	Total Earnings Ratio
Advanced Systems Technology		1.83	2,815	430	18.1%	-3.4%	
3262	Rubber Product Manufacturing	18.56	1,677	(188)	-10.1%	-21.0%	1.23
3323	Architectural & Structural Metals Manufacturing	2.00	505	253	100.5%	-7.7%	1.08
3325	Hardware Manufacturing	0.58	0	0	---	-31.8%	0.62
3327	Machine Shops; Turned Product; & Screw, Nut, & Bolt Manufacturing	0.32	82	(6)	-7.1%	7.8%	1.07
3329	Other Fabricated Metal Product Manufacturing	0.77	146	37	34.1%	-1.9%	0.83
3332	Industrial Machinery Manufacturing	1.41	109	39	55.0%	-9.2%	0.74
3339	Other General Purpose Machinery Manufacturing	0.43	79	79	---	-0.6%	0.64
3361	Motor Vehicle Manufacturing	1.58	217	217	---	-18.8%	0.53
3364	Aerospace Product & Parts Manufacturing	0.00	0	0	---	7.7%	0.00
Food Manufacturing		5.05	2,887	581	25.2%	12.4%	
3111	Animal Food Manufacturing	11.98	456	(391)	-46.2%	14.8%	1.18
3113	Sugar & Confectionery Product Manufacturing	4.40	214	179	524.7%	-6.8%	0.80
3118	Bakeries & Tortilla Manufacturing	0.18	38	38	---	5.8%	0.59
3119	Other Food Manufacturing	16.17	2,124	716	50.9%	21.4%	0.76
3121	Beverage Manufacturing	0.39	55	38	226.5%	23.3%	0.82
Logistics & Distribution		0.83	1,600	(418)	-20.7%	11.1%	
484	Truck Transportation	0.68	761	122	19.1%	0.8%	1.11
4882	Support Activities for Rail Transportation	0.04	0	0	---	53.6%	---
4884	Support Activities for Road Transportation	0.70	51	8	17.9%	19.4%	0.58
4885	Freight Transportation Arrangement	0.12	18	18	---	14.5%	0.70
4889	Other Support Activities for Transportation	0.08	0	(10)	-100.0%	4.4%	---
493	Warehousing & Storage	1.42	770	(555)	-41.9%	36.2%	1.00
Professional & Financial Services		1.06	14,358	2,717	23.3%	11.7%	
5182	Data Processing, Hosting, & Related Services	1.85	373	329	748.6%	10.1%	0.73
522	Credit Intermediation & Related Activities	1.11	1,938	77	4.1%	-11.9%	0.73
523	Securities/Commodity Contracts/Other Financial Investments/Related Activities	0.83	548	8	1.5%	7.7%	0.61
524	Insurance Carriers & Related Activities	2.36	3,910	504	14.8%	4.2%	0.88
5411	Legal Services	1.02	925	(57)	-5.8%	-5.3%	0.56
5412	Accounting, Tax Preparation, Bookkeeping, & Payroll Services	0.76	592	(134)	-18.5%	11.7%	0.82
5413	Architectural, Engineering, & Related Services	0.55	560	(8)	-1.4%	4.7%	0.85
5414	Specialized Design Services	0.50	91	(32)	-26.0%	2.0%	0.97
5415	Computer Systems Design & Related Services	0.62	844	571	209.2%	51.3%	0.63
5416	Management, Scientific, & Technical Consulting Services	0.58	609	84	16.0%	45.1%	0.79
5417	Scientific Research & Development Services	0.47	214	188	715.5%	13.0%	0.65
5418	Advertising, Public Relations, & Related Services	1.36	493	(19)	-3.7%	3.6%	0.54
5419	Other Professional, Scientific, & Technical Services	1.08	571	17	3.0%	26.3%	0.80
55	Management of Companies & Enterprises	1.08	1,609	1,194	287.6%	25.5%	0.98
5611	Office Administrative Services	0.85	282	(276)	-49.5%	35.5%	0.58
5614	Business Support Services	1.17	765	321	72.4%	14.0%	0.63
5619	Other Support Services	0.16	33	(50)	-60.3%	4.1%	0.54
Total Target Sector Jobs		1.23	21,660	3,311	18.0%	10.1%	
Total Jobs		1.00	105,418	1,950	1.9%	4.7%	0.83

Source: Economic Modeling Specialists International (EMSI), www.economicmodeling.com

Note: Location quotients (LQs) are a ratio of the region's share of employment in a given business sector divided by that same sector's share of total national employment. A location quotient greater than 1.0 indicates that the region's share of employment in a given sector is greater than the average American community, and may be a sign that the region affords businesses in this sector with some level of competitive advantage.

The earnings ratio refers to the ratio of local average earnings (wages plus supplements) to the national average for that same sector.

The **Advanced Systems Technology** target includes manufacturing operations that utilize high-tech or advanced processes. It includes several “niche” subsectors: aerospace and component manufacturing, clean energy technologies, and machine shops. Topeka-Shawnee County boasts a variety of key site location considerations for companies in Advanced Systems Technology: plenty of industrial space, relevant training programs, skilled workforce, and affordable electricity rates. Firms in this target demand a highly skilled workforce capable of operating complex machinery in the production and/or assembly of a wide range of projects. Because of these skill requirements, many employees must have some form of post-secondary education and significant on-the-job training. These positions frequently offer wages above the Topeka-Shawnee County average and provide attractive career paths, as individuals can start out in a position with relatively low barriers to entry and advance as they acquire more knowledge and skills. Local employers include Goodyear Tire & Rubber, Clark Industries, ICI Manufacturing, Innovia Films, and others. Overall, companies in the area have proven to be successful over the past decade; employment within Advanced Systems Technology grew by 18.1 percent, while nationally employment declined by 3.4 percent.

Food Processing and Manufacturing is one of the community’s key legacy strengths and for good reason. Shawnee County’s advantageous geographic location, interstate access, plenty of land, affordable real estate, and abundant water capacity make the community a prime location for starting and expanding food manufacturing operations. Bimbo Bakeries, Mars Chocolate, Frito-Lay, Reser’s Fine Foods, Hill’s Science Diet, Big Heart Pet Brands, and Crosswinds Pet Foods, and others are among the local food manufacturing employers. In Topeka-Shawnee County, employment growth in food manufacturing outpaced national growth rates. Jobs grew by 25.2 percent – roughly double the national growth rate – and accounted for a net gain of nearly 600 jobs. Niche sectors include candy, fresh prepared foods, Hispanic foods, pet foods, and snack foods.

Topeka- Shawnee County’s central location, interstate and rail connectivity, and the Forbes Field Air Logistics Facility are valuable assets for operations in **Logistics & Distribution**. The community boasts the infrastructure to support multiple modes of transportation to ship goods quickly and efficiently to 90 percent of the U.S. market within two days. Given that geographic location and transportation infrastructure are among the top location factors for companies operating in logistics and distribution, Topeka-Shawnee County is a natural fit to benefit from additional economic activity within these sectors. Local employers include distribution centers for Target, Home Depot, Heart Pet Brands, Goodyear, and Frito Lay, among others. Many local manufacturing firms also have significant “in-house” distribution and wholesale business units.

The **Professional and Finance Services** target primarily consists of financial services and insurance support services, in addition to other niches in computer systems and security and corporate support operations. There are roughly 10,000 business and financial operations workers in Shawnee County and 25,000 office and administrative support occupations. Both major occupational groups are highly concentrated in the local economy with location quotients of 1.43 and 1.21, respectively. Over the past ten years, jobs within professional and financial services grew by 23.3 percent, while nationally they increased by 11.7 percent. The fastest growth locally has been in data processing, hosting, and related services; scientific research and development services; and computer systems design and related services. The business subsectors that

added the most jobs in the past 10 years were insurance carriers, consumer systems design and related services, and management of companies and enterprises.

Diversification Opportunities

A targeted approach to pursuing job and investment growth requires ongoing work over the course of many years. **In Market Street's opinion, the four target sectors identified through the 2014 study continue to be appropriate areas on which the community can focus strategic investments, including marketing, recruitment, and business retention and expansion (BRE) programming.** The community's existing workforce and place-based assets are highly supportive of these fields, and three of the four sectors have exhibited strong growth in Topeka-Shawnee County in the past 10 years. Additionally, a high-level analysis of business sector and occupational data did reveal potential new targets or opportunities to subdivide any of the existing sectors.

Topeka-Shawnee County stakeholders understand the importance of economic diversity and expressed a strong desire for the community to continue to seek new and emerging economic opportunities. **But increasing the number of target sectors is not the only path to economic diversification, and targeting a sector for which a community is not truly competitive can actually be counterproductive. Topeka-Shawnee County's most realistic opportunities for economic diversification are instead likely to be found within the context of its existing sector strengths and by ensuring that local businesses and entrepreneurs have the support they need to develop and launch new products and ideas.**

The concept of "diversifying from within" is perhaps best exemplified by two of Topeka-Shawnee County's biggest economic success stories of the past decade – se² and Advisors Excel. Both are homegrown companies – the former a spinoff and the latter a startup – that emerged from the community's existing insurance sector. Both were founded in 2005 and have added hundreds of jobs and significant wealth to the community in a short amount of time.

se² provides back-office technology solutions for the life annuity and pensions industry. It began from an internal initiative at Topeka-based Security Benefit to update the company's technology platforms and customer service functions. The effort was so successful that it was then separately incorporated as a subsidiary of Security Benefit's parent company so that the newly developed technology could be marketed to other firms. According to the its website, the company now supports more than 20 direct clients, represents more than 35 insurance carriers in North America, and has approximately \$100 billion in assets under administration.

Advisors Excel provides services such as training, marketing, and lead generation to independent insurance advisors in the life insurance and annuities markets. The company traces its roots to a kitchen-table discussion among its three founders, all of whom were Washburn University graduates who were working for an established firm within the local insurance industry. As of 2014, the company sold \$5.2 billion in annuities and \$300 million in target life insurance policies.^{ix}

Such remarkable stories may not come along often, but communities can and do take proactive steps to leverage existing strengths and create a favorable environment for innovation. A prime example is the Nashville Health Care Council, an industry-led initiative that formed through the Nashville Area Chamber of

Commerce in 1995 and now counts more than 300 corporate members. The Council's efforts to build networks and encourage new ideas within the industry has both supported the community's largest firms and helped create dozens of spinoffs and startups that have strengthened the overall cluster and helped the region diversify to become a leader in emerging fields such as health IT.

Such efforts need not be limited to service sectors. For instance, consumer preferences related to food products are constantly evolving, and Topeka-Shawnee County is positioned within what the Kansas City Area Development Council has branded the area between Manhattan and Columbia, MO as the "Kansas City Animal Health Corridor." According to the Council, the more than 300 animal health companies are located in this area account for approximately 56 percent of total worldwide animal health, diagnostic, and pet food sales. Accordingly, Topeka-Shawnee County could have an opportunity to diversify its food manufacturing sector by seeking to promote research and development activities. Stakeholders noted that private-sector research activities are occurring at some of the community's pet food manufacturing firms, but the community lacks existing lab spaces and does not have its own research university, which means that seeking out partnerships – both public and private – would be necessary to advance this type of diversification initiative.

At the most basic level, research suggests that Topeka-Shawnee County's overall entrepreneurial ecosystem has significant room for improvement. One basic measure of entrepreneurial activity is the percentage of local employment within firms with fewer than 50 employees. Another is the percentage of employment in firms that are less than five years old. In both cases, this figure was lower in Topeka-Shawnee County than state and national averages. Another key indicator is the percentage of workers who are self-employed. In Topeka-Shawnee County, just 3.8 percent of the workforce is self-employed compared to the national average of 6.5 percent. Among metros on the Innovation and Entrepreneurship Scorecard, the Topeka MSA had the third-lowest percentage of self-employed workers.

Input participants familiar with the county's small business and entrepreneurial climate felt that more could be done to support small business development. Survey respondents who self-identified as an entrepreneur or small business owner were asked to rate number of factors related to the community's entrepreneurial climate. **On many factors, a large proportion of these individuals responded "don't know or N/A," indicating that these individuals did not feel adequately informed about the availability of some resources – or did not believe they existed at all. And, when participants did feel comfortable providing an answer, they tended to rate most factors as "weak" or "very weak."** Availability of seed loans, incubation facilities, acceleration programs, and availability of venture capital and angel investment all ranked poorly. Factors that scored better included mentorship opportunities, small business development support, and entrepreneur-focused events and meetups. Stakeholders also cited 712 Innovations, which provides co-working space and a makerspace complete with 3D printers and other materials, as a promising new offering.

Input participants noted that the community's proximity to Kansas City adds a layer of complexity to issues of entrepreneurship. In general, entrepreneurs tend to be pulled to larger regions where capital is more abundant and social networks are well-established. But Kansas City, MO is also nationally recognized as a leader in developing and running innovative local entrepreneurship programs, and the community is home

to the Kauffman Foundation, the nation's leading non-profit for issues of entrepreneurship. **Accordingly, stakeholders said Topeka-Shawnee County must make sure its entrepreneurial offerings are sufficiently differentiated or complementary to those available in Kansas City.** Some input participants said a simple yet potentially impactful approach would be to work to pair Topeka-Shawnee County businesses with local suppliers, vendors, and service providers, thereby expanding customer bases and revenue for small businesses and startups and ensuring that wealth remains in the community.

Business Climate

Input participants generally had strong praise for the business climate in Topeka-Shawnee County. Figure 14 shows responses from 871 survey participants who identified as a business owner, executive, or manager. These respondents were asked to rate various aspects of the community's business climate. **Nine of the 13 elements related to the local business climate received a larger percentage of "advantage" or "major advantage" ratings than "major disadvantage" or "disadvantage" answers.** Cost of labor, availability of land, water and sewer, roadway connectivity, and other key infrastructure requirements were among the top rated business climate aspects. As shown on the Business Environment Scorecard, Topeka had the lowest average per-square-foot rents for industrial spaces among the core cities of the 10 scorecard metros. Additionally, the Topeka MSA had the second-best private-sector labor productivity among the 10 metro areas. This figure is derived from a metro area's gross regional product (or output) divided by its total employee earnings. This produces a ratio that indicates the amount of output generated for every dollar spent on wages for employees – higher ratios are indicative of workforces that are more productive relative to labor costs.

The largest business climate concerns that stakeholders share relate to the political climate and fiscal issues in the State of Kansas. These issues and the discussions taking place around them are likely to be familiar to many Kansans, and a review of their impact on Topeka-Shawnee County or its various institutions is outside of this review. **That said, a strong consensus emerged from discussions with both public- and private-sector leaders during the input process: the fiscal situation in the State of Kansas has negatively impacted vitally important "downstream" budgets in areas such as public education and internal and external perceptions of the situation are further challenging the community's ability to attract talent and investment.**

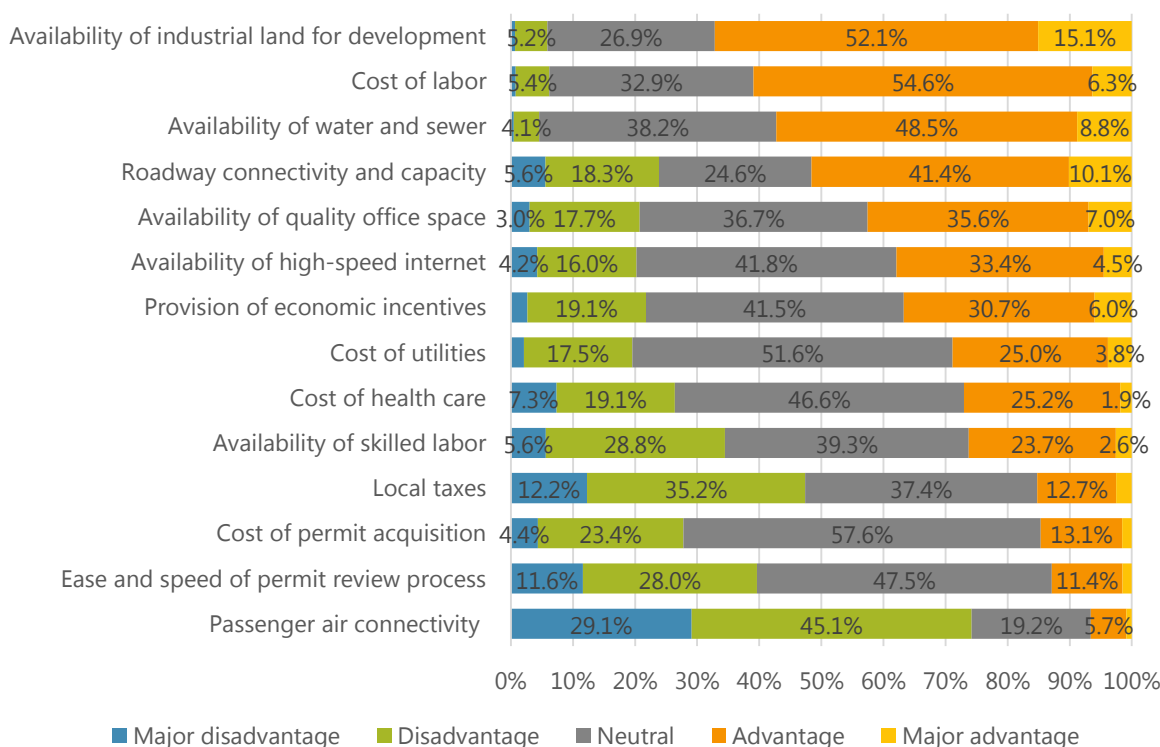
The only factors in Figure 14 where the "disadvantage" or "major disadvantage" responses combined to form a plurality of responses were local taxes and passenger air connectivity. Proximity to an airport with frequent flights is an important location consideration for certain business sectors, notably headquarter operations. Forbes Field, Topeka-Shawnee County's primary airport, currently has no scheduled passenger air services, and stakeholders said that previous efforts to establish these services have been unsuccessful, as even with scheduled service in Topeka, it was often easier to drive to Kansas City International Airport to access more frequent flights going to a wider range of destinations. Ultimately, the ease and relatively short duration of this drive somewhat offsets the lack of services to the community itself.

Survey respondents held generally positive views of the availability of economic incentives. Nearly 37 percent of respondents viewed this factor as an "advantage" or "major advantage" compared to 21 percent who rated it as a "disadvantage" or "major disadvantage." Incentives were not a key theme in input discussions, but

when the topic did come up, **business leaders indicated that they would like to see Topeka-Shawnee County embrace a broader approach to catalyzing economic growth with targeted investments.**

Targeted economic incentives are an important part of a comprehensive approach to economic development, but they are tools that come into play “at the end of the line” when a community is already being considered as a finalist for a business location or expansion. As this Assessment has discussed, Topeka-Shawnee County must take strategic actions if it is to remain or become a competitive location for various economic activities. This should entail steps to shore up and improve the local talent pool by investing in quality of place and improvement and alignment of education and training resources.

FIGURE 14: PLEASE RATE THE FOLLOWING ELEMENTS OF TOPEKA-SHAWNEE COUNTY'S BUSINESS CLIMATE ACCORDING TO THE DEGREE TO WHICH EACH IS AN ADVANTAGE OR DISADVANTAGE TO EXISTING AND PROSPECTIVE NEW BUSINESSES.



Source: *Market Street Services*; Topeka-Shawnee County Community Survey (2016)
 Questions was presented to 871 survey respondents that self-identified themselves as owners, executives, or managers at their place of employment.

KEY TAKEAWAYS AND STRATEGIC IMPLICATIONS

Despite a tightening labor market, painful closures in the early 2000s, and the global challenge of the Great Recession, Topeka-Shawnee County’s economy has performed reasonably well in recent years. Employment in the community grew by 1.9 percent between 2005 and 2015, and while this figure lagged behind the national rate of 4.7 percent, it is a strong number for a community that has experienced limited population

growth. Additionally, Market Street believes that Topeka-Shawnee County's existing target business sectors are appropriate areas in which to focus its economic development resources. **The strong performance of these target sectors in Topeka-Shawnee County in the past decade is a major positive for the community.**

Traditional economic development activities such as recruitment will continue to be important, but to maximize its potential for economic growth, the community must also focus on a broader range of community and economic development activities. Foremost among them is ensuring that the community's workforce is educated, talented, and deep. **As discussed in previous sections, this will require enhancements related to quality of place and the local talent pipeline. As several stakeholders noted, the community must come to recognize strategic investments in these areas as economic development expenditures similar to incentive packages or marketing budgets.**

When it comes to economic diversification, Topeka-Shawnee County's best opportunities will likely come from within. The successes of se² and Advisors Excel are among the brightest stories in the community in recent years. Topeka-Shawnee County can take many actionable paths toward fostering an environment that will be conducive to additional homegrown success stories – from strengthening connections within industry clusters to promoting innovation to strengthening and differentiating the community's entrepreneurial ecosystem. **In short, a broad-based, holistic approach to economic development will be required if Topeka-Shawnee County is to grow and diversify its economy and create a more prosperous future.**

6. Prosperity and Well-being Lag Behind

The previous story focused on economic trends in Topeka-Shawnee County and briefly touched on how the community might act strategically to continue to grow jobs and investment in its future. In the past, these types of activities were the sole focus of many economic development initiatives. Though they are important, job and investment growth are ultimately means toward a larger end. **Ultimately, community and economic development is about raising standards of living and making life better for a community's current and future residents.** This story focuses on just that – how people in Topeka-Shawnee County are doing.

Per capita income is among the most basic measures used gauge the well-being and standards of living of residents in a community. As shown in Figure 16, per capita income in Topeka-Shawnee County was \$41,263, the lowest among all comparison geographies. Between 2004 and 2014, Topeka-Shawnee County experienced relatively strong income growth and began closing the gap on each of the three comparison counties and nearly kept pace with the national growth rate. But in the latter half of that period, Topeka-Shawnee County's growth rate fell back to the pack and was more than five percentage points lower than the national figure. On the Economic Performance Scorecard, the Topeka MSA ranked seventh out of the 10 comparison communities for both overall per capita income and five-year per capital income growth.

FIGURE 16: PER CAPITA INCOME, 2004-2014

	2004	2009	2014	09-14 % Chg.	04-14 % Chg.
Shawnee County, KS	\$31,222	\$36,986	\$41,263	11.6%	32.2%
Minnehaha County, SD	\$36,784	\$40,629	\$46,398	14.2%	26.1%
Polk County, IA	\$39,059	\$43,493	\$48,484	11.5%	24.1%
Sangamon County, IL	\$33,329	\$38,053	\$42,326	11.2%	27.0%
Kansas	\$31,999	\$38,889	\$44,891	15.4%	40.3%
United States	\$34,316	\$39,376	\$46,049	16.9%	34.2%

Source: Bureau of Economic Analysis

Overall, per capita income in Topeka-Shawnee County grew at a faster rate than inflation as measured by the Consumer Price Index (CPI) for Midwest urban areas. **This means that area residents had greater purchasing power in 2014 than they did in 2004; at the most basic level, standards of living rose.** But Figure 17 shows wage growth in the community for a slightly different time period, 2005 to 2015. During this 10-year span, wages rose by 22.3 percent, slightly *slower* that the pace of inflation. This discrepancy can be explained by the fact that wages earned from employment are just one of the three components that the Bureau of Economic Analysis uses to calculate per capita income. The other two are “dividends, interest, and rent” and “personal current transfer receipts.” The former is essentially investment income while the latter includes all manner of government benefits – mostly Social Security and Medicare/Medicaid but also including veteran’s benefits, disability insurance, food stamps, and so forth. Relative to all comparison

geographies, Topeka-Shawnee County residents derive a greater share of their income from personal current transfer receipts; roughly 21 percent of income in the community comes from these sources compared to 17 percent nationally. This is to be expected given that the community's population is older and aging faster relative to the other comparison communities. **But it is also true that the community's increased standards of living are derived primarily from benefits such as Social Security – not wage growth from economic gains.** While transfer payments have also been significantly contributing to income growth nationally, wage growth in the United States outpaced transfer receipt growth on a percentage basis. The opposite was true in Topeka-Shawnee County.

FIGURE 17: AVERAGE ANNUAL WAGES, 2005-2015

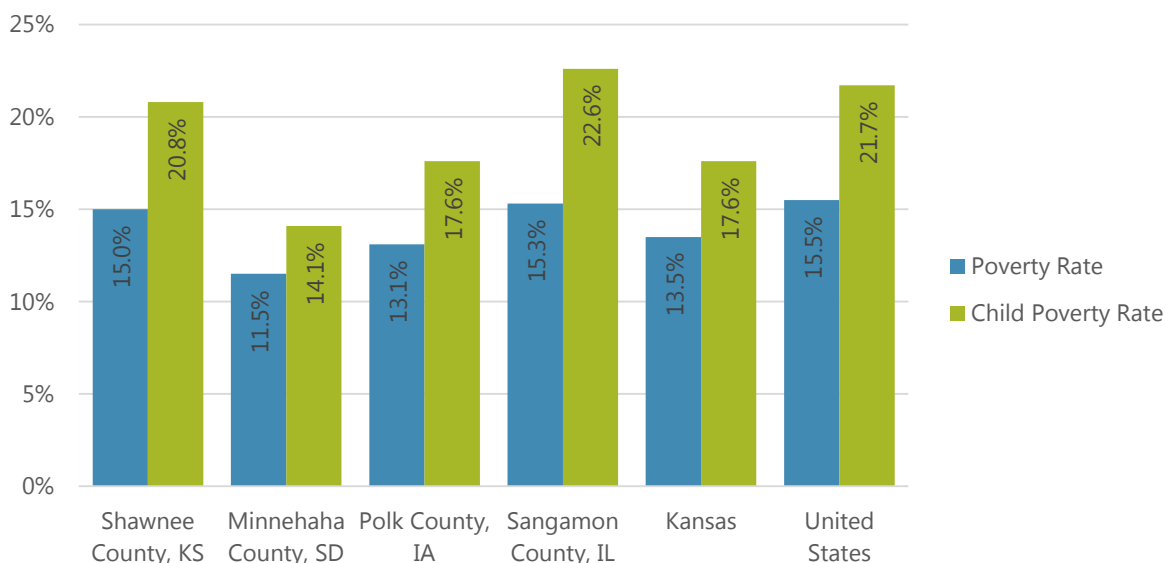
	2005	2010	2015	5-yr % Chg.	10-yr % Chg.
Shawnee County, KS	\$34,558	\$39,363	\$42,274	7.4%	22.3%
Minnehaha County, SD	\$33,824	\$38,792	\$45,173	16.4%	33.6%
Polk County, IA	\$41,003	\$46,390	\$53,218	14.7%	29.8%
Sangamon County, IL	\$39,545	\$47,100	\$52,648	11.8%	33.1%
Kansas	\$33,864	\$38,936	\$43,896	12.7%	29.6%
United States	\$40,677	\$46,751	\$52,937	13.2%	30.1%

Source: Bureau of Labor Statistics, QCEW

Overall, wages in Topeka-Shawnee County were the lowest among all comparison geographies. Low wages can be advantageous from a business cost perspective, but the downside is that lower wages many also make it difficult to compete with other regions for talent and skilled workers. [Input participants noted that Topeka-Shawnee County has a lower overall cost of living that helps offset the relatively low wages.](#) Data from the Council for Community and Economic Research (C2ER) Cost of Living Index (COLI) shows that the community is indeed affordable. This quarterly index measures cost of living based on actual observed values for a "basket of goods" including housing, groceries, utilities, and so on. The Topeka urban area scores a 90.5 on the index relative to the national average of 100. But as the Quality of Life Scorecard shows, several other communities have an even lower COLI value. One of them is Des Moines, IA, which ranked at 89.8. As shown on Figure 17 average annual wages in Des Moines are nearly \$11,000 higher than they are in Topeka-Shawnee County. **So while dollars do go far in Topeka-Shawnee County, other communities in the Midwest can claim a similar or even greater value proposition.**

Like many communities, Topeka-Shawnee County is home to many individuals who are struggling with poverty. As shown on the Economic Performance Scorecard, the Topeka MSA had the ninth-worst overall and child poverty rates among the 10 metro areas, and among the comparison geographies. However, as shown in Figure 18, poverty rates are actually slightly below national averages.

FIGURE 18: POVERTY RATES, 2014



Source: United States Census Bureau, SAIPE

Additionally, poverty has been declining in recent years at a relatively rapid pace. Between 2009 and 2014, the overall poverty rate declined by 1.6 percentage points compared to a 1.2 percentage point increase nationally. That poverty rates in Topeka-Shawnee County declined despite relatively slow wage and economic growth locally and during a time period when the impacts of the Great Recession were still being felt around the world is a curious finding that is difficult to explain with available data. While a decrease in the poverty rate is absolutely a step in the right direction, more than 15 percent of residents and more than one in five children live in poverty.

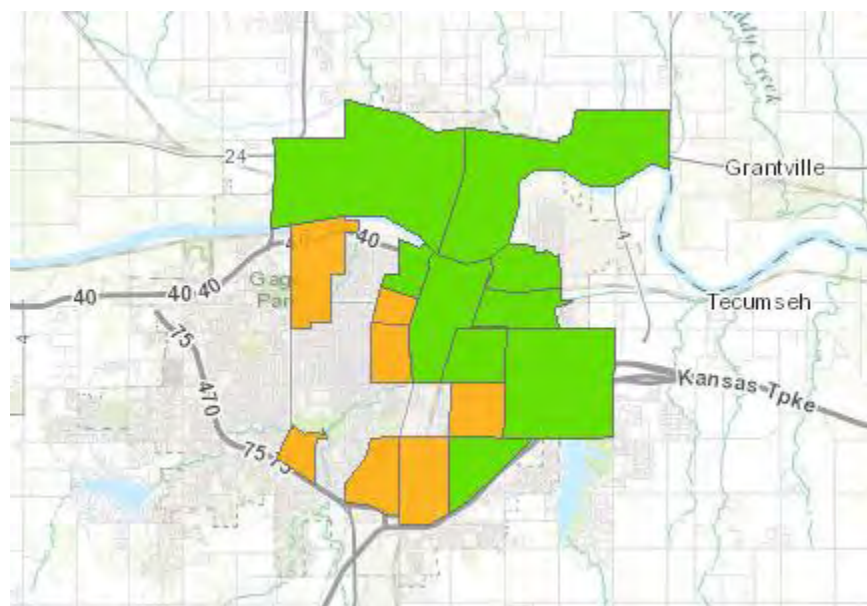
Childhood poverty presents a significant challenge for the future, as it contributes to a long list of social, educational, and economic challenges that can manifest throughout an individual's life. A study by the Urban Institute notes that children who grow up in poverty are much less likely to finish high school than their less impoverished peers, and young girls growing up in poverty are much more likely to become pregnant as teenagers.^x Many people of all ages who live in poverty lack access to affordable, quality health care and healthy food options, and as an outcome, they are more likely to suffer from chronic health problems. Such health problems can include obesity, high blood pressure, diabetes, and mental health problems, including depression.

Both qualitative feedback and quantitative data suggest that the county is facing some poor health outcomes. A relatively high share of residents (14.6 percent) reported poor or fair health, according to the Robert Wood Johnson Foundation's 2016 County Health Rankings. Additionally, 32.6 percent of adults in the Topeka MSA reported a body mass index (BMI) equal to or greater than 30, the common standard used to define obesity. This placed ninth on the Quality of Life Scorecard ahead of only Fort Smith, AR-OK.

One potential factor exacerbating health problems such as obesity in the community is the presence of “food deserts.” [Input participants expressed concerns that many low-income residents in the community who cannot drive or do not have access to a car have difficulty accessing stores at which they can purchase healthy food. Stakeholders said the recent closing of the Huntoon Dillons grocery store earlier this year has further complicated this problem.](#) Figure 19 illustrates the extent of the problem. The areas shaded in green are low-income Census tracts where at least one-third of residents live more than one mile from a grocery store. This condition applies to nearly all of Downtown, East, and North Topeka.

The community has already begun responding to some of these concerns. In 2015, Shawnee County produced its first county health improvement plan (CHIP) in more than 15 years. It noted some recent efforts to increase residents’ access to resources such as groceries and medical care and encourage physical activity through a bikeshare program, Topeka Metro Bikes. But its Health Impact Assessment found that in order to positively impact health outcomes, improvements must be made to the infrastructure and more stakeholder outreach and engagement was needed.

FIGURE 19: FOOD DESERTS IN TOPEKA-SHAWNEE COUNTY, 2016



Source: USDA

Note: Census tracts shaded green indicate low income areas where at least one-third of residents live more than one mile from a grocery store. Orange denotes census tracts where low income residents live more than one-half mile from a grocery store.

[Topeka-Shawnee County stakeholders contacted through interviews and focus groups also consistently brought up two inter-related topics that are not typically discussed at length in most public input processes: mental health and homelessness.](#) Limited available data suggests that these issues may indeed be more prevalent in Topeka-Shawnee County. The Annie E. Casey Foundation’s Kids County Data Center provides information on the rate at which individuals under 18 receive mental health diagnoses. According to this indicator, Shawnee County’s incidence of mental health diagnoses is more than three times the state average and the highest of any county in the state.^{xi} There were 11.7 child hospital discharges for mental health

diagnoses per 1,000 children under the age of 18 in Shawnee County; the next highest figure was that of Jefferson County (7.0) while the state average is 3.1. [Input participants reported that Topeka is home to one of only a handful of Community Mental Health Centers that treats mental illness and serious emotional disturbances in youth. Input participants suggested that the community may draw individuals from beyond its own borders into the community for treatment. Nevertheless, stakeholders said addressing mental health issues is important, particularly within the context of PK-12 education systems.](#)

In January 2015, the Topeka and Shawnee County Homeless Task Force, a volunteer organization administered by the Community Resources Council (CRC) conducted a count of individuals experiencing homelessness in Topeka-Shawnee County.^{xii} The annual count is conducted as part of the U.S. Department of Housing and Urban Development's Point in Time (PIT) Count. Per a CRC press release, 403 individuals were experiencing homelessness at the time, a rate of about 225.5 per 100,000 residents.^{xiii} The national average for the equivalent time period was 175.7.^{xiv} [Input participants frequently praised the Topeka Rescue Mission, a homeless shelter providing a broad array of services, as a significant community asset, further underscoring the visibility of homelessness in the community.](#)

A broader examination of the true extent and causes of mental health and homeless issues in Topeka-Shawnee County is beyond the scope of this Assessment, but the fact that these issues came up unprompted time and time again during the public input process highlights a need to maintain and expand community support for initiatives designed to address these challenges.

KEY TAKEAWAYS AND STRATEGIC IMPLICATIONS

At its core, community and economic development is about raising levels of prosperity, increasing standards of living, and improving quality of life for a community's residents. The data reveals both positive and negative trends related to these ends. Real per capita income has increased, which should mean that residents have more purchasing power than they did previously. However, wage growth has not kept pace with inflation and low overall wages mean that the community cannot offer the same value proposition as other Midwestern communities with higher wages and similarly low costs of living. Poverty is down overall but a frustratingly high proportion of residents – including more than one in five children – live below the poverty line. Additionally, many residents are in poor health and stakeholder input and some data points suggest that the community is struggling with elevated levels of mental health issues and homelessness.

Many of the strategic implications discussed earlier in this Assessment can help address these issues in an indirect fashion by creating better economic, training, and education opportunities for Topeka-Shawnee County residents. But given the depth of some of these issues, it will also be necessary to maintain support for initiatives that provide services directly to individuals living in poverty or those otherwise in need. Doing so can provide a measurable return on investment. For instance, if individuals who are outside of or are marginally attached to the labor force receive some form of assistance that allows them to enter the workforce, then an economic benefit can be realized in the form of a deeper overall talent pool and, potentially, decreased demand for some local government services.

Conclusion: the Way Forward

This Community Assessment has evaluated Topeka-Shawnee County's competitiveness as a place to live, work, play, and do business. The key themes that emerged from research and public input were woven into six key stories:

1. A Critical Need to Improve Community Pride
2. Threats to a Strong Workforce Go Beyond Population Growth
3. Quality of Place Enhancements Are Needed to Change Outlooks
4. Homegrown Talent: A Need to Connect the Local and Regional Talent Pipeline
5. Enhancing Economic Opportunities Through Existing Strengths
6. Prosperity and Well-being Lag Behind

These stories cover many themes with which stakeholders in Topeka-Shawnee County are familiar. Some of these are related to significant challenges that the community must address through strategic action if it is to achieve a more prosperous future for its residents. **It is important to re-emphasize that Topeka-Shawnee County cannot let low morale or negative attitudes stand in the way of progress. In Market Street's experience even self-image problems that have been decades in the making can be turned around in a short amount of time with simple, meaningful demonstrations of progress.** Residents of Topeka-Shawnee County need to look no further than their own community to see the supporting evidence. Throughout the input process, stakeholders raved about two tangible enhancements that have recently come into being: the Kansas Avenue streetscaping project and the NOTO Arts District. No such effort is without skeptics, but the vast majority of stakeholders contacted through interviews and focus groups viewed these developments as promising signs that the community is moving forward and, crucially, that its leaders are dedicated to ensuring that it does. One participant said, "I came to Topeka 16 years ago and people repeatedly asked me why I came here, the implication being: why would anyone come here? But I've been happy with our house and neighborhood and the schools. Recent efforts to show some pride, both from the City and County and plucky individuals are steps in the right direction." Another stakeholder said, **"We have terrific people who, over the past five to 10 years, have adopted more of a 'we can do it' attitude that is making a big difference."**

The research findings in this document will ultimately inform an actionable and consensus-based Holistic Economic Development Strategy for Topeka-Shawnee County. It will include specific initiatives that seek to address challenges and leverage opportunities in a direct and measurable fashion. Simply by taking the first steps toward advancing a shared vision, regardless of what initial criticisms may come, Topeka-Shawnee County can dramatically improve the perceptions that its residents have about their own community and what is truly possible.

APPENDIX A: REGIONAL SCORECARDS

Appendix A presents a complete series of scorecards – referenced throughout this report – that demonstrate how Greater Topeka (defined here as the Topeka, KS Metropolitan Statistical Area) compares to nine other metropolitan areas with which it competes for jobs and workers. Each scorecard evaluates the region’s competitiveness across multiple indicators that help measure how Greater Topeka has performed in recent years in key areas that reflect its ability to grow prosperity. These scorecards, the concepts they measure, and examples of the indicators they include are as follows.

1. **Economic Performance:** employment, output, wages, income, poverty
2. **Workforce Sustainability:** age composition, educational attainment, migration, higher education
3. **Innovation and Entrepreneurship:** self-employment, startups, small business loans
4. **Business Environment:** infrastructure, business costs (utility rates, lease rates), labor productivity
5. **Quality of Life:** crime, commuting, cost of living, health outcomes, recreational amenities

Each of the five scorecards presents a series of rankings (1-10), evaluating the performance of the Topeka Metropolitan Statistical Area against the following nine regions with which it shares attributes and/or competes for jobs and workers:

6. **Des Moines, IA** (Des Moines-West Des Moines, IA Metropolitan Statistical Area)
7. **Fort Smith, AR-OK** (Fort Smith, AR-OK Metropolitan Statistical Area)
8. **Jefferson City, MO** (Jefferson City, MO Metropolitan Statistical Area)
9. **Lincoln, NE** (Lincoln, NE Metropolitan Statistical Area)
10. **Little Rock, AR** (Little Rock-North Little Rock-Conway, AR Metropolitan Statistical Area)
11. **Sioux Falls, SD** (Sioux Falls, SD Metropolitan Statistical Area)
12. **Springfield, IL** (Springfield, IL Metropolitan Statistical Area)
13. **Springfield, MO** (Springfield, MO Metropolitan Statistical Area)
14. **Wichita, KS** (Wichita, KS Metropolitan Statistical Area)

All data for the aforementioned comparisons is collected at the metropolitan level unless otherwise indicated. Scorecards include column headings with the primary city names and states for each metropolitan area for ease of interpretation and comparison. **Rankings are color-coded with top performers appearing in shades of green, middle-of-the-pack in shades of yellow and orange, and bottom performers in shades of red. A ranking of “1” signals that the community is the top performer, but does not necessarily have the highest value (for example, the community with the lowest crime rate would receive a ranking of “1”).** Each scorecard is accompanied by a table displaying the data from which the rankings were derived.

ECONOMIC PERFORMANCE: SCORECARD

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Employment and Unemployment											
1-yr employment growth rate	2014-15	10	4	8	7	3	5	2	9	1	6
5-yr employment growth rate	2010-15	7	2	10	9	4	6	1	8	3	5
Unemployment rate	May 2016	7	3	9	4	2	4	1	10	4	8
Establishments											
5-yr Private establishments chg.	2010-15	7	2	10	6	1	9	3	8	4	5
Business bankruptcy rate per 1k est.*	2014	1	7	5	9	2	6	3	4	8	10
5-yr chg. business bankruptcy rate per 1k est.*	2009-14	1	7	8	9	2	3	6	5	4	10
Exports, Output, and Productivity											
Exports per worker	2013	6	3	9	2	4	7	5	1	10	8
Gross domestic product (GDP) per worker	2014	7	1	6	9	5	3	2	10	8	4
GDP 5-year chg.	2009-14	10	4	2	7	1	5	3	9	8	6
Wages, Income, and Poverty											
Average annual wage (AAW)	2015	7	2	10	8	6	5	3	1	9	4
5-yr AAW chg.	2010-15	10	2	3	8	4	7	1	6	5	9
Per capita income (PCI)	2014	7	1	10	8	4	6	2	5	9	3
5-yr PCI chg.	2009-14	7	4	1	10	2	9	3	8	6	5
Total poverty rate	2014	5	2	10	3	4	7	1	8	9	6
Child poverty rate	2014	6	2	10	4	3	7	1	8	9	5
5-yr pct. pt. chg. total poverty rate	2009-14	2	7	10	8	1	3	4	9	5	6
5-yr pct. pt. chg. child poverty rate	2009-14	1	6	10	8	5	2	3	9	4	7
Average Ranking, All Indicators		5.94	3.47	7.71	7.00	3.12	5.53	2.59	6.94	6.24	6.29
Average Ranking, All Indicators		5	3	10	9	2	4	1	8	6	7

*Per 1,000 private sector establishments

ECONOMIC PERFORMANCE: DATA VALUES

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Employment and Unemployment											
1-yr employment growth rate	2014-15	-0.3%	1.2%	0.2%	0.5%	1.2%	0.9%	1.3%	0.1%	1.4%	0.7%
5-yr employment growth rate	2010-15	1.6%	9.9%	-1.8%	-0.8%	7.4%	2.2%	10.8%	1.5%	7.9%	3.4%
Unemployment rate	May 2016	3.7%	3.2%	4.6%	3.4%	2.5%	3.4%	2.1%	4.8%	3.4%	4.1%
Establishments											
5-yr Private establishments chg.	2010-15	1.7%	15.0%	-6.4%	1.7%	23.7%	-1.7%	9.7%	0.5%	6.3%	2.5%
Business bankruptcy rate per 1k est.*	2014	1.45	2.58	2.26	2.83	2.08	2.33	2.18	2.21	2.82	3.65
5-yr chg. business bankruptcy rate per 1k est.*	2009-14	-82.3%	-55.5%	-37.0%	-23.5%	-72.4%	-68.0%	-57.3%	-61.4%	-64.8%	-20.0%
Exports, Output, and Productivity											
Exports per worker	2013	\$69,945	\$74,970	\$52,830	\$102,953	\$73,924	\$66,432	\$71,790	\$210,722	\$40,140	\$57,860
Gross domestic product (GDP) per worker	2014	\$82,645	\$120,995	\$87,473	\$81,065	\$94,202	\$105,467	\$116,232	\$71,307	\$82,360	\$95,076
GDP 5-year chg.	2009-14	7.8%	18.1%	19.1%	12.0%	19.6%	14.4%	18.6%	8.7%	10.4%	14.0%
Wages, Income, and Poverty											
Average annual wage (AAW)	2015	\$41,046	\$52,173	\$37,355	\$38,779	\$41,756	\$44,148	\$44,884	\$52,322	\$38,121	\$44,614
5-yr AAW chg.	2010-15	8.1%	14.8%	12.9%	10.3%	12.6%	11.4%	16.7%	11.8%	11.9%	9.7%
Per capita income (PCI)	2014	\$40,720	\$48,797	\$33,900	\$38,463	\$43,399	\$40,925	\$48,592	\$42,185	\$35,931	\$45,297
5-yr PCI chg.	2009-14	12.5%	13.1%	16.3%	10.8%	15.1%	10.9%	15.0%	11.3%	12.7%	13.0%
Total poverty rate	2014	14.0%	11.6%	22.1%	13.3%	13.7%	14.3%	9.9%	15.0%	18.5%	14.2%
Child poverty rate	2014	19.4%	15.1%	30.8%	18.4%	15.6%	20.2%	11.9%	22.2%	23.5%	18.8%
5-yr pct. pt. chg. total poverty rate	2009-14	-1.1%	1.6%	3.3%	2.0%	-1.1%	-0.4%	0.6%	2.1%	1.3%	1.4%
5-yr pct. pt. chg. child poverty rate	2009-14	-2.3%	1.3%	4.0%	2.1%	0.8%	-1.5%	0.4%	2.4%	0.8%	1.6%

*Per 1,000 private sector establishments

WORKFORCE SUSTAINABILITY: SCORECARD

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Population Change											
5-yr population growth rate	2010-15	10	2	9	7	3	5	1	8	4	6
5-yr labor force growth rate	2010-15	8	2	10	6	4	5	1	9	3	7
% of in-migrants w/bachelor's degree +	2014	9	1	8	10	5	3	6	2	7	4
% of in-migrants w/less than a HS diploma	2014	4	1	8	10	3	5	9	2	6	7
Age Composition											
Dependency ratio (Age 25-44 / Age 45-64)	2015	10	1	8	7	3	4	2	9	5	6
Workers age 55+	2016	8	4	6	9	7	3	1	10	2	5
Educational Attainment											
% 3- and 4-year olds enrolled in Pre-K	2014	3	4	6	10	9	5	2	1	7	8
% of population over 15 enrolled in college	2014	8	5	10	7	1	3	6	9	2	4
Pop 25+ w/assoc. degree +	2014	7	2	10	9	1	6	3	4	8	5
Pop 25+ w/bachelor's degree +	2014	7	1	10	9	2	6	3	4	8	5
5-yr pct. pt. chg. w/assoc. degree +	2009-14	5	3	4	8	9	6	1	10	7	2
5-yr pct. pt. chg. w/bachelor's degree +	2009-14	8	4	5	6	10	3	1	9	7	2
Average ranking score, all indicators		7.25	2.50	7.83	8.17	4.75	4.50	3.00	6.42	5.50	5.08
Average Ranking, All Indicators		8	1	9	10	4	3	2	7	6	5

WORKFORCE SUSTAINABILITY: DATA VALUES

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Population Change											
5-yr population growth rate	2010-15	-0.2%	8.9%	-0.2%	0.8%	6.8%	4.2%	9.9%	0.3%	4.4%	2.0%
5-yr labor force growth rate	2010-15	-2.5%	5.1%	-4.4%	-1.6%	3.5%	-0.3%	8.3%	-3.6%	4.4%	-2.2%
% of in-migrants w/bachelor's degree +	2014	20.4%	43.9%	23.1%	20.1%	28.6%	29.4%	28.3%	38.9%	26.0%	28.8%
% of in-migrants w/less than a HS diploma	2014	8.8%	7.1%	14.7%	22.5%	8.3%	12.3%	15.9%	8.0%	12.9%	14.4%
Age Composition											
Dependency ratio (Age 25-44 / Age 45-64)	2015	0.87	1.14	0.95	0.95	1.13	1.09	1.14	0.90	1.03	1.03
Workers age 55+	2016	22.4%	21.1%	21.5%	22.6%	21.5%	20.9%	20.8%	23.0%	20.9%	21.4%
Educational Attainment											
% 3- and 4-year olds enrolled in Pre-K	2014	50.3%	47.1%	44.5%	26.0%	33.7%	46.8%	51.9%	71.0%	41.0%	36.8%
% of population over 15 enrolled in college	2014	7.0%	7.4%	5.9%	7.1%	15.5%	9.1%	7.3%	6.7%	12.4%	8.7%
Pop 25+ w/assoc. degree +	2014	35.1%	46.8%	24.9%	32.8%	47.1%	35.8%	43.9%	39.7%	33.8%	37.0%
Pop 25+ w/bachelor's degree +	2014	27.1%	36.1%	16.6%	25.4%	35.6%	28.6%	32.6%	31.3%	26.4%	29.4%
5-yr pct. pt. chg. w/assoc. degree +	2009-14	3.0%	3.2%	3.1%	2.2%	1.1%	2.9%	4.5%	0.9%	2.3%	3.9%
5-yr pct. pt. chg. w/bachelor's degree +	2009-14	1.9%	2.3%	2.2%	2.1%	0.8%	2.6%	3.8%	1.0%	1.9%	2.9%

INNOVATION AND ENTREPRENEURSHIP: SCORECARD

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Research and Development Activity											
Patents per 100,000 residents	2015	10	1	9	8	2	6	5	3	7	4
Startups, Small Businesses, and Self-Employed											
Self-employment as a share of total employment	2015	8	4	1	5	9	3	6	10	2	7
Pct. pt. chg. in self-employment as a share of total emp.	2009-15	9	4	6	2	8	1	5	3	10	7
Average annual wage of self-employed workers	2016	5	1	9	7	10	3	2	4	8	6
5-yr chg. in self-employed average annual wages	20011-16	2	3	6	4	10	7	8	5	1	9
% of total employment in firms w/ fewer than 50 employees	Q12015	7	10	5	1	3	4	9	6	2	8
5-yr chg. in share of firms w/ fewer than 50 employees	Q12010-15	9	2	3	1	8	5	6	10	7	4
% of total employment in firms less than 5 yrs old	Q12015	2	10	8	9	4	1	6	7	3	5
5-yr chg. In share of firms less than 5 yrs old		1	2	9	10	4	7	6	5	8	3
Capital Environment											
Small business loans (originations) per 1,000 residents	2013	10	3	8	2	5	4	1	9	6	7
5-yr chg. in small business loans (originations) per 1,000 residents	2008-13	10	5	6	1	8	3	2	7	4	9
Average Ranking, All Indicators		6.64	4.09	6.36	4.55	6.45	4.00	5.09	6.27	5.27	6.27
Average Ranking, All Indicators		10	2	8	3	9	1	4	6	5	6

INNOVATION AND ENTREPRENEURSHIP: DATA VALUES

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Research and Development Activity											
Patents per 100,000 residents	2015	3.4	35.0	6.1	6.6	22.3	8.3	16.7	17.5	7.7	17.1
Startups, Small Businesses, and Self-Employed											
Self-employment as a share of total employment	2015	4.8%	5.7%	6.7%	5.3%	4.4%	5.8%	5.3%	3.5%	6.4%	5.2%
Pct. pt. chg. in self-employment as a share of total emp.	2009-15	-0.7%	-0.3%	-0.4%	0.0%	-0.6%	0.3%	-0.3%	-0.1%	-0.9%	-0.4%
Average annual wage of self-employed workers	2016	\$24,887	\$29,826	\$24,146	\$24,658	\$22,450	\$25,279	\$28,647	\$25,154	\$24,576	\$24,860
5-yr chg. in self-employed average annual wages	20011-16	6.3%	5.9%	1.4%	2.2%	-5.3%	-3.77%	-3.9%	1.9%	8.0%	-4.0%
% of total employment in firms w/ fewer than 50 employees	Q12015	26.2%	22.1%	26.9%	32.5%	27.6%	27.0%	24.6%	26.8%	27.7%	24.9%
5-yr chg. in share of firms w/ fewer than 50 employees	Q12010-15	-1.4%	0.7%	0.6%	3.2%	-1.2%	-0.1%	-0.4%	-2.7%	-0.7%	0.1%
% of total employment in firms less than 5 yrs old	Q12015	9.4%	7.7%	8.1%	7.9%	9.1%	9.7%	8.3%	8.2%	9.2%	8.5%
5-yr chg. In share of firms less than 5 yrs old	Q12010-15	-0.3%	-0.5%	-2.5%	-2.7%	-0.9%	-1.9%	-1.4%	-1.4%	-2.0%	-0.6%
Capital Environment											
Small business loans (originations) per 1,000 residents	2013	8.78	14.69	10.79	15.33	14.36	14.54	20.12	10.02	13.82	11.63
5-yr chg. in small business loans (originations) per 1,000 residents	2008-13	-64.8%	-51.0%	-53.7%	-46.4%	-54.9%	-50.0%	-46.6%	-54.4%	-50.6%	-55.5%

BUSINESS ENVIRONMENT: SCORECARD

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Infrastructure											
Distance in miles to closest major airport*	2016	7	3	8	10	6	2	1	9	5	4
Passenger departures	2015	3	5	8	1	4	6	9	1	10	7
5-yr passenger departures per chg.	2014-15	2	7	6	3	8	10	9	3	1	5
Average domestic airfare	Q12016	3	4	N/A	1	5	7	N/A	1	N/A	6
Business Costs											
Commercial electricity costs (cents per kilowatt hr.)^	May-16	9	7	1	5	3	1	8	4	5	9
Industrial electricity costs (cents per kilowatt hr.)^	May-16	8	3	1	5	7	1	10	4	5	8
Class A office cost (per sq ft in core city)	May-16	8	5	2	1	6	9	7	10	3	4
Industrial cost (per sq ft in core city)	May-16	1	7	3	8	5	3	6	2	4	3
Retail cost (per sq ft in core city)	May-16	4	5	2	5	7	6	8	10	1	3
Ratio of private sector labor productivity to labor cost**	2013	2	6	10	9	8	7	5	4	1	3
Business Climate											
CFED Business and Jobs Outcome State Rank^	2016	2	5	8	6	10	8	1	4	6	2
CFED Business and Jobs Policy State Rank^	2016	7	3	3	1	7	3	3	7	1	7
Average Ranking, All Indicators		4.67	5.00	4.73	4.58	6.33	5.25	6.09	4.92	3.82	5.08
Average Ranking, All Indicators		3	6	4	2	10	8	9	5	1	7

* Defined as in the top 150 US airports based on passenger enplanements

^ Data is at the state-level

** Defined as total gross regional product (labor productivity) divided by total earnings (labor cost)

BUSINESS ENVIRONMENT: DATA VALUES

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Infrastructure											
Distance in miles to closest major airport*	2016	76	5	82	125	63	4	3	105	9	7
Passenger departures	2015	5,135,127	1,156,450	629,903	6,239,231	2,046,155	958,510	493,520	6,239,231	447,843	773,526
5-yr passenger departures per capita chg.	2014-15	3.1%	1.3%	1.7%	2.1%	1.3%	-4.6%	0.6%	2.1%	6.6%	2.1%
Average domestic airfare	Q12016	\$375.26	\$394.50	N/A	\$368.24	\$403.35	\$441.24	N/A	\$368.24	N/A	\$405.70
Business Costs											
Commercial electricity costs (cents per kilowatt hr.)^	May-16	10.44	9.44	8.2	9.35	8.79	8.2	9.55	9.02	9.35	10.44
Industrial electricity costs (cents per kilowatt hr.)^	May-16	7.43	5.71	5.62	6.96	7.36	5.62	7.52	6.33	6.96	7.43
Office property asking rent (per sq ft in metro)	May-16	\$13.50	\$12.71	\$10.78	\$10.24	\$12.91	\$15.87	\$13.18	\$16.31^	\$11.41	\$12.52
Industrial property asking rent per sq ft in metro)	May-16	\$4.09	\$6.49	\$4.52^	\$5.61^	\$5.14	4.52^	\$5.66	\$4.28	\$4.80	\$4.74
Retail property asking rent (per sq ft in metro)	May-16	\$11.36	\$13.50	\$10.92	\$12.09^	\$14.25	\$13.58	\$14.34	\$15.38^	\$10.26	\$11.20
Ratio of labor productivity to labor cost**	2013	\$1.60	\$1.77	\$1.82	\$1.81	\$1.80	\$1.80	\$1.76	\$1.69	\$1.57	\$1.61
Business Climate											
CFED Business and Jobs Outcome State Rank^	2016	25	33	39	36	40	39	21	27	36	25
CFED Business and Jobs Policy State Rank^	2016	36	27	27	17	36	27	27	36	17	36

* Defined as in the top 150 US airports based on passenger enplanements

^ Data is at the state-level

** Defined as total gross regional product (labor productivity) divided by total earnings (labor cost)

QUALITY OF LIFE: SCORECARD

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Crime											
Violent crime rate per 100K residents	2014	5	3	6	1	2	8	4	9	7	N/A
Property crime rate per 100K residents	2014	7	3	5	1	4	9	2	6	8	N/A
5-yr chg. violent crime rate per 100K residents	2009-14	4	6	5	1	2	3	8	N/A	7	N/A
5-yr. property crime rate per 100K residents	2009-14	9	3	6	2	1	7	10	3	3	N/A
Commuting and Congestion											
% of commuters who drive alone to work	2014	9	3	6	2	1	7	10	3	3	7
% of commuters w/ commute times > 30 minutes	2014	6	5	4	2	9	1	10	8	3	7
Mean travel time to work (minutes)	2014	5	5	8	7	2	10	1	4	9	3
Affordability and Cost of Living											
Home affordability ratio	2014	1	4	5	7	9	8	6	2	10	3
Renters spending 30%+ of income on rent	2014	4	2	9	3	7	6	1	8	10	5
Cost of living index	2014	4	3	N/A	6	5	8	N/A	2	1	7
Health											
Physicians per 100K residents	2014	8	5	10	9	7	1	3	2	4	6
% of adults reporting poor or fair health	2016	5	3	10	7	1	9	2	4	8	6
% of adults reporting BMI >= 30	2016	9	4	10	8	1	7	2	5	3	6
% of population under age 65 w/out health insurance	2016	6	1	10	5	4	8	3	2	9	7
Recreation and Volunteerism											
Walk Score (Principal City)	2016	6	1	6	10	2	9	4	5	3	6
Recreation and fitness facilities per 100K residents	2012	10	2	7	8	3	6	1	4	5	9
Charitable revenue per capita	2016	7	1	10	8	4	6	3	2	5	9
Average Ranking, All Indicators		6.18	3.18	7.31	5.12	3.76	6.65	4.38	4.31	5.76	6.23
Average Ranking, All Indicators		7	1	10	5	2	9	4	3	6	8

QUALITY OF LIFE: DATA VALUES

	Year	Topeka, KS	Des Moines, IA	Fort Smith, AR-OK	Jefferson City, MO	Lincoln, NE	Little Rock, AR	Sioux Falls, SD	Springfield, IL	Springfield, MO	Wichita, KS
Crime											
Violent crime rate per 100K residents	2014	368.4	316.8	424.7	236.1	301.4	696.4	327.6	767.0	535.9	N/A
Property crime rate per 100K residents	2014	3,435.7	2,498.6	3,103.5	1,953.5	3,048.8	4,385.2	2,278.9	3,299.9	3,916.8	N/A
5-yr chg. violent crime rate per 100K residents	2009-14	-11.6%	15.1%	-4.1%	-24.9%	-24.8%	-11.8%	54.6%	N/A	26.6%	N/A
5-yr. property crime rate per 100K residents	2009-14	-13.0%	-9.6%	-5.7%	-11.6%	-14.2%	-16.9%	1.1%	N/A	-11.0%	N/A
Commuting and Congestion											
% of commuters who drive alone to work	2014	84.8%	82.7%	83.3%	81.7%	80.9%	83.8%	84.9%	82.7%	82.7%	83.8%
% of commuters w/ commute times > 30 minutes	2014	79.3%	79.2%	74.8%	71.8%	81.5%	70.5%	86.1%	80.8%	73.9%	80.5%
Mean travel time to work (minutes)	2014	20.1	20.1	21.4	20.9	18.9	22.9	18.3	19.4	21.8	19.3
Affordability and Cost of Living											
Home affordability ratio	2014	2.22	2.63	2.72	2.83	2.89	2.85	2.77	2.39	3.17	2.44
Renters spending 30%+ of income on rent	2014	46.3%	42.0%	51.8%	42.8%	47.4%	47.1%	39.2%	51.6%	53.5%	46.5%
Cost of living index	2014	90.5	89.8	N/A	91.4	90.8	95.2	N/A	88.9	88.7	93.1
Health											
Physicians per 100K residents	2014	198	261	164	171	217	625	370	500	330	242
% of adults reporting poor or fair health	2016	14.0%	11.7%	23.0%	15.0%	9.9%	17.6%	11.0%	13.9%	16.5%	14.0%
% of adults reporting BMI >= 30	2016	32.6%	29.8%	36.5%	31.6%	26.3%	31.5%	28.1%	30.0%	29.7%	30.9%
% of population under age 65 w/out health insurance	2016	11.3%	7.6%	18.8%	10.9%	10.2%	14.0%	9.3%	8.4%	14.3%	12.6%
Recreation and Volunteerism											
Walk Score (Principal City)	2016	34	44	34	24	42	33	36	35	38	34
Recreation and fitness facilities per 100K residents	2012	6.4	14.9	6.8	6.7	13.8	9.1	16.0	11.3	10.3	6.4
Charitable revenue per capita	2016	\$7,242	\$14,436	\$1,961	\$6,348	\$8,345	\$7,476	\$10,838	\$13,706	\$8,194	\$4,626

Scorecards: Data Sources

Economic Performance

- 1-year and 5-year Employment Change: Economic Modeling Specialists Intl. (EMSI)
- Unemployment Rate: U.S. Bureau of Labor Statistics (BLS)
- 5-year Establishments Change: BLS
- Business Bankruptcy Rate per 1,000 Establishments and 5-year Change: U.S. District Courts, BLS; Moody's
- Exports per Worker: EMSI
- Gross Metropolitan Product per Worker: U.S. Bureau of Economic Analysis (BEA), BLS
- Gross Domestic Product 5-year Change: BEA
- Average Annual Wage and 5-year Change: BLS
- Per Capita Income and 5-year Change: BEA
- Total and Child Poverty Rate and 5-year Changes: U.S. Census Bureau, Small Area Income and Poverty Estimates

Workforce Competitiveness

- 5-year Population Growth Rate: U.S. Census Bureau, Population Estimates
- 5-year Labor Force Growth Rate: BLS

- In-Migrants with Bachelor's Degree+: U.S. Census Bureau, American Community Survey (ACS) 1-year Estimates
- In-Migrants with less than a High School Diploma+: U.S. Census Bureau, ACS 1-year Estimates
- Dependency Ratio (Age 25-44/Age 45-64): U.S. Census Bureau, American Community Survey (ACS) 1-year Estimates
 - *A dependency ratio is a general measure of the sustainability of a workforce. The dependency ratio divides the number of workers aged 25 to 44 by those age 45 to 64, the resulting ratio identifies potential workforce shortages caused by retirements over the next twenty years. A ratio below 1.0 indicates that those aged 45 to 64—those workers who will retire or will be near retirement over the next twenty years—outnumber those aged 25 to 44—those workers who will likely replace vacating retiree positions. A ratio below 1.0 is considered to be unsustainable over the long term, particularly if the occupation or business sector is growing. A ratio above 1.0 indicates that those aged 25 to 44 outnumber those aged 45 to 64. While a ratio above 1.0 is said to be sustainable, workforce availability challenges may still be encountered over the long term, especially in rapidly growing occupations and business sectors.*
- Workers Age 55+: EMSI
- Percent of 3- and 4-year olds Enrolled in Pre-K: U.S. Census Bureau, ACS 1-year Estimates

- Share of Population Aged 15 and Above Enrolled in College: U.S. Census Bureau, ACS 1-year Estimates
- Share of Adults Age 25+ with Associate's Degree+: U.S. Census Bureau, ACS 1-year Estimates
- Share of Adults Age 25+ with Bachelor's Degree+: U.S. Census Bureau, ACS 1-year Estimates
- 5-year Percentage Point Change in Share of Adults Age 25+ with Associate's Degree+: U.S. Census Bureau, ACS 1-year Estimates
- 5-year Percentage Point Change in Share of Adults Age 25+ with Bachelor's Degree+: U.S. Census Bureau, ACS 1-year Estimates

Innovation and Entrepreneurship

- Patents: United States Patent and Trademark Office (USPTO)
- Self-Employed Workers: EMSI
- Percentage Point Change in Self-Employed Workers: EMSI
- Average Annual Wage of Self-Employed Workers: EMSI
- Average Annual Wage of Self-Employed Workers: EMSI
- Percentage of Employment in Firms with Fewer Than 50 Employees: U.S. Census Bureau, Quarterly Workforce Indicators (QWI)
- Percentage of Employment in Firms with Fewer Than 5 Years Old: QWI

- Small Business Loans (originations) per 1,000 residents and 5-year Change: U.S. Federal Financial Institutions Examination Council (FFIEC): Community Reinvestment Act (CRA); Moody's Analytics Calculated

Business Environment

- Distance in Miles to Closest Major Airport: Google Maps from Central Business District of Principal City
- Air Passenger Departure Rank: Federal Aviation Administration (FAA), Research and Innovative Technology Administration Bureau of Transportation Statistics (RITA-BTS)
- 5-year Passenger Departure Change: FAA, RITA-BTS
- Average Domestic Airfare: FAA, RITA BTS
- Commercial Electricity Costs: Energy Information Administration (EIA)
- Industrial Electricity Costs: EIA
- Class A Office Cost (Per Square Foot in Core City): Loopnet
- Industrial Cost (Per Square Foot in Core City): Loopnet
- Retail Cost (Per Square Foot in Core City): Loopnet
- Ratio of Private Sector Labor Productivity to Labor Costs: BEA, BLS
 - *Indicator is measured by dividing private sector gross regional product (a proxy for labor productivity) in each*

region by total earnings. This produces a ratio that indicates the amount of output generated for every dollar spent on wages, salaries, supplements, and proprietor income.

- Business and Jobs Outcome and Policy State Rank: Corporation for Enterprise Development (CFED)
 - *Policy rankings are based on 15 outcomes and 10 state policies. Outcome rankings are based on indicators that range from microenterprise ownership rate to underemployment rate. Policy priorities include microbusiness support, minimum wage, workforce development sector partnerships, and unemployment benefits, among others. For more information, please visit <http://scorecard.assetsandopportunity.org>*

Quality of Life

- Violent and Property Crime Rate per 100,000 Residents and 5-year Changes: Federal Bureau of Investigation, Uniform Crime Reporting
- Percentage of Commuters who Drive Alone to Work: U.S. Census Bureau, ACS 1-year Estimates
- Percentage of Commuters with Commute Times Greater than 30 Minutes: U.S. Census Bureau, ACS 1-year Estimates
- Mean Travel Time to Work: U.S. Census Bureau, ACS 1-year Estimates
- Home Affordability Ratio: U.S. Census Bureau, ACS 1-year Estimates

- *This ratio looks at the median price of a home relative to the median household income*
- Renters Spending 30% or More of Income on Rent: U.S. Census, ACS 1-year Estimates
- Cost of Living Index: Council for Community and Economic Research (C2ER)
- Physicians per 100,000 Residents: Sperling's
- Adults Reporting Fair or Poor Health: County Health Rankings and Roadmaps
- Adults Reporting a BMI of Greater than or Equal to 30: County Health Rankings and Roadmaps
- Population under Age 65 without Health Insurance: County Health Rankings and Roadmaps
- Walk Score (Principal City): Walkscore.com
- Recreation and Fitness Facilities per 100,000 Residents: U.S. Department of Agriculture Health Atlas
- Charitable Revenue per Capita: National Center for Charitable Statistics

ENDNOTES

ⁱ Components of Population Change figures also include “residual” adjustments to arrive at a final population count. A discussion of this process is beyond the scope of this Assessment and of limited relevance given the very small residuals in Shawnee County during the time period in question.

ⁱⁱ This data program has some limitations. While it provides information on the number of exemptions claimed on every return, this metric does not have an exact one-to-one relationship with actual people in a household. Second, the program tracks only those tax filers who submit a return in two consecutive years. As such, the program is known to undercount the elderly, college students, immigrants, and others who may not file a tax return in consecutive years. Additionally, because of their radically different methodologies, the figures from the IRS program do not match Census Components of Population Change figures.

ⁱⁱⁱ A “primary job” is defined by the LEHD program as the one job during the reference period that provides each person with the most earnings. If a person holds one job, that is their primary job. If a person holds two or more jobs, then the one with the most earnings is defined as the primary job.

^{iv} All crime rates for counties and MSAs are derived from FBI data and include statistics from all police departments within the geography. Data was not available for the Wichita, KS MSA.

^v Kirkham, C. “Apartment-Building Boom Looks Set to Ease.” *The Wall Street Journal*. February 27, 2016.

^{vi} Free and reduced lunch data is derived from the National Center for Education Statistics. To qualify for reduced price lunches, a student must come from a household earning a maximum of 185 percent of the federal poverty level, or roughly \$44,955 for a family of four. To qualify for free lunches, students must come from households earning a maximum of 130 percent of the federal poverty level, or roughly \$31,590 for a family of four.

^{vii} An analysis of the subsector data within administrative and support services reveals that the majority of the jobs gained were within employment placement agencies and temporary help services. The two subsectors accounted for roughly two-thirds of all jobs gained in Topeka-Shawnee County between 2005 and 2015. Staffing patterns data reveals that the top occupations found within these subsectors include laborers and material movers, team assemblers, packers and packagers, production worker helpers, and packaging and filling machine operators and tenders – all of which are critical occupations within manufacturing and distribution operations. Occupations that involve the actual production of goods account for a further 600 jobs within the employment services subsector.

^{viii} GO Topeka Target Industry Update, January 2014

^{ix} Hooper, M. “Founders of Advisors Excel buy printing company, move it to Topeka.” *The Topeka Capital-Journal*. April 19, 2015.

^x Caroline Ratcliffe and Signe-Mary McKernan. “Child Poverty and Its Lasting Consequence.” The Urban Institute, September 2012.

^{xi} Mental Health is the number of child hospital discharges of mental health diagnoses per 1,000 children under age 18. Mental health diagnoses range from Diagnosis-Related Groups (DRG) 880–887, which also cover all the medical DRGs in the Major Diagnostic Categories 19 – Mental Diseases and Disorders. Data are provided by the Kansas Hospital Association and Kansas Department of Health and Environment. Population estimates data are from the U.S. Census Bureau. The current rate represents the number of discharges per 1,000 children for federal fiscal year 2014.

^{xii} The CRC has released its January 2016 figures, but the 2015 figures are used in this report to benchmark Topeka-Shawnee County to the nation using the same dataset. According to the CRC, there were 417 individuals experiencing homelessness in January 2016.

^{xiii} “Point in Time Homeless County Data Released.” Community Resource Council. Press release. June 22, 2015. Retrieved from: <http://media.graytvinc.com/documents/Point+in+Time+Homeless+Count+2015.pdf>

^{xiv} “The 2015 Annual Homeless Assessment Report (AHAR) to Congress.” U.S. Department of Housing and Urban Development. November 2015.



Agenda Item No. 9

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Action Item: Approve 2017 Economic Development Strategic Business Plan and Budget: GO Topeka staff.

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

**Financial Forecast & Accountant's
Compilation Report**

December 31, 2017 and 2016



MIZE & HOUSER
COMPANY P.A.

Accountant's Compilation Report

Growth Organization of Topeka / Shawnee County, Inc.
120 S.E. 6th Ave.
Topeka, Kansas 66603

We have compiled the accompanying forecasted and budgeted statements of receipts and expenditures – cash basis of Growth Organization of Topeka / Shawnee County, Inc. (Go Topeka) for the years ending December 31, 2017 and 2016 in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting, in the form of prospective financial statements, information that is the representation of management, and does not include an evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying statements or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

We are not independent with respect to Growth Organization of Topeka / Shawnee County, Inc.

Mize Houser & Company P.A.

Mize Houser & Company P.A.
Certified Public Accountants

December 5, 2016
Topeka, Kansas

BNO:rb
Enclosure

Growth Organization of Topeka / Shawnee County, Inc.
Forecasted Statement of Receipts and Disbursements - Cash Basis

	Forecast		
	Proposed Budget Year Ending 2017	Estimated/ Expected Year Ending 2016	Approved Budget Year Ending 2016
Receipts:			
Sales Tax	5,000,000	5,000,000	5,000,000
Other income	23,400	19,000	12,000
Total Receipts	5,023,400	5,019,000	5,012,000
Expenditures:			
Salaries & Personnel	330,394	230,000	253,601
Payroll taxes and benefits	101,201	63,000	71,184
Total Staffing excluding EMBD ^{(1) (2)}	431,595	293,000	324,785
Departmental activities			
New business attraction	350,250	360,000	367,350
Existing Business	46,400	45,000	51,970
Workforce development	231,900	175,000	197,520
Entrepreneurial and Minority Bus Dev (EMBD) ⁽³⁾	495,214	500,000	521,480
Entrepreneurial Development	86,700	110,000	111,700
Research/Social Media	59,550	26,000	26,600
Government relations	43,750	43,000	43,750
Total Departmental	1,313,764	1,259,000	1,320,370
Utilities/Phone/Copy/Equip/IT/Capital Expend.	72,430	75,000	81,270
Rent/Office maintenance	75,040	75,000	75,030
Insurance/Taxes/Legal	38,240	36,500	38,240
Accounting/Audit/Consulting	70,000	70,000	70,000
Travel/Auto	9,000	12,500	17,000
Dues/Subscriptions	11,700	12,000	11,700
Meetings/Postage/Printing	7,000	9,000	8,700
Supplies	21,000	25,000	29,900
JEDO	15,000	10,000	15,000
Contingencies	3,000	5,000	6,300
Total Operating Expenditures	2,067,769	1,882,000	1,998,295
Total Receipts over Operating Expenditures	2,955,631	3,137,000	3,013,705
Heartland Visioning	75,000	60,000	60,000
JEDO Consultant	75,000	60,000	30,000
	<u>75,000</u>	<u>60,000</u>	<u>90,000</u>
Incentives, Site Expenditures and other:			
Anticipated expenditures on current commitments ⁽⁴⁾	1,736,290	130,070	1,097,500
Indirect site/incentive expenditures/signage/entryway	96,700	45,000	95,000
New incentives	500,000		500,000
New Workforce Initiatives ⁽⁵⁾	550,000		825,000
New Business Initiatives ⁽⁶⁾	300,000		850,000
Total Incentives, Site Expenditures and other	3,182,990	175,070	3,367,500
Transfer from (to) cash, investments and land held for development	302,359	(2,901,930)	443,795
Net	0	0	0

Summary of Significant Forecast Assumptions - Footnotes

- (1) Includes estimated 12% health insurance increase July 1, 2017.
- (2) Budget for 2017 is based on 5.3 FTEs This excludes the 1.7 EMBD FTE's.
- (3) This amount is net of EMBD program income. Includes salaries, taxes and benefits budgeted for 1.7 FTEs, \$156,914 in 2017 and \$129,780 in 2016.
- (4) \$1,026,090 re-allocated from 2016 to 2017 due to project timing.
- (5) Includes \$550,000 (Broadband \$250k, East Topeka Learning Center \$300k)
- (6) \$300,000 for Small Business Incentive program

Growth Organization of Topeka / Shawnee County, Inc.
Forecasted Statement of Receipts and Disbursements - Cash Basis

Summary of Significant Forecast Assumptions and Accounting Policies

The financial forecast presents, to the best of management's knowledge and belief, the Organization's expected results of operations for the forecast period. Accordingly, the forecast reflects management's judgment as of December 5, 2016, the date of this forecast, of the expected conditions and its expected course of action. The assumptions disclosed herein are those that management believes are significant to the forecast. There may be differences between the forecasted and actual results. Other assumption footnotes are on page 1 of 2.

The above prospective information is prepared on a cash basis of accounting. The Organization's historical financial statements, however, reflect unused cash and certain expenditures for land acquisitions and site improvements as assets.



2017 Program Overview and Budget

Executive Summary

GO Topeka Economic Partnership serves as the community leader in fostering opportunities for economic growth and prosperity for Topeka and Shawnee County. The organization provides a range of work that is targeted to support New Business Attraction, Existing Business Retention and Expansion, Workforce and Education, and Entrepreneurial Development. A significant part of what GO Topeka does is the development and nurturing of trusting relationships with local business, community and civic leaders, in addition to leaders that can affect economic prosperity in Topeka and Shawnee County at the regional, state and national levels. The role of GO Topeka is not only to attract and retain jobs, but also to educate the community regarding the improvements necessary to be competitive and successful in today's business economy.

A main goal of 2017 is completion of the Holistic Economic Development Strategy. The outcomes and implementation plan developed during the process will provide a roadmap for GO Topeka to further develop and adjust its structure and areas of focus. Considering this, the 2017 annual business plan is designed to be flexible and adaptable. The Plan is divided into six action categories which are outlined below.

A priority for the organization is maintaining a sustainable and growing revenue stream from private investors, while upholding a responsible oversight of spending. In 2017 GO Topeka will continue its efforts related to its capital funding campaign.

Action Categories

New Business Attraction

The foundation of a successful business attraction program is the relationships formed with site selection consultants and corporate real estate executives. Building these relationships helps educate and keep the community in the front of the minds of the decision makers and individuals who influence the site selection process.

Marketing Topeka and Shawnee County nationally and internationally to bring awareness to the business assets the community has to offer helps attract new businesses to consider relocating or expanding in Topeka and Shawnee County. Through advertising, face-to-face interactions and partner organizations, GO Topeka strives to make Topeka and Shawnee County known as a great place to do business.

Existing Business Retention and Expansion

GO Topeka recognizes that much of Topeka and Shawnee County's continued job growth and capital investment comes from its existing business/industry. Businesses thrive in environments that provide support and resources, as well as, a logical and straight-forward regulatory climate. GO Topeka continues its commitment to providing multiple means of assistance and support for existing employers by understanding and addressing their needs, plus finding solutions to barriers that may keep business from thriving in the community.

Workforce and Education

The primary emphasis of Workforce & Education will be to grow, retain and attract talented and educated people to ensure a competitive future workforce for Topeka and Shawnee County. GO Topeka understands that in order to provide a quality workforce, focus must be placed not only on workforce development, but on talent attraction and employee retention. We will continue to develop and grow partnerships across the community between businesses and schools, from early childhood education, to post-secondary institutions; ensuring that education and training providers are well-aligned and have the resources they need to prepare the community's younger residents for college and careers. Because a well-educated workforce will produce the quality that employers need, focus will be placed on addressing the 'talent pipeline' at every stage.

Entrepreneurial and Minority Business Development

Small businesses create jobs, stimulate the economy and reinvest in the community. The goal of EMBD is to aid in the creation and sustainability of women and minority owned businesses within Topeka and Shawnee County. EMBD will continue to provide business assistance and offer training programs that empower small business enterprises with the knowledge and resources to build wealth and contribute to the economic betterment of the community.

Entrepreneurial Development

Topeka's small business ecosystem is focused on cultivating and nurturing small businesses in the growth and maturity stage. Targets include providing access to capital, education, skills upgrade and access to corporate buyers; ultimately strengthening the quality of the next generation of small businesses and entrepreneurs.

Research and Social Media

Research and social media are integral parts of the overall economic development strategy. Business leaders look to GO Topeka to provide detailed and accurate data about the community including comparisons to competing areas. Samples of data include:

- Demographic data
- List of major employers
- Sites and building database
- Quality of life offerings
- Business assistance programs
- Public infrastructure
- Taxes, fees and regulations

Social media is becoming increasingly important to improve the quality of place of the Topeka and Shawnee County community, as well as being able to reach site selectors on multiple platforms. Poignant and targeted messages are communicated through multiple social media channels, including Facebook, LinkedIn, Twitter and Instagram

COMPONENT BUDGET SUMMARY

GO Topeka Proposed Program Budgets

	<u>Proposed 2017</u>	<u>Approved 2016</u>
New Business Attraction	\$ 350,250	\$ 367,350
Existing Business Retention & Expansion	\$ 46,400	\$ 51,970
Workforce & Education	\$ 231,900	\$ 197,520
EMBD	\$ 495,214	\$ 521,480
Entrepreneurial Development	\$ 86,700	\$ 111,700
Research & Social Media	\$ 59,550	\$ 26,600
Government Relations	\$ 43,750	\$ 43,750

Total Program Budget **\$1,313,764** **\$1,320,370**

Finance & Administration **\$ 322,410**

Heartland Visioning **\$ 75,000**

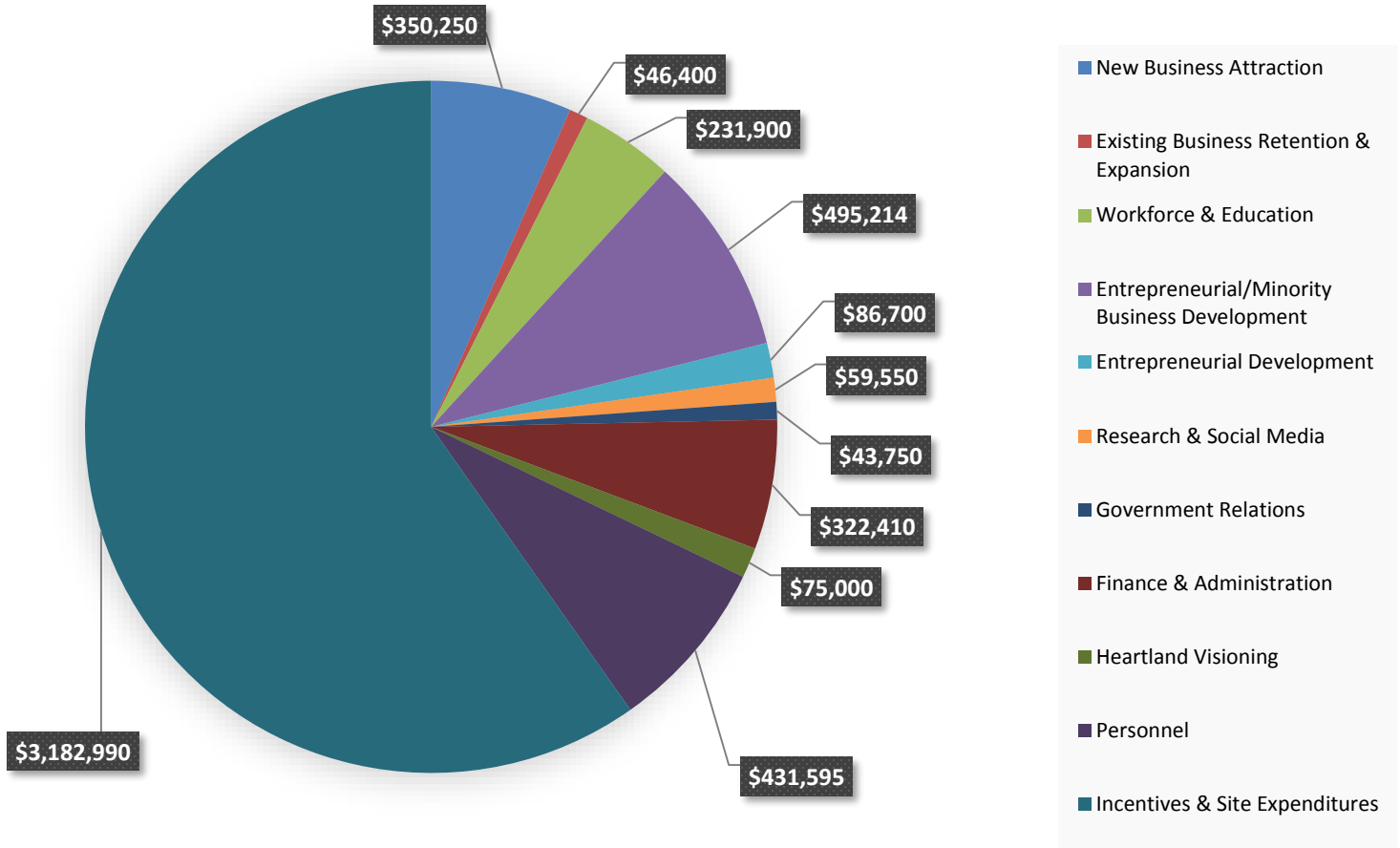
Personnel (excl. EMBD) salaries **\$ 431,595**

Incentives and Site Expenditures **\$3,182,990**

TOTAL Proposed Budget **\$5,325,759**

2017 GO Topeka Proposed Total Expenditures

GO Topeka Proposed Budget



BUSINESS PLAN COMPONENTS AND BUDGETS

REVENUES **\$5,023,400**

- Economic Development Sales Tax - \$5,000,000
- Other Income - \$23,400

A. New Business Attraction

A.1 National and International Marketing **\$132,000**

- Creative services, as needed
- National awareness advertising involving trade and targeted industry publications
- International awareness marketing
- Electronic marketing in targeted industry sector organizations
- Marketing specifically aligned with target industry sectors
- Expansion of Social Media Strategy

A.2 Economic Development Sales **\$100,000**

- Creative services for site selector presentations
- Consultant office presentations
- Participation in site consultant events and organizations
- In-Community site visits for prospects and projects
- Prospect/project development
- Webinars with site consultants and industrial real estate consultants
- Visits to targeted industry sector companies

A.3 Regional Marketing and Development Efforts **\$81,000**

- Participation in Kansas Department of Commerce and Kansas City Area Development Council's hosted site consultant visits
- Prospect Development with Kansas City Area Development Council
- Generate Regional Market Data and Information
- Prospect Development with KC Smart Port
- Support of Regional Bioscience Initiatives
- Prospect Development with Kansas Research Nexus-Regional
- Site Consultant event

A.4 Professional Services **\$6,000**

- Personnel Hiring
- Engineered concept drawings for prospects

A.5 Professional Development/Partnering EDO's **\$19,250**

- Kansas Economic Development Association (KEDA)
- International Economic Development Council (IEDC)
- Industrial Assets Management Council (IAMC)
- Team Kansas
- Downtown Topeka Incorporated, Inc. (DTI)
- Southern Economic Development Council (SEDC)
- Economics Development Webinars/Learning series
- Mid America Economic Development Council (MAEDC)

- IEDC Economic Development Research Partners (EDRP)

A.6 Telecommunications Expense	\$1,800
A.7 Car & Travel Expenses	\$1,200
A.8 Meeting Expenses	\$1,200
A.9 Postage	\$1,200
A.10 Supplies	\$600
A.11 Contingencies	\$6,000
TOTAL NEW BUSINESS ATTRACTION BUDGET	\$350,250

B. Existing Business/Expansion & Retention

Revenue from training sponsorships	(\$1,500)
B.1 Existing Business Visitation Program	\$4,000
<ul style="list-style-type: none"> • Conduct 50 on-site business visits • Have 140 business touches/interactions • Develop a strategy for conducting corporate headquarter visits 	
B.2 Existing Employer Recognition Program	\$5,000
<ul style="list-style-type: none"> • Create opportunities for building relationships with existing business leadership and develop events to recognize existing industries. 	
B.3 Existing Employer Support	\$26,000
<ul style="list-style-type: none"> • Provide assistance with resources for business expansion including state incentive application fees (PEAK, HPIP, etc.) • Local primary employer expansion assistance • Financial Services Summit industry seminar • Plant manager group manufacturing/distribution meetings • One-on-one/small group relationship building events with local executives • Partner with Entrepreneurial and Minority Business Development program to identify small businesses that need assistance and support. 	
B.4 Marketing and Promotions	\$3,000
<ul style="list-style-type: none"> • Program marketing • Promotions 	
B.5 Professional Association Dues/Memberships	\$900
B.6 Professional Development and Business Organization	\$4,200
<ul style="list-style-type: none"> • International Economic Development Council • Business Retention Expansion International • Kansas Economic Development Association 	

- North Topeka Business Alliance
- Sales & Marketing Executives
- Monthly Economic Development Existing Business Programs

B.7 Telecommunications Expense	\$900
B.8 Car & Travel Expenses	\$1,500
B.9 Meeting Expenses	\$1,200
B.10 Postage	\$300
B.11 Supplies	\$300
B.12 Contingencies/Unspecified	\$600
TOTAL EXISTING BUSINESS/EXPANSION & RETENTION BUDGET	\$46,400

C. Workforce and Education

C.1 WorkKeys High School Student Testing	\$35,000
<ul style="list-style-type: none"> • Fund testing of seniors in participating Shawnee County school districts. • Provide testing results to participating schools showing a year by year comparison of test results. • Promotion of WorkKeys/Ready Certificate to area employers. 	
C.2 Employer Workforce and Education Support	\$178,000
<ul style="list-style-type: none"> • Develop a Workforce Advisory group that includes superintendents, Post-secondary education, and business leaders to cohesively deliver workforce training • Assist and support Washburn Tech in development of high demand technical training • Participate/assist with meetings with high school counselors to promote careers in manufacturing and technical industries • Assist in development of scholarship programs for students interested in high demand careers • Partner with primary employers to develop innovative solutions to workforce skills gaps • Work with local and regional workforce development experts to assist in the delivery of a skilled workforce in Topeka/Shawnee County • Promote and support the services of the Workforce Center necessary to meet local primary employer needs and for the attraction of future jobs and investment • Create/support opportunities to educate high school and junior high students about careers in manufacturing and technical industries. • Partner with programs to assist veterans in moving to the private sector • Support reintegration programs for previous offenders • Six Sigma/Center for Organizational Excellence 	
C.3 Professional Development	\$4,200
<ul style="list-style-type: none"> • Kansas Workforce Summit • International Economic Development Council • Kansas Economic Development Association • North Topeka Business Alliance 	

<ul style="list-style-type: none"> • Sales & Marketing Executives • ACCE 	
C.4 Marketing and Promotions	\$9,000
<ul style="list-style-type: none"> • Program marketing • Promotions 	
C.5 Telecommunications Expense	\$1,800
C.6 Car & Travel Expenses	\$1,200
C.7 Meeting Expenses	\$900
C.8 Professional Association Dues/Memberships	\$900
C.9 Supplies	\$300
C.10 Contingencies/Unspecified	\$600
TOTAL WORKFORCE & EDUCATION BUDGET	\$231,900

D. Entrepreneurial and Minority Business Development (EMBD)

Revenue from registrations, ticket sales, and sponsorships	(\$12,400)
D.1 Salaries and Benefits (1.7 FTE)	\$156,914
D.2 Telecommunications Expense	\$1,200
D.3 Contract Services/Program Development	\$20,000
<ul style="list-style-type: none"> • Instructor Training • Entrepreneur Software Applications & Licensing 	
D.4 Capital Expenditures	\$6,000
D.5 Car & Travel	\$1,200
D.6 Meeting Expense	\$1,500
D.7 Subscription Expense	\$600
<ul style="list-style-type: none"> • Program Support Materials 	
D.8 Professional Development and Outreach to EDO's	\$7,000
<ul style="list-style-type: none"> • International Economic Development Council (IEDC) • National Minority Supplier Diversity Council • United States Association for Small Business & Entrepreneurship • United States Women's Chamber of Commerce • Kansas Economic Development Alliance (KEDA) 	

D.9 Postage	\$2,400
D.10 Supplies	\$3,600
D.11 Market Scholarships -Small Business	\$3,000
<ul style="list-style-type: none"> • Monday Market (TSCPL) • Noto Market • Farmers Market • DT Market 	
D.12 Grants & Scholarships	\$30,000
<ul style="list-style-type: none"> • Identify opportunities to support community efforts • Provide sponsorships to entities supporting business and community development • Create an oversight committee and process to track sponsorships and program success • business and community development • Partner with and support organizations to promote EMBD in an effort to reach the target market 	
D.13 Marketing/Promotions/Advertising	\$35,000
<ul style="list-style-type: none"> • Develop a holistic marketing strategy to promote entrepreneurial training, opportunities and support • Work with the media to educate and highlight successful entrepreneurs • Develop marketing products for each focus area of the EMBD • Partner with regional to promote ongoing entrepreneurial programming 	
D.14 Client Scholarships	\$4,000
<ul style="list-style-type: none"> • Support the growth of New Venture graduates by providing access to local and statewide marketing opportunities 	
D.15 Small Business Network Breakfast	\$3,000
D.16 Printing	\$6,000
D.17 Entrepreneurial Course Offering	\$22,000
<ul style="list-style-type: none"> • Kaufman FastTrac New Venture (30 HR) • Kauffman FastTrac Growth Venture (30HR) Course • Quick Books TA, Workshop • Misc Entrepreneur Courses 	
D.18 EMBD Council New Initiatives	\$15,000
D.19 Legal	\$6,000
D.20 Small Business Awards	\$16,000
<ul style="list-style-type: none"> • Solicit candidates for the Small Business Awards • Work with community representatives identify the finalists • Market and promote program with support of partners and the entrepreneurial community • Identify and spotlight winners and host the Annual Awards Ceremony 	
D.21 Information Technology	\$1,500

D.22 Contingencies	\$1,200
D.23 712 Innovations	\$75,000
D.24 Professional Women’s Roundtable	\$15,500
<ul style="list-style-type: none"> • Women of Influence – Solicit nominees and host the annual Women of Influence Awards • Professional Women’s Roundtable – Host two forums that provide insight, education and information that will strength women in the corporate and small business environment 	
D.25 Purchasing Initiatives	\$4,000
<ul style="list-style-type: none"> • Generate interest in business to consumer and business to business initiatives. • Partner with the Department of Commerce and the Department of Transportation to Host Quarterly Buyers Forums • Host a mini Procurement Conference with State and Federal agencies across the State 	
D.26 PTAC (Procurement Technical Assistance Center)	\$70,000
<ul style="list-style-type: none"> • Collaborate with Kansas PTAC to bring a center to Topeka • Provide training and workshops that promote doing business with the government • Assist in certifying 50 businesses to bid on Federal Opportunities • Collaborate with other federal agencies to create a reciprocal certification process • Assist with the marketing, promotion and facilitation of training classes • Participate in federal, state and local meetings promoting doing business with the Federal Government 	
Sub-Total - Expenses	\$507,614
TOTAL ENTREPRENEURIAL AND MINORITY BUSINESS DEV. BUDGET	\$495,214

E. Entrepreneurial Development

E.1 Program Support for Washburn University Small Business Development Center (SBDC)	\$11,700
<ul style="list-style-type: none"> • Provide in-kind work space - 1,715 sq. ft. 	
E.2 Entrepreneurial Support	\$75,000
<ul style="list-style-type: none"> • Washburn/Washburn Tech Pitch Competitions • New Project Ideas 	
TOTAL ENTREPRENEURIAL BUDGET	\$86,700

F. Research and Social Media

F.1 General Data Acquisition	\$20,000
<ul style="list-style-type: none"> • Implan - \$4,000 • Retail Lease Trac – \$1,025 • Hoovers – \$6,795 • Chmura – \$4,995 • RealtyTrac – \$1,800 	

F.2 Professional Development/Conferences	\$2,400
F.3 Professional Dues/Memberships	\$1,000
F.4 Website Maintenance	\$23,500
<ul style="list-style-type: none"> • GIS Planning – \$18000 • Web Hosting - \$500 • Website Updates - \$5000 	
F.5 CRM	\$7,700
F.6 Marketing Resources	\$4,350
<ul style="list-style-type: none"> • Constant Contact - \$1400 • Adobe Stock - \$200 • Prezi - \$400 • Social Media Ads - \$600 • Social Media Management - \$150 • Adobe Creative Suite - \$1100 • Social Media Ambassadors - \$500 	
F.7 Contingencies	\$600
TOTAL RESEARCH and SOCIAL MEDIA BUDGET	\$59,550
<u>G. Government Relations Consultant</u>	
G.1 Consultant-Washington, D.C.	\$18,000
<ul style="list-style-type: none"> • Federal Employer retention/expansion • Federal grants • Federal Legislation 	
G.2 Travel	\$750
G.3 Governor’s Military Council	\$25,000
TOTAL GOVERNMENT RELATIONS CONSULTANT BUDGET	\$43,750
TOTAL PROGRAM BUDGET	\$1,313,764
<u>H. Finance and Administration</u>	
H.1 Telecommunications Expense	\$12,000
H.2 Car, Travel, Meeting Expenses	\$11,500
H.3 Rent, Maintenance, Utilities	\$75,970
H.4 Accounting/Audit/Tax Preparation	\$70,000

H.5 Legal	\$19,700
H.6 Machine Rental & Repair	\$17,500
H.7 Insurance & Property Taxes	\$18,540
H.8 Equipment Depreciation	\$8,500
H.9 Information Technology	\$21,500
H.10 Subscriptions, Postage, Printing	\$5,700
H.11 Supplies	\$21,000
H.12 Professional Services	\$10,500
H.13 Capital Expenditures	\$12,000
H.14 JEDO Expenses	\$15,000
H.15 Contingencies	\$3,000
TOTAL FINANCE AND ADMINISTRATION BUDGET	\$322,410
I. <u>Salaries and Benefits (exclusive of EMBD salaries)</u>	\$431,595
TOTAL OPERATING EXPENSES	\$2,067,769
<ul style="list-style-type: none"> • Program Budget - \$1,313,764 • Finance & Administration - \$322,410 • Salaries and Benefits (exclusive of EMBD) - \$431,595 	
TOTAL REVENUES OVER OPERATING EXPENSES	\$2,955,631
J. <u>Heartland Visioning</u>	\$75,000
K. <u>Incentives and Site Expenditures</u>	
K.1 Anticipated expenditures on current commitments	\$1,736,290
K.2 Indirect site/incentive expenditures	\$96,700
<ul style="list-style-type: none"> • Maintenance of parks, cost of incentive reviews • Landscaping/Signage 	
K.3 New Incentives	\$500,000
K.4 New Workforce Initiatives	\$550,000
<ul style="list-style-type: none"> • East Topeka Learning Center - \$300,000 • Broadband - \$250,000 	

K.5 New Business Initiatives	\$300,000
• Small Business Incentive Program	

TOTAL INCENTIVES AND SITE EXPENDITURES BUDGET	\$3,182,990
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TOTAL RECEIPTS OVER (UNDER) EXPENSES	(\$302,359)
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TRANSFER FROM (TO) CASH, INVESTMENTS & LAND HELD FOR DEVELOPMENT	\$302,359
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NET RECEIPTS OVER EXPENSES AND INCENTIVES	\$ 0
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Agenda Item No. 10

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Action Item: Approve 2017 Cash Carry-Forward Agreement: GO Topeka staff.



2016-2017 Cash Carry-forward

The carry-forward funds under consideration in the 2017 Cash Carry-forward Agreement contract will allow GO Topeka to:

- Reserve funds for incentive commitments
- Carry over unspent funds of the required 10% of sales tax funds to be used for EMBD
- Allocate funds for the East Topeka Learning Center Facility
- Set aside funds for a fire station and/or improvements to Kanza Fire Commerce Park per the Mars contract
- Earmark funds for a benefit district that will be triggered when further development occurs on 49th Street in Central Crossing Commerce Park

Carry-forward Breakdown:

\$15,000,000	Carry-forward Amount
- \$5,000,000	East Topeka Learning Center Facility (projected)
- \$3,000,000	Economic Development Incentive
- \$2,500,000	49 th Street Benefit District (projected)
- \$2,198,000	Designated Incentive Commitments (2018 & beyond)
- \$850,000	EMBD
- \$302,000	2017 Budgeted Carryover
- \$200,000	<u>Kanza Fire Park & Fire House Fund</u>
\$1,950,000	Future Economic Development Investments

JEDO CONTRACT NO. C-____ - 2016

CASH CARRY-FORWARD AGREEMENT

THIS AGREEMENT is entered into this 14th day of December, 2016, by and between the GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC., a non-profit Kansas corporation, hereinafter referred to as “GO Topeka” and the JOINT ECONOMIC DEVELOPMENT ORGANIZATION, hereinafter referred to as “JEDO,” a duly organized separate legal entity authorized by K.S.A. 12-2904(a) which was created by the Interlocal Agreement between the Board of County Commissioners of the County of Shawnee, Kansas, hereinafter referred to as “the County,” and the City of Topeka, Kansas, hereinafter referred to as “the City,” dated November 1, 2001.

WHEREAS, in accordance with the parties’ current Agreement for Services, the parties mutually desire to enter into this Cash Carry-Forward Agreement.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. GO Topeka shall be permitted to carry forward into 2017 an amount not to exceed Fifteen Million Dollars (\$15,000,000) for the purpose of providing economic development services as set forth or referred to in the parties’ current Agreement for Services.
2. The term of this Cash Carry-Forward Agreement shall be for one (1) year from January 1, 2017 to December 31, 2017.
3. This Cash Carry-Forward Agreement may be amended by mutual, written agreement of the parties only.

4. This Agreement represents the entire agreement between the parties and may be amended only by written agreement signed by both parties.

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

Dated: _____

JOINT ECONOMIC DEVELOPMENT ORGANIZATION

By: _____
SHELLY BUHLER, Chair

Dated: _____

**GROWTH ORGANIZATION OF TOPEKA/SHAWNEE
COUNTY, a non-profit Kansas corporation**

By: _____
MATT PIVARNIK, President and CEO



Agenda Item No. 11

**JEDO Board Meeting
December 14, 2016 – 6:00 P.M.**

Discussion with Possible Action: Report of Section 1 – Execute Effectively (Organization) concerning the Garner Report including discussion of draft Broadband Request for Proposals from Section 2.



MEMORANDUM

Date: December 7, 2016

To: JEDO Members

From: Commissioner Shelly Buhler, Mayor Larry Wolgast and Councilman Jeff Coen

Purpose: Update of past activity and Report of Section 1 - Execute Effectively (Organizational) – Garner Report

At the February 2, 2016 meeting the JEDO Board approved a Framework for Discussion/Potential Action concerning the Garner Report. Since that time Mayor Wolgast, Councilman Coen and I have met and are prepared to make the following report.

Summary of activity for Section 3, Communicate Effectively-since May 11, 2016

1. Jedoecodevo.com is the active web site for JEDO.
2. The open communications statement has now been added to the section of the JEDO Operational Rules.
3. A local/regional bus tour was held on November 9, 2016 from 4:00-8:00 pm.
4. Heartland Visioning, GO Topeka, Visit Topeka and the Greater Topeka Chamber of Commerce have completed several videos.

<http://www.heartlandvisioning.com/2015-04-02-15-21-00/community-pride-campaign>

<http://www.gotopeka.com/quality-of-life/>

Summary of activity for Section 2, Renew and Transform-since September 14, 2016

1. Invest in more quality of place projects that will enhance the competitiveness of the community and attract and retain talent.
 - a. Create a plan to improve gateways in the City—including new signage and landscaping.

Information was shared from Visit Topeka and the MTPO concerning recent activity on this recommendation - future activity will be considered as strategic planning for GO Topeka advances.

- 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.

It is suggested that a public/private partnership be explored to increase access to our community to enhance Broadband. *Attached is a DRAFT RFP for review.*

- c. Create a “cool factor” in the core business district that will encourage families and young professionals to live, work and play there.

Information was shared from Downtown Topeka Incorporated and Fast Forward updating JEDO on activity to date.

2. Conduct a countywide community improvement planning effort that looks at assets and neighborhood planning by City and County districts.

Information was shared by the City of Topeka and Shawnee County Planning Departments updating JEDO on activity to date on Long Range and Comprehensive plans.

3. JEDO should continue to acquire real estate for economic and growth opportunities.

GO Topeka plans to review best practices for land acquisition in economic development. GO Topeka will look at our competitors’ land strategies and visit with local private developers to create a land strategy for Shawnee County. GO Topeka does not have plans to acquire any more land in the near future.

Report of Section 1- Execute Effectively

1. Develop a JEDO-specific mission statement that guides economic development efforts for itself and its agents.

Current language is taken from the Agreement for Services with GO Topeka. It is recommended that this mission statement be reviewed in March of 2017 and added to the JEDO Operational Rules at that time.

“The JEDO has as its principal mission the support of a strong economic development program designed to expand employment, strengthen the tax base and diversity and strengthen the Topeka and Shawnee County Economy”.

2. Create the position of a full-time JEDO economic development coordinator.

At this time there are no plans to recommend a creation of a full time JEDO economic development coordinator.

3. JEDO should encourage GO Topeka to be a standalone, autonomous organization.

It is recommended that at this time GO Topeka not be a standalone autonomous organization. There have been numerous actions implemented to better define the relationship between GO Topeka and the Chamber.

- GO Topeka has updated their bylaws to provide more separation between the Chamber and GO Topeka.
- GO Topeka and the Chamber already have separate boards of directors.
- GO Topeka has a separate payroll system and separate group insurance plan.
- There are FAQs posted on the GO Topeka website.
- GO Topeka staff frequently meets with members of the public to discuss matters of concern or question.
- GO Topeka minutes are now made public.
- Considered best practices of other communities similar to ours - Ames, IA, Sioux Falls, SD, Manhattan, KS, Lawrence, KS.

4. Create performance metrics to measure the community's health and the operational success of JEDO's agents.

In March of 2017 the Topeka Shawnee County Holistic Economic Development Strategy Planning will be in the implementation phase. This will include metrics.

5. Modify the JEDO/GO Topeka incentive policy.

Jay Garner reviewed GO Topeka's incentive guidelines and provided suggestions listed in his final report and GO Topeka adopted those changes in December of 2015. GO Topeka plans to address this again after the holistic economic development strategy is finalized. (This is in alignment with Garner's recommendations in the report.)

6. Create a JEDO Board of Advisors.

It is suggested/recommended that this role is served by the GO Topeka Board of Directors.

GO Topeka made a concerted effort to diversify the GO Topeka Board of Directors for 2017 and beyond. This same effort was put into the creation of the steering committee for the Holistic Economic Development Strategy that is

currently in process. We believe the diversification of the board helps bring a new perspective to economic development in Topeka and Shawnee County.

7. JEDO should institute new operational guidelines (based on the implementation of the recommendations noted above.
 - 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.

On the items listed above it is recommended to continue to follow the Interlocal Agreement, the Agreement for Services, the Cash Carry-Forward Agreement and the JEDO Operational Rules.

Any changes to guidelines would need to be voted upon.

REQUEST FOR PROPOSAL FOR BROADBAND CONSULTING SERVICES

Introduction: The Topeka and Shawnee County Joint Economic Development Organization (JEDO) is requesting responses from qualified consulting firms to assist JEDO in discovering and implementing a plan/public-private partnership necessary to provide sufficient, reliable, and affordable high speed broadband service delivery to the residents of Topeka and Shawnee County. Information regarding JEDO can be found at <http://www.jedoecodevo.com>.

Background: The Joint Economic Development Organization is a body made up of City of Topeka Council and Board of County Commissioners of the County of Shawnee, Kansas elected officials who oversee the use of revenue from a countywide half-cent sales tax that county voters approved in a ballot question election. The voting members of the board include the three County Commissioners, the Mayor and Deputy Mayor and two city councilmembers of the City of Topeka. The remaining city councilmembers are ex-officio non-voting members of the board. Shawnee County, Kansas is the third largest county in the state of Kansas and is home of the capital city, Topeka. The County encompasses five cities (Topeka, Silver Lake, Auburn, Rossville and Willard) and twelve Townships with a population of approximately 184,000. The Topeka Metropolitan Service Area (MSA) includes five counties total with a population in excess of 230,000.

Shawnee County enjoys a central geographic location with Interstate 70, Interstate 335 (Interstate 35 only a short distance away) and Highway 75 reaching all four directions. The Kansas River runs through the center of downtown Topeka. Kansas City International Airport is located about an hour away. Washburn University calls Topeka home and the University of Kansas is a short distance to the east and Kansas State University to the west. These Universities draw young talent to Topeka to make up a diverse and highly skilled workforce. Washburn Institute of Technology provides specialized training for the manufacturers and businesses in the area. The community has a robust quality of life including multiple golf courses and parks, trails, World Famous Topeka Zoo, the Topeka Performing Arts Center, and the Kansas Expocentre.

The Intergovernmental Cooperation Council (ICC) initiated discussion on the broadband initiative several years ago. As a result of those discussions, the City of Topeka and Shawnee County as a single community was selected as a pilot community to address high speed broadband service delivery by the Kansas Department of Commerce (KDOC) in August of 2014 as part of the Kansas Department of Commerce Statewide Broadband Initiative. The definition of a single community for the purposes of this RFP is all taxing entities, anchor institutions, businesses and citizens residing within Shawnee County. The pilot project is supported by the KDOC final report that can be found at [REDACTED]. The KDOC final report determined the following feasibility information necessary to support a fiber to the premise plan:

Joint Economic Development Organization -- Request for Proposal for Broadband Consulting Services

Release Date: _____

- A Broadband Impact Potential Index of 1.39 using the economic data and analysis tool IMPLAN as the primary economic impact modeling platform. Economic impact study results and summary of methodology can be found in Appendix: B of the KDOC final report.
- Feasibility for a city-wide fiber network that passes each home and business to be deployed and maintained in Topeka using the Gigabit Broadband Model. The Business Case Study, Key Assumptions and Inputs can be found in Appendix: C of the KDOC Final Report.

Purpose: The purpose of this RFP is to contract with a consulting firm to assist JEDO to formulate and execute a plan to form public-private partnerships necessary to build and operate a fiber to the premise network within the City of Topeka, and/or to build and operate fiber to the premise networks within the rural townships of Shawnee County and/or to build and operate a Wireless Internet Service Provider infrastructure within the rural areas of Shawnee County.

Objective: The primary objective of a resulting plan is to:

“Address the region’s economic and community development; as well as quality of life through improving countywide access and utilization of sufficient, reliable, and affordable broadband infrastructure”

Plan Execution Strategy: Consulting services provided for the purpose of this RFP will be utilized by the JEDO Board in an incremental and phased approach. Movement from phase to phase is contingent upon successful completion of the preceding phase. The JEDO Board and/or its designees will be the authority to determine successful completion and acceptance of each phase. The successful respondent shall provide a not to exceed estimate for each phase. The JEDO Board and/or its designees reserve the right at any time to remove any step within a phase and add additional requirements and services within each phase. Removal of steps within each phase or the addition of requirements within each phase shall be transacted through change orders. The change order process shall be based on a mutually agreeable process and change order documentation. Each change order shall be priced not to exceed prior to final acceptance. There will be no set time frame between the start and completion of each phase. While it is the desire of the JEDO Board to strive to reach each goal as rapidly as possible, each goal is contingent upon community acceptance, the formation of sustainable and cost effective public-private partnerships and the discovery and identification of potential initial and on-going funding and revenue sources. All respondents shall be willing to enter into a collaborative and contractual partnership with JEDO.

Services: The successful respondent shall be capable of providing the following services based on the following proposed plan execution strategy:

Phase-1 – Analysis

1. The successful respondent shall meet with stakeholders to hold a Phase-1 kickoff meeting.
2. The successful respondent shall establish subject matter expertise with all aspects of the Topeka City & Shawnee County Local Community Technology Planning Pilot Project KDOC final report and supporting documentation.
3. The successful respondent shall perform a review of the economic impact study contained in the KDOC final report and provide an opinion to validate if the findings within the KDOC final report are accurate and viable.
4. The successful respondent shall perform a review of the business case for high-speed broadband within Topeka and Shawnee County contained in the KDOC final report and provide an opinion to validate if the findings within the KDOC final report are accurate and viable.
5. The successful respondent may need to consult with VisionTech360 and CostQuest Associates to fulfill steps 3 and 4.
6. The successful respondent shall compile a consultant's report based on findings and opinions formulated from steps 2-4 with recommendations to include an opinion regarding the need for a revised demand study.
7. The successful respondent shall meet with stakeholders to present the consultant's report, recommendations for moving forward, obtain stakeholder feedback, work with stakeholders to provide decision support and to work with stakeholders to gain consensus necessary to move to Phase-2.
8. The successful respondent shall create a presentation explaining the consultant's report and stakeholder feedback necessary to present to the JEDO Board.
9. The successful respondent shall meet with stakeholders to present the consultant's presentation for the JEDO Board and obtain stakeholder feedback regarding the consultant's presentation and any potential changes.

Phase-2 – Presentation

1. The successful respondent shall meet with the JEDO Board to present an overview and assessment of the consultant's report to include results of the final stakeholder meeting held during Phase-1 step 7.
2. The successful respondent shall meet with the JEDO Board and designees to enter into discussion and provide decision support necessary to potentially take the following actions:

- To arrive at a decision to prepare and submit a Request for Information (RFI) necessary to seek out and identify public-private partners interested in building and operating a fiber to the premise network within the City of Topeka.
- To arrive at a decision to prepare and submit an RFI necessary to seek out and identify public-private partners interested in building and operating a fiber to the premise network within the rural townships of Shawnee County.
- To arrive at a decision to prepare and submit an RFI necessary to seek out and identify public-private partners interested in building and operating a Wireless Internet Service Provider infrastructure within the rural areas of Shawnee County.
- To prioritize the order of each potential action.
- To establish a proposed timeline and schedule for executing each potential action.
- To arrive at a decision to look at alternative actions necessary to meet objective listed on page 1 in the event there is no interest by the JEDO Board to release an RFI or RFI's.

Phase-3 – RFI Execution

1. The successful respondent shall collaborate with the JEDO Board and/or designees and legal counsel to draft the necessary RFI or RFI's based on the direction and decisions from Phase-2.
2. The successful respondent shall present the proposed RFI or RFI's to the JEDO Board and/or designees and legal counsel necessary to obtain approval for public release.
3. The successful respondent shall collaborate with the JEDO Board and/or designees and legal counsel to publically issue the RFI or RFI's.
4. The successful respondent shall collaborate with the JEDO Board and/or designees and legal counsel to coordinate the RFI process and to gather information and provide answers to questions submitted by potential responders necessary to support accurate RFI responses.
5. The successful respondent shall collect submitted RFI or RFI's and evaluate each RFI for general acceptability, evaluate each respondent's qualifications, evaluate the ability of each respondent to deliver proposed solutions and strategies, evaluate each RFI for feasibility of proposed sustainable public-private partnerships, evaluate each RFI for

feasibility of proposed costs and evaluate each RFI for feasibility regarding proposed initial and on-going funding.

6. The successful respondent shall determine any potential outside funding opportunities in the form of grants necessary to supplement valid RFI responses.
7. The successful respondent shall create a decision matrix necessary to accurately rate each RFI response based on consultants evaluation of general acceptability, consultants evaluation of each respondent's qualifications, consultants evaluation of each respondent's ability to deliver proposed solutions and strategies, consultants evaluation of the feasibility of proposed sustainable public-private partnerships, the consultants evaluation of proposed costs and funding source mechanisms and any grant opportunities determined by consultant necessary to supplement valid RFI responses. The resulting decision matrix will be used to provide decision support to the JEDO Board and/or designees.
8. The successful respondent shall create a report detailing consultant's opinions necessary to support each finding within the decision matrix and to provide a consultant's recommendations for moving forward.
9. The successful respondent shall present the report and decision matrix to the JEDO Board and/or designees and legal counsel.
10. The successful respondent shall meet with the JEDO Board, designees and legal counsel to enter into discussion and provide decision support necessary to potentially take the following actions:
 - To select an RFI or RFI's that will best meet the objective listed on page 1.
 - To arrive at a decision to create an RFP or RFP's in response to the selected RFI or RFI's.
 - To arrive at a decision to look at alternative actions necessary to meet the objective listed on page 1 in the event there is no interest by the JEDO Board to move forward with issuing an RFP or RFP's.

Phase-4 – RFP Execution

1. The successful respondent shall collaborate with the JEDO Board and/or designees and legal counsel to draft the necessary RFP or RFP's based on the direction and decisions from Phase-3.
2. The successful respondent shall present the proposed RFP or RFP's to the JEDO Board and/or designees and legal counsel necessary to obtain approval for public release.

3. The successful respondent shall collaborate with the JEDO Board and/or designees and legal counsel to publically issue the RFP or RFP's.
4. The successful respondent shall collaborate with the JEDO Board and/or designees and legal counsel to coordinate the RFP process and to gather information and provide answers to questions submitted by potential responders necessary to support accurate RFP responses.
5. The successful respondent shall assist JEDO in evaluating all aspects of responses to the RFP.
6. The successful respondent shall determine any potential outside funding opportunities in the form of grants necessary to supplement valid RFP responses.
7. The successful respondent shall create a decision matrix necessary to accurately rate each RFP response based on consultants evaluation of general acceptability, consultants evaluation of each respondent's qualifications, consultants evaluation of each respondent's ability to deliver proposed solutions and strategies, consultants evaluation of the feasibility of proposed sustainable public-private partnerships, the consultants evaluation of proposed costs and funding source mechanisms and any grant opportunities determined by consultant necessary to supplement valid RFP responses. The resulting decision matrix will be used to provide decision support to the JEDO Board and/or designees.
8. The successful respondent shall create a report detailing consultant's opinions necessary to support each finding within the decision matrix and to provide a consultant's recommendations for moving forward.
9. The successful respondent shall present the report and decision matrix to the JEDO Board and/or designees and legal counsel.
10. The successful respondent shall meet with the JEDO Board, designees and legal counsel to enter into discussion and provide decision support necessary to potentially take the following actions:
 - To select RFP's that will best meet the objective listed on page 1 to award to respondents.
 - To arrive at a decision to look at alternative actions necessary to meet the objective listed on page 1 the event there is no interest by the JEDO Board to release an RFP or RFP's.

Phase-5 – RFP/Taxing Entity Project Handoff

1. The successful respondent will act as the liaison between the JEDO Board and/or designees and vendor/s who are awarded RFP's necessary to establish contracts with selected vendor/s.
2. The successful respondent shall assist the JEDO Board and/or designees in negotiating any final scope of services, project plans, project timelines and final pricing with vendor/s who are awarded RFP's.
3. The successful respondent shall assist the JEDO Board and/or designees with completing and submitting any grant applications necessary to supplement successful RFP responses.
4. The successful respondent shall assist the JEDO Board and/or designees in producing contracts to be executed between the successful RFP respondents or respondents.
5. The successful respondent shall facilitate a kick-off meeting between the successful RFP respondent and the assigned principal project manager of each taxing entity managing projects as defined by an RFP or RFP's.

Sealed proposals: Vendor will deliver one (1) hard copy and one digital format (CD or flash drive) to the following address:

Joint Economic Development Organization
ATTN: [NAME AND ADDRESS]

Proposal Deadline: **[DATE AND TIME]**

Proposals received after the proposal deadline will be considered late and will not be accepted.

Proposals may be withdrawn and/or modified in writing prior to the submission deadline. Request for withdrawal must be in writing by the contact person named on the outside of the envelope. Proposals that are resubmitted must be sealed and received prior to the submission deadline. Each vendor may submit only one proposal.

The envelope must be clearly marked "BROADBAND CONSULTING SERVICES – JEDO RFP." The name of the firm and contact person must also be listed on the outside of the envelope. Any restrictions on the use of data within proposals must be clearly stated in the proposal itself. Non-disclosure cannot be guaranteed after the selection stage of this procurement due to data practices.

Conceptual Plan

The Contractor shall provide a conceptual plan for the product/services believed to be appropriate for the JEDO. The plan should indicate product features and outline personnel skills and services that distinguish the Contractor, incorporating appropriate staff profiles. The staff profile should describe the Contractor's experience in providing services to the public sector, jobs of similar size(s) and provide applicable certifications for staff members involved in the process. Three (3) references are to be included with the proposal.

Submittal Process and Details

Proposals should include the following:

- Contractor's name, address, and names of primary contacts.
- A description of specific staff that will comprise the project team for this assignment.
- Samples of related/comparable past projects that would serve as examples of experience and expertise necessary for this work.
- Evidence of ability to work within tight time constraints.

Estimated Timeline

[DATE]	Release RFP
[DATE]	RFPs Due
[DATE]	RFPs reviewed
[DATE]	Contractor interviews if necessary
[DATE]	JEDO approval of Contractor selection
[DATE]	Effective start of contract

The above dates are subject to change at the discretion of the JEDO Board.

Proposal Terms

A copy of JEDO Resolution No. 2004-1, entitled A Resolution Establishing Purchasing Procedures Involving the Expenditure of JEDO Funds shall be followed. This bid is one for professional services and the JEDO shall be seeking the best bid not necessarily the lowest bid.

The JEDO reserves the right to reject any and all proposals received as a result of this Request for Proposal. If a proposal is selected, it will be the most advantageous regarding quality of service, the vendor's qualifications, and capabilities to provide the specified service, and other factors which the JEDO may consider. The JEDO reserves the right to waive or not waive informalities or irregularities in proposals or proposal procedures, and to accept or further negotiate cost, terms, or conditions of any proposal determined by the JEDO to be in the best interests of the JEDO even though not the lowest bid.

Joint Economic Development Organization -- Request for Proposal for Broadband Consulting Services
Release Date: _____

Proposals must be signed by an official authorized to bind the provider to its provisions for at least a period of 90 days. Failure of the successful bidder to accept the obligation of the bid may result in the cancellation of any award. A service contract will be executed between the JEDO and the awarded vendor. The service contract shall provide for, inter alia, insurance requirements; accounting, audit, product ownership, and other terms.

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