

### JEDO Board of Directors Agenda Wednesday, December 13, 2017 - 6:00 p.m.

### City Council Chambers 214 SE 8<sup>th</sup> Street, 2<sup>nd</sup> Floor, Topeka, Kansas

- 1. CALL TO ORDER:
- 2. ROLL CALL:
- 3. ACTION ITEM: Approval of September 13, 2017, JEDO Board meeting minutes.
- 4. ACTION ITEM: Approval of Project Morris Contract
- 5. ACTION ITEM: Approval of Project Leaf Contract
- **6. PRESENTATIONS:** 
  - A. GO Topeka Quarterly Report
    - New Business Attraction
    - Business Retention & Expansion Activity
    - Entrepreneurial & Minority Business Development
    - BAAFTech Taskforce (Bioscience/Ag/Animal/Financial Tech)
    - Workforce & Education
    - Momentum 2022
  - **B.** 712 Innovations
  - C. Transportation Initiative
  - D. JEDO Finance Committee 3<sup>rd</sup> Quarter Financial Report
- 7. ACTION ITEM: Approval of the 2018 Annual Business Plan and Budget for the Growth Organization of Topeka/Shawnee County, Inc.
- 8. ACTION ITEM: GO Topeka 2017-2018 Cash Carry-Forward Agreement
- 9. DISCUSSION: East Topeka Learning Center Project Update
- 10. DISCUSSION: Broadband Initiative Update
- 11. PUBLIC COMMENT:
- 12. ADJOURNMENT:

<u>Public Comment Policy</u>: 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 relevant to JEDO business. Members of the public wishing to speak must notify the City Clerk before 5:00 p.m. on the date of the meeting via email at <u>cclerk@topeka.org</u> or call 785-368-3940. This requirement shall not apply to items added during the meeting. Members of the public will 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 the City of Topeka web page at <a href="www.topeka.org/JEDO">www.topeka.org/JEDO</a> and the Shawnee County web page at <a href="www.snco.us/jedo">www.snco.us/jedo</a>. To make arrangements for special accommodations please call 785-368-3940 or 785-368-3941. A 48-hour advance notice is preferred.



# Agenda Item No. 3

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

September 13, 2017 JEDO Board Meeting Minutes

### Joint Economic Development Organization Board Minutes September 13, 2017

City Council Chambers, 214 SE 8th Street, Topeka, Kansas, Wednesday, September 13, 2017.

The Joint Economic Development Organization (JEDO) Board Members met at 6:00 p.m. with the following voting Board Members present: Deputy Mayor Jeff Coen, Councilmember Michelle De La Isla, Councilmember Tony Emerson and Shawnee County Commissioners Kevin Cook, Bob Archer and Shelly Buhler -6. City of Topeka Mayor Larry Wolgast presided -1.

Non-voting Board Members Present: Councilmembers Hiller and Ortiz.

Non-voting Board Members Absent: Councilmembers Clear, Jensen, Schwartz and Harmon.

#### PRESENTATIONS:

- A. NEW BUSINESS ATTRACTION was presented by Molly Howey, Vice President of New Business Development and Attraction
- B. BUSINESS RETENTION & EXPANSION ACTIVITY was presented by Jackie Steele, Vice President of Business Retention and Expansion
- C. ENTREPRENEURIAL & MINORITY BUSINESS DEVELOPMENT was presented by Glenda Washington, Vice President of Entrepreneurial & Minority Business Development
- D. WORKFORCE & EDUCATION was presented by Barbara Stapleton, Vice President of Workforce & Education Development
- E. 712 INNOVATIONS was presented by Zach Snethen, Project Manager 712 Innovations
- F. BAAFTECH TASKFORCE (Bioscience/Ag/Animal/Financial Tech) was presented by Daniel Foltz Associate Professor in Biochemistry and Molecular Genetics at Northwestern Medicine
- G. MOMENTUM 22 was presented by Kayla Bitler, GO Topeka and Greater Topeka Chamber of Commerce Strategic Coordinator
- H. JEDO FINANCE COMMITTEE 2<sup>ND</sup> QUARTER FINANCIAL REPORT was presented by Betty Greiner, Director of Shawnee County Audit Finance

Councilmember De La Isla left the meeting.

Mayor Wolgast announced Councilmember Hiller would serve as proxy for Councilmember De La Isla.

#### APPROVAL of Minutes from the meeting of July 26, 2017 was presented.

Councilmember Coen moved to approve the Minutes of July 26, 2017. The motion seconded by Commissioner Cook carried unanimously. (7-0-0)

JEDO Board Minutes 09-13-2017 (DRAFT)

### EAST TOPEKA LEARNING CENTER (ETLC) MARKET STUDY

APPROVAL of Selection Committee's recommendation for engagement of a contractor for the market study was presented.

Barbara Stapleton, GO Topeka Vice President of Workforce and Education Development, provided a brief update on the ETLC project and stated the Selection Committee has recommended Ketchum Global Analytics as the firm that meets the needs of the project and the community.

Glenda DuBoise, Taskforce Chair, gave a brief overview of the selection process. She reported two responses to the request for proposal were received on July 21, 2017; the Selection Committee evaluated the responses and interviewed the respondents on August 15, 2017 followed by the selection of Ketchum Global Analytics. She stated Ketchum is well prepared to work in Topeka and Shawnee County and would provide a quality research study of residents and key stakeholders. She reported the Taskforce has recommended the funding request be divided in thirds and allocated from three different funding sources (Washburn University, ETLC project contingency/education budgeted funds and EMBD funds).

Councilmember Coen moved to approve the Selection Committee's recommendation for engagement of a contractor for the market study. The motion seconded by Councilmember Emerson carried unanimously. (7-0-0)

REQUEST for use of Carryover Entrepreneurial & Minority Business Development (EMBD) Funds to pay for a portion of the market study was presented.

Glenda Washington, GO Topeka Vice President of Entrepreneurial and Minority Business Development, stated the \$38,000 of carryover funds would support the proposal, review the needs of the neighborhood, and support the data needed to ensure a successful program.

Councilmember Emerson asked if the funding amount being requested includes travel expenditures since it was not included in the original proposal.

Glenda DuBoise stated travel expenditures in the amount of \$7,000 have been included in the request.

Councilmember Emerson moved to approve the use of Carryover Entrepreneurial & Minority Business Development (EMBD) funds to pay for a portion of the market study. The motion seconded by Councilmember Coen carried unanimously. (7-0-0)

Councilmember Ortiz thanked the JEDO Board for their support of the ETLC project in the east Topeka community. She asked GO Topeka Staff members to provide information on the upcoming community event being held at the ETLC.

Glenda DuBoise invited the community to attend a Cookout on September 30, 2017 from 12:00 p.m. to 3:00 p.m. at the ETLC facility. She noted an Open House would be announced at a later date.

Councilmember Hiller asked if there is a plan for marketing the program and developing the curriculum.

Glenda DuBoise stated the information needed to develop a marketing strategy and program curriculum would be attained through the market study.

### APPROVAL of funding in the amount of \$225,000 for Project Leaf was presented.

Jackie Steele, GO Topeka Vice President of Business Retention and Expansion, gave a brief overview of Premier Advisory Group (Project Leaf) an existing Topeka-Shawnee County company which serves as the parent company of ActionCOACH Business Coaching, Bajillion Agency and MotoVike Films. She stated the project allows for proposed incentives in the amount of \$225,000 based on job creation only and follows GO Topeka incentive guidelines and performance would be based on an economic impact analysis of \$16 million annually.

Angela Engstrom, President of Premier Advisory Group, stated she is excited to grow the business in the Topeka community as well as provide the momentum to teach other businesses to grow. She noted ActionCOACH Business Coaching, Bajillion Agency and MotoVike Films are family owned businesses that would add jobs to the community and attract quality professionals to the area.

Commissioner Archer moved to approve the funding in the amount of \$225,000 for the Premier Advisory Group (Project Leaf). The motion seconded by Commissioner Buehler carried unanimously. (7-0-0)

Wendy Wells, GO Topeka Board of Directors Chair, stated she is excited to support the business as it will attract young professionals to the community.

Councilmember Hiller and Commissioner Cook welcomed the new business to the downtown area.

### DISCUSSION 2018 GO Topeka Draft Budget was presented.

Molly Howey, GO Topeka Vice President of New Business Development and Attraction, provided a brief overview of the 2018 GO Topeka Draft Budget as well as the 2018 Budget process timeline. She noted the draft budget does not include the Momentum 2022 items. She extended an invitation to all JEDO Board members to meet one-on-one with GO Topeka staff members to answer any questions they may have.

Councilmember Hiller asked GO Topeka staff members to provide a clear understanding on how the collaboration of tourism entities (GO Topeka, Downtown Topeka, Inc., Greater Topeka

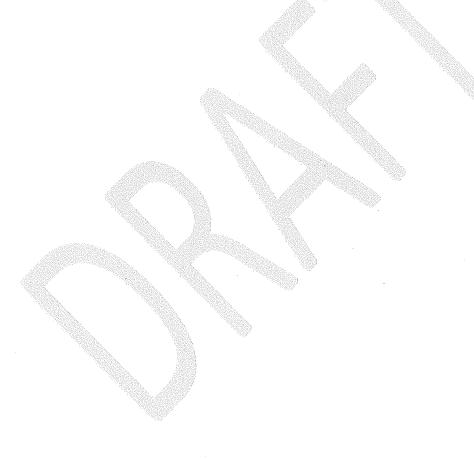
JEDO Board Minutes 09-13-2017 (DRAFT)

Chamber of Commerce etc.) plan to work together in regards to the structure, marketing, shared space and exchange of funding to make certain the process is transparent to citizens.

Molly Howey stated visuals are being developed and will be presented at a future JEDO Board meeting.

Matt Pvarnick, President and CEO of GO Topeka, reported a chief financial officer or certified public accountant would be hired to ensure that no private and public dollars are co-mingled in the collaboration of the tourism entities. He assured JEDO Board members the highest ethical and fiscal standards would be upheld in regards to the partnership of organizations.

No further business appearing the meeting was adjourned 7:05 p.m.





# Agenda Item No. 4

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

**Approval of Project Morris Contract** 



### **MEMORANDUM**

To: JEDO

From: Molly Howey, SVP Economic Development

Date: 12/5/2017

RE: Project Morris Incentive Agreement

At the May 10 JEDO meeting a request to approve funding for Project Morris was approved. Since then, the company has re-evaluated their compensation expectations and the incentive offering has been revised accordingly. Changes are reflected in the attached Incentive Agreement and are shown below.

### Project Overview

- Fabrication, installation & maintenance company with 52 employees
- \$2M capital investment
- 45 new full-time jobs with average wage of \$40,000

### **Proposed Incentives**

- Maximum incentive of \$180,000
- Based on new jobs and investment only
- Follows GO Topeka Incentive Guidelines
- Performance based

### INCENTIVE AGREEMENT

This Incentive Agreement is effective December 5, 2017, and is entered into between the following parties:

#### GO TOPEKA:

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

120 SE 6th Avenue, Suite 110

Topeka, KS 66603-3515

Phone: (785) 234-2644

FAX: (785) 234-8656

Contact Person/Title: Molly Howey, Senior VP, Economic

Development

#### BUSINESS:

INDUSTRIAL MAINTENANCE OF TOPEKA INC. 4501 NW US Hwy 24, Topeka, Kansas 66618

Contact Person: Kimberly Kirk Phone: 785-842-6252

WHEREAS, BUSINESS is a Kansas corporation in good standing and qualified to do business under the laws of the State of Kansas; and

WHEREAS, BUSINESS is contemplating moving its operations to Topeka, Kansas, and investing approximately Two Million Dollars (\$2,000,000) to acquire, renovate and equip a manufacturing facility at 4501 NW US HWY 24, Topeka, Kansas; and

WHEREAS, such manufacturing facility is referred to herein as the "Topeka Facility," and consists of approximately 45,000 square feet; and

WHEREAS, as a result of the acquisition of the Topeka Facility BUSINESS will be able to create an estimated Forty-five (45) new employment positions with an estimated average annual salary of \$40,000; and

WHEREAS, GO TOPEKA desires to assist and promote BUSINESS by offering up to One Hundred Eighty Thousand Dollars (\$180,000) in employment incentives; and

WHEREAS, BUSINESS, acting in reliance upon the incentives set forth in this Agreement, has decided to move its operations to Topeka, Kansas; and

WHEREAS, the parties wish to memorialize their understanding regarding the details of the incentive package by 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 BUSINESS employment incentive ("Employment provide an Incentive") for new Full Time Employment Positions maintained by the BUSINESS for a calendar year, subject to the limitations and As of May 10, 2017, BUSINESS employed requirements below. fifty-two (52) employees, so only Full Time Employment Positions of that number shall qualify for an incentive hereunder. To qualify for the Employment Incentives available pursuant to this Agreement, the new Full Time Employment Positions must have average annual compensation of at least \$40,000 per position, when averaged against all of the new Full Time Employment Positions. Each new Full Time Employment Position is eligible to receive up to \$4000, paid in \$800 increments over five years upon maintaining the position for each of five consecutive calendar years.

As used herein, a "Full Time Employment Position" is an employee position that includes approximately 2080 paid hours of service in Shawnee County, Kansas, during each calendar year. Notwithstanding the foregoing if: (A) а new Full Employment Position is created before June 30 of a particular year (within the timeframe permitted in this Agreement); and (B) has at least 1040 paid hours of service in Shawnee County, Kansas, in that same year; the position may qualify for the first incentive installment in the next year, but shall be required to be maintained for full calendar years thereafter to qualify for future incentive installments. To the extent incentives are claimed for these partial year positions, the compensation for those positions shall be annualized purposes of determining the average compensation of all claimed new Full Time Employment Positions. For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, bonuses or other cash incentives paid by BUSINESS to the Full Time Employment Position in a calendar year, but does not include benefits. Each position shall be eligible to receive health insurance benefits, at least part of the premiums of which 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 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 Employment Incentive if the position is vacated the (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 calendar year. Ιf position is filled within that time at a qualifying salary, the vacancy will not preclude the availability of the Employment Incentive. (If unfilled for longer than ninety (90) days during a 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).

Notwithstanding anything to the contrary herein, a maximum employment incentive available hereunder shall not exceed Thirty-six Thousand Dollars (\$36,000) in any one year or One Hundred Eighty Thousand Dollars (\$180,000) in aggregate for the term of this Agreement. To qualify for an incentive, the new Full Time Employment Positions must be in place by December 31, 2022.

Installments of the Employment Incentive shall be available to be earned beginning on May 10, 2017, if added before June 30, 2017, with the Employment Incentive installment relating thereto paid in 2018, and the last qualifying year (depending when a

position was added) ending on December 31, 2027 (with the Employment Incentive relating thereto paid in 2028).

GO TOPEKA will endeavor to make an incentive payment by April 31 each year (beginning in 2018, and ending in 2028), for the qualifying Full Time Employment Positions maintained for the entire previous 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.

For purposes of illustration, if BUSINESS adds ten (10) new Full Time Employment Positions receiving qualifying averaged compensation (when annualized and averaged) before June 30, 2017, BUSINESS would be eligible to receive an Employment Incentive installment in the amount of \$8,000 (\$4000/5 \* 10 employees) in 2018. If, in 2018, there were no changes except that there was the addition of another qualifying position (and the average compensation remained above \$40,000) BUSINESS would receive \$8,800 in 2019. If in 2019 the average new Full Time Employment Position average compensation fell below \$40,000, then the BUSINESS would not be entitled to an Employment Incentive in 2020.

2. <u>Facility Incentive</u>. BUSINESS shall be entitled to a Facility Incentive of up to Four Thousand Dollars (\$4,000). The

Facility Incentive shall be earned and payable as follows: Two Thousand Dollars (\$2,000) for every Million Dollars of equipment purchased after May 10, 2017, and installed at the Topeka Facility, and/or (b) the cost of improvements made to the Topeka Facility. GO TOPEKA shall endeavor to pay Facility Incentives' within three months of the completion of the construction, improvement and/or equipping 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 installation of the equipment at, additions or improvements to, the Topeka Facility must be completed by December 31, 2018.

3. Employment 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. 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. <u>Use of Funds</u>. The funds received by BUSINESS pursuant hereto shall be used for the purpose of employment or training of persons to be employed in Shawnee County, Kansas.
- 5. <u>Termination</u>. If BUSINESS fails to maintain at least a minimum of fifty (50) (new or established) Full Time Employment Positions in Shawnee County, Kansas, after the effective date of this Agreement until the end of the 2028, which is the last year in which to qualify for an Employment Incentive), this Agreement shall be deemed terminated and GO TOPEKA shall not be required to make any further Employment Incentive payments to BUSINESS under this Agreement.
- 6. <u>Notices</u>. 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. <u>Miscellaneous</u>. 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 purchase or procurement of the machinery and equipment contemplated herein.
  - b. BUSINESS agrees to make every reasonable effort to use, if qualified, Shawnee County residents to fill the 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 of 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.
- 1. 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.
- m. Sarbanes-Oxley and similar legislation may have application to, or affect the accounting for, this Agreement by BUSINESS.
- n. GO TOPEKA makes no representation as to the taxability or tax effect of this Agreement and the incentive payments hereunder.
- o. 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 GO TOPEKA's hereunder (taking into account 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.

- p. 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.
- q. 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.

- r. 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.
- s. 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.

"BUS	SINESS"	"GO TOPEKA"			
INDUSTRIAL MAINTENANCE OF TOPEKA, INC.		GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.			
Ву:		By:			
	Todd Harrington	Molly Howey			
	President	Senior Vice President,			
		Economic Development			



# Agenda Item No. 5

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

## **Approval of Project Leaf Contract**



# Premier Advisory Group "Project Leaf" Overview December 13, 2017

At its September 13, 2017 meeting, JEDO approved incentives funding in the amount of \$225,000 for Project Leaf. The incentives agreement is on the agenda for the December 13<sup>th</sup> regular meeting. Following is an overview of the project.

### **Project Leaf Overview**

- Existing Shawnee County company Premier Advisory Group, umbrella company of ActionCOACH Business Coaching, Bajillion Agency and MotoVike Films
- \$2.4 million in capital investment
  - \$1.6 million facility (revitalize a downtown building)
  - o \$800,000 equipment
- Add 45 full-time positions over 5 years; as of September employed 17 full-time
- Average wage of \$52,000

### Proposed Incentives & Economic Impact

- Maximum incentive of \$225,000 for job creation only
- Performance based
- Economic Impact Analysis
  - o \$16 million annual recurring impact

### INCENTIVE AGREEMENT

This	Incentive		Agreement			is	effective		
		20		and	is	entered	into	between	the
following partie	es:								

#### GO TOPEKA:

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

120 SE 6th Avenue, Suite 110

Topeka, KS 66603-3515

Phone: (785) 234-2644 FAX: (785) 234-8656

Contact Person/Title: Mathew Pivarnik, President/CEO

### BUSINESS:

THE PREMIER ADVISORY GROUP, INC. 3620 SW Fairlawn Topeka, KS 66614

Contact Person: Earl D. Kemper Phone:

WHEREAS, BUSINESS is a Colorado corporation in good standing and qualified to do business under the laws of the State of Kansas; and

WHEREAS, BUSINESS is contemplating moving its operations within Topeka, Kansas, and investing approximately Two Million Dollars (\$2,000,000) to acquire, renovate and equip an office at 100 S. Kansas Ave., Topeka, Kansas; and

WHEREAS, in connection with such move, BUSINESS is contemplating creating an estimated Forty-five (45) new full

time employment positions with an estimated average annual salary of \$52,000, in addition to the existing 17 Topeka, Kansas, employees; and

WHEREAS, GO TOPEKA desires to assist and promote BUSINESS by offering up to Two Hundred Twenty-five Thousand Dollars (\$225,000) in employment incentives; and

WHEREAS, the parties wish to memorialize their understanding regarding the details of the incentive package by 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. Employment Incentive. GO TOPEKA agrees Local incentive ("Employment to BUSINESS employment an Incentive") for new Full Time Employment Positions maintained by the BUSINESS for a calendar year, subject to the limitations and requirements below. As of September 13, 2017, BUSINESS employed seventeen (17) employees, so only Full Time Employment Positions in excess of that number shall qualify for an incentive hereunder. To qualify for the Employment Incentives available to this Agreement, the new Full Time Positions must have average annual compensation of at least \$52,000 per position, when averaged against all of the new Full Time Employment Positions. Each new Full Time Employment Position is eligible to receive up to \$5000, paid in \$1000 increments over five years upon maintaining the position for each of five consecutive calendar years.

As used herein, a "Full Time Employment Position" is an employee position that includes approximately 2080 paid hours of service in Shawnee County, Kansas, during each calendar year. Notwithstanding the foregoing if: (A) Full new Employment Position is created before June 30 of a particular year (within the timeframe permitted in this Agreement); and (B) has at least 1040 paid hours of service in Shawnee County, Kansas, in that same year; the position may qualify for the first incentive installment in the next year, but shall be required to be maintained for full calendar years thereafter to qualify for future incentive installments. To the extent incentives are claimed for these partial year positions, compensation for those positions shall be annualized purposes of determining the average compensation of all claimed new Full Time Employment Positions. For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, bonuses or other cash incentives paid by BUSINESS to the Full Time Employment Position in a calendar year, but does not include benefits. Each position shall be eligible to receive health insurance benefits, at least part of the premiums of which 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). Full Time Employment Position must be one which has the BUSINESS withholding and paying all 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 vacated for the Employment Incentive if the position is (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 calendar year. Ιf the position is filled within that time at a qualifying salary, the vacancy will not preclude the availability of the Employment Incentive. (If unfilled for longer than ninety (90) days during a 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).

Notwithstanding anything to the contrary herein, a maximum employment incentive available hereunder shall not exceed Forty-Five Thousand Dollars (\$45,000) in any one year or Two Hundred Twenty-five Thousand Dollars (\$225,000) in aggregate for the term of this Agreement. To qualify for an incentive, a new Full Time Employment Positions must be in place by December 31, 2022.

Installments of the Employment Incentive shall be available to be earned beginning on September 14, 2017, with the Employment Incentive installment relating thereto paid in 2019, and the last qualifying year (depending when a position was added) ending on December 31, 2027 (with the Employment Incentive relating thereto paid in 2028).

GO TOPEKA will endeavor to make an incentive payment by April 31 each year (beginning in 2019, and ending in 2028), for the qualifying Full Time Employment Positions maintained for the

entire previous 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.

For purposes of illustration, if BUSINESS adds ten (10) new Full Time Employment Positions receiving qualifying averaged and annualized compensation before June 30, 2018, BUSINESS would be eligible to receive an Employment Incentive installment in the amount of \$10,000 (\$5000/5 years \* 10 employees) in 2019 (if the positions were maintained as required through the end of 2018). If, for 2019 there were no changes except that there was the another qualifying position addition of (and the compensation remained above \$52,000) BUSINESS would be eligible to receive \$11,000 in 2020. If in 2020 the average new Full Time Employment Position average compensation fell \$52,000, then the BUSINESS would not be entitled to an Employment Incentive in 2021.

2. <u>Employment Incentive Calculation Documentation</u>. 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. 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.

- 3. <u>Use of Funds</u>. The funds received by BUSINESS pursuant hereto shall be used for the purpose of employment or training of persons to be employed in Shawnee County, Kansas.
- 4. If BUSINESS fails to maintain at least a Termination. minimum of seventeen (17) (new or established) Full Time Employment Positions in Shawnee County, Kansas, after the effective date of this Agreement until the earlier of (a) the end of the 2028, which is the last year in which to qualify for an Employment Incentive), or (b) at such time as all possible incentives have been earned (or are no longer available), this Agreement shall be deemed terminated and GO TOPEKA shall not be required to make any further Employment Incentive payments to BUSINESS under this Agreement.
- 5. <u>Notices</u>. 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.
- 6. <u>Miscellaneous</u>. 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 purchase or procurement of the machinery and equipment.
- b. BUSINESS agrees to make every reasonable effort to use, if qualified, Shawnee County residents to fill the 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 of 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.
- 1. 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.

- m. Sarbanes-Oxley and similar legislation may have application to, or affect the accounting for, this Agreement by BUSINESS.
- n. GO TOPEKA makes no representation as to the taxability or tax effect of this Agreement and the incentive payments hereunder.
- GO TOPEKA's obligations hereunder are contingent hereof by Joint Economic Development approval 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 into GO TOPEKA's hereunder (taking account 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.
- p. 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.

- q. 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.
- r. 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.
- s. 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.

Agreement on the date and year first above written. "BUSINESS" "GO TOPEKA" THE PREMIER ADVISORY GROUP, INC. GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC. By: \_\_\_\_\_ By: \_\_\_\_ Matthew Pivarnik, Print Name: Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this

President and CEO

United For Growth

# Agenda Item No. 6

### JEDO Board Meeting December 13, 2017 - 6:00 P.M.

### PRESENTATIONS:

### A. GO Topeka Quarterly Report

- New Business Attraction
- Business Retention & Expansion Activity
- Entrepreneurial & Minority Business Development
- Workforce & Education
- BAAFTech Taskforce (Bioscience/Ag/Animal/Financial Tech)
- Momentum 2022
- **B.** 712 Innovations
- C. Transportation Initiative
- D. JEDO Finance Committee 3<sup>rd</sup> Quarter Financial Report

# GO TOPEKA QUARTERLY REPORT

**2017 - 3RD QUARTER** 

PREPARED FOR JEDO

Summary of economic development strides within Topeka & Shawnee County.





# THE PREMIER

ADVISORY GROUP, LLC





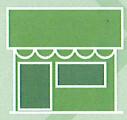
17 45 Current jobs New jobs



\$52,000 Average salary



\$2.4M
Total capital investment



Revitalizing a downtown building

### **PROJECT PIPELINE**



35
Projects in pipeline



**261**Average number of jobs per project



\$39,900 Average wage per project

### **BUSINESS DEV. & ATTRACTION**



2 New projects



**63**Consultant interactions



Formal proposal submitted



Site visit

### **BUS. RETENTION & EXPANSION (BRE)**



New project Project Smiles (Manufacturing) 13 Total Projects



**\$214 M**Total capital investment for all BRE projects



914 Potential Jobs



**40** On-site business visits YTD



68
Business
interactions
YTD

On September 21, GO Topeka hosted the 3rd annual Financial Services Summit with more than 180 registered participants.

## GO TOPEKA ENTREPRENEURIAL AND MINORITY BUSINESS DEVELOPMENT

#### **SMALL BUSINESS INCENTIVES**



43 YTD

Businesses
Receiving Incentives
(Some received more than one incentive)



\$53,707 \$168,530 YTD Total incentives issued



106 YTD Part time jobs retained or created

#### Full time jobs retained or created

**78 YTD** 

#### FIRST OPPORTUNITY LOAN FUND



\$75,000 This quarter



\$165,000 Three loans in 2017

#### **PROGRAMS & ACTIVITIES**



325
Attended programs and activities this quarter

#### **FASTTRAC GRADUATES**



13 Graduates in Spring 2017



**14** Graduates Fall 2017

## **MID AMERICA ANGELS - TOPEKA**





160 ANGEL INVESTORS



INVESTED IN 14 DIFFERENT COMPANIES (First and second round funding)

#### **PTAC** (PROCUREMENT TECHNICAL ASSISTANCE CENTER)









### **CONTRACT AWARDS**

\$9.6 M Federal
\$96,743 State and Local
\$1.2 M Shawnee Contract awards (this quarter)
\$450,000 Sub center awards
\$10.1 M YTD

Our PTAC services area is larger than Shawnee County.

### **WORKFORCE & EDUCATION**

#### **TOPEKA STATS**

**UNEMPLOYMENT RATE -** 4.0% (AUGUST 2017) **AVERAGE WAGE - \$43,459 (2ND QUARTER, 2017)** MEDIAN HOUSEHOLD INCOME - \$55,710 (2016 ACS, 1 YEAR ESTIMATES)

#### **FOCUS AREAS**



CRADLE **THROUGH** CAREER



**DIVERSITY &** INCLUSION



**EAST TOPEKA** LEARNING CENTER



**FUTURE TALENT** PIPELINE



**WORK READY** COMMUNITY

### TOP INDUSTRIES WITH UNFILLED POSITIONS



**DISTRIBUTION** & LOGISTICS



**HEALTHCARE** 





**EDUCATION MANUFACTURING FINANCIAL** 



SERVICES



BUILDING TRADES

### **712 INNOVATIONS**



127 MEMBERS



HOME TO 32 SMALL **BUSINESSES** 



**26 ENTREPRENEURS HAVE PRESENTED** AT 1 MILLION CUPS **TOPEKA** 

# GO TOPEKA BOARD OF DIRECTORS

#### **EXECUTIVE COMMITTEE**

WENDY WELLS Board Chair Market President

Market Presiden U.S. Bank

SCOTT GRIFFITH
Past Chair

Community Bank President INTRUST Bank KEITH WARTA Board Chair - Elect CEO

Bartlett & West

KURT KUTA Non-Officer

President & CEO CoreFirst Bank & Trust **SCOTT GALES** 

Treasurer

Architect, Principal Architect One, PA, Inc.

ALONZO HARRISON Non-Officer

Owner HDB Construction RANDY PETERSON Secretary

President & CEO Stormont Vail Health

MATT PIVARNIK
President and CEO

GO Topeka

#### **BOARD MEMBERS**

DAN BEAL

President McElroy's, Inc.

**JIM PARRISH** 

President & CEO Parrish Hotel Corporation

**DON BEATTY** 

Worldwide Director, Finance Hill's Pet Nutrition Inc.

**SHANE SOMMARS** 

General Manager Briggs Auto

**MATT STRATHMAN** 

President Strathman Sales Co., Inc.

**GLENDA DUBOISE** 

Regional Community Organizer Communities Creating Opportunity **BETH ANNE BRANDEN** 

President BA Designs, LLC.

**MARK RUELLE** 

President & CEO Westar Energy

**LINDA BRIDEN** 

CEO Sunflower Association of Realtors

**BRIAN THREADGOLD** 

Business Manager IBEW Local No. 226

**LIANA ONNEN** 

Chairperson Prairie Band Potawatomi Nation

**MEGAN JONES** 

President Jones Advisory Group **ANDY CORBIN** 

President & CEO
Blue Cross and Blue Shield of
Kansas

**MICK URBAN** 

Government Affairs Kansas Gas Service

**JERRY NEY** 

President & CEO Aldersgate Village

PAT TOLIN

Project Manager McPherson Contractors, Inc.

**MARSHA POPE** 

President Topeka Community Foundation

**ZACH AHRENS** 

President/Publisher Topeka Capital-Journal **NATHAN MORRIS** 

Owner Meridian Roofing

**DOUG WOLFF** 

President Security Benefit Life

**DAVID SETCHEL** 

President St. Francis Health

MADAN RATTAN

Managing Partner Topeka Investment Group

**ANDREA ENGSTROM** 

Founder / Marketing Strategist Bajillion Agency

**ALLEN MOORE** 

Director of Engineering Frito-Lay, Inc.

DAN FOLTZ

President KBS Constructors, Inc.

#### **DIRECTORS BY VIRTUE OF OFFICE HELD**

**MAYOR LARRY WOLGAST** 

City of Topeka

**BRETT OETTING** 

President & CEO Visit Topeka, Inc. **TONY EMERSON** 

City Councilman City of Topeka

**ERIC JOHNSON** 

President MTAA **KEVIN COOK** 

County Commissioner Shawnee County

**DOUG GERBER** 

Interim City Manager City of Topeka **DR. JERRY FARLEY** 

President Washburn University

**VINCE FRYE** 

President & CEO Downtown Topeka, Inc.

JANET STANEK

Chamber Chair Stormont Vail Health

## **GO TOPEKA STAFF**



Matt Pivarnik
President and CEO



Molly Howey SVP - Economic Development



Glenda Washington SVP - EMBD



Barbara Stapleton VP - Workforce & Education



Jackie Steele
VP - Business Retention &
Expansion



Matt Lara
Digital Communications
Manager



Freddy Mawyin Research Manager



Mary Ann Anderson Assistant Manager -EMBD



Mary Hill
Executive Assistant

## GO TOPEKA MISSION

GO Topeka's mission is to create exceptional opportunities for growth, prosperity, innovation, and economic diversity and vibrancy that positively impact current and future citizens of Topeka and Shawnee County by attracting world-class companies, providing existing companies with the knowledge and resources to reach their highest potential, and cultivating entrepreneurial development and growth.

#### **TOPEKA'S ENTREPRENEURIAL HUB**

## 712 INNOVATIONS

#### **COWORK . SMALL BUSINESS INCUBATOR . ACCELERATOR PROGRAM**

**Momentum 2022** is a comprehensive, actionable and consensus-based plan to guide the community's collective actions to make Topeka & Shawnee County a better place to live, work, play and do business. The research-based Holistic Economic Development Strategy noted a major improvement area to address: Topeka & Shawnee County currently has an underdeveloped entrepreneurial ecosystem compared its peers. The adopted plan calls for:

**Strategic objective:** Enhance the Entrepreneurial Ecosystem by supporting extended programming and new physical space for 712 Innovations for continued entrepreneurial ecosystem growth.

**Tactical Recommendation:** Enhance the Entrepreneurial Hub by bringing publicly and privately supported entrepreneurial programs under one roof, streamline current programs and funding, develop advanced entrepreneurial programs and robust funding for Topeka & Shawnee County.

**Timeline:** Now is the time to further develop an important building block of an entrepreneurial ecosystem: Creating a fully realized ecosystem is a time and resource intensive process that cannot be accomplished within the span of a five-year plan, but what is not continued today is never finished tomorrow.

**Goal:** Visible Topeka Entrepreneurial Ecosystem by establishing and programming a prominent physical location for 712 Innovations to serve as a "center of gravity" for entrepreneurship and innovation. Programming would include providing business counseling, training, networking, growth or specialized assistance and access to capital and credit for startups.

"712i's pivot grew out of dialogue with our community and research on national entrepreneur best practices. 64 percent of new private-sector jobs come from small business, growing new small businesses and scaling up existing ones is the right way to grow jobs and pride in Topeka."

- Karen Lane Christilles Executive Director, 712 Innovations

#### SNAPSHOT OF 712I PROGRAMMING BEGINNING IN JANUARY 2018

#### CoWork

Focus: Seed Stage Business

Drop-in Space

Entrepreneurial Environment

Peer Networking Events

Target: Individuals taking EMBD FastTrac & WSBA

Classes

Program Length:

Open – Month to Month

#### 712i Small Business Incubator

Focus: Startup Stage Business Administrative Assistance

Goal: Access to Capital and

SCORE Mentorship

Target: Participants who have completed EMBD Programs &

**WSBA** Classes

Program Length:
Usually Two Years on
Four 6-Month Contracts

#### 712i Accelerator Program

Focus: Growth Stage Business

Mentor Based

Four Month Curriculum

Cohort Application

Pitch Competitions and

**Business Showcasing Events** 

Goal: Attain VC and Angel

Investment

Program Length: 18-Month Contract

Digital Fabrication and Prototyping | Innovation Workspace Focus | Small Business Support

## Transportation Initiative – SOTO Ride to Work December 13, 2017

Susan Duffy, Executive Director, Topeka Metro Staff: Barbara Stapleton, Vice President of Workforce & Education

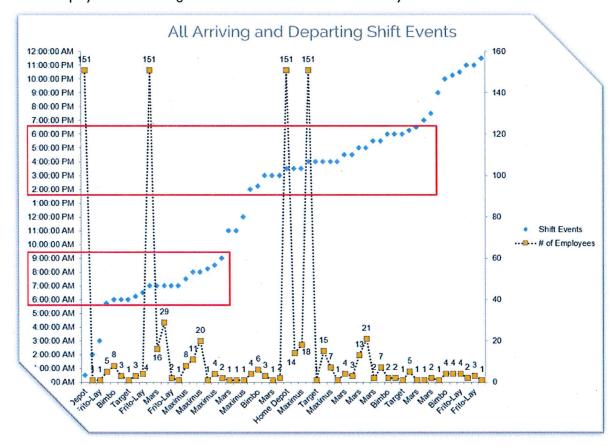
#### Topeka Metro Transit Authority, South Topeka Workforce Access

#### A Brief History

- The exploration of a South Topeka route began in 2012 and involved coordination with GO Topeka.
- Between January 2013 and January 2017, six South Topeka businesses participated in online and paper surveys to better understand employee trip patterns to and from the area (Frito-Lay, Bimbo Bakeries, Home Depot, Target, Maximus/HP, Mars).
- Nearly 3,000 employees work at the six targeted businesses, and shift changes occur at all hours of the day. The greatest number of shift changes occur between 6am-9am and 2pm-6pm.

#### **Complex Travel Patterns**

- The chart below displays results of survey work done to determine shift change times in the area.
   Each blue dot represents a shift change time.
- Although there are "peak" times from 6am 9am and 2pm 6pm, the data demonstrates that
  employees are traveling to and from the area at all times of day.



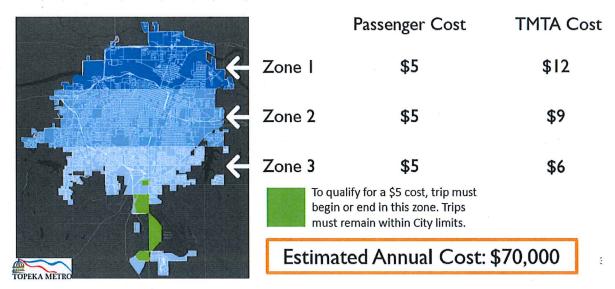
#### Right-Sized Transit Service

TMTA understands there is demand for transit service to and from employers in South Topeka. Passengers need a flexible option that allows them to request a ride when it works for them and their work schedules. Providing flexible and affordable taxi service will allow TMTA to evaluate demand and consider future potential transit options, including ride-hailing partnerships or fixed route services. The estimated start date for this service is January 1, 2018. We believe this model could be used in the future to explore the feasibility of expanded transit access to other workforce areas in Topeka.

#### **Proposed Taxi Service**

24 hours per day, passengers will be able to request taxi service to or from any business in South Topeka for the price of \$5. The trip must begin or end at a South Topeka business located in the green zone on the map, and must stay within the city limits.

While the passenger cost will remain constant, the charge by the trip provider to Topeka Metro will vary based on a 3-zone system. Trips to or from zones further away from South Topeka will cost more than nearby trips. Average cost to TMTA per trip: \$9



#### Request to Fund

The GO Topeka board reviewed the preceding information and recommends the funding of a transportation pilot to fund the initiative in the amount of \$70,000, to be allocated from GO Topeka funds.

## Joint Economic Development Organization Cash Statement As of September 30, 2017

Receipts:	
Sales Tax - City of Topeka	\$ 7,560,573.98
Sales Tax - Shawnee County	5,822,713.09
Interest Income	26,752.45
Total Receipts	13,410,039.52
Disbursements:	
City of Topeka (Phase II)	\$ 2,672,173.43
Shawnee County (Phase II)	2,894,854.55
City of Topeka-Phase I 21st Street Project	446,769.29
City of Topeka Phase I Payout	9,844,171.42
Shawnee County Phase I Payout	8,372,168.41
Total Disbursements	24,230,137.10
GO Topeka	3,749,999.94
Audit Fee	4,775.00
Bank Charges	302.49
Total Disbursements	27,985,214.53
Net Receipts (Disbursements)	(14,575,175.01)
Bank Balance - January 1, 2017	15,973,336.87
Bank Balance - September 30, 2017	\$ 1,398,161.86

Note: This is a cash basis report

Prepared by Nickie Lee



United For Growth

## Agenda Item No. 7

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

Approval of 2018 Annual Business Plan and Budget for the Growth Organization of Topeka/Shawnee County, Inc.



## **2018 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 2018 is launching the implementation of the Momentum 2022 Strategy. Workgroups dedicated to each of the five key initiatives outlined in the strategy have been developed and the formal implementation of the plan begins on January 1, 2018. A component in the strategy is the formation of the Greater Topeka Partnership. This is a partnership between the Topeka Chamber, GO Topeka, Visit Topeka and Downtown Topeka, Inc. Considering this, the 2018 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 launched a campaign to continue and grow the private investors who will support the Momentum 2022 strategy for the next five years both in advocacy and financially.

#### **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, employee retention, and diversity, equity and inclusion. We will continue to develop and grow partnerships between community members, 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 diverse, 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

Research is an integral part 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

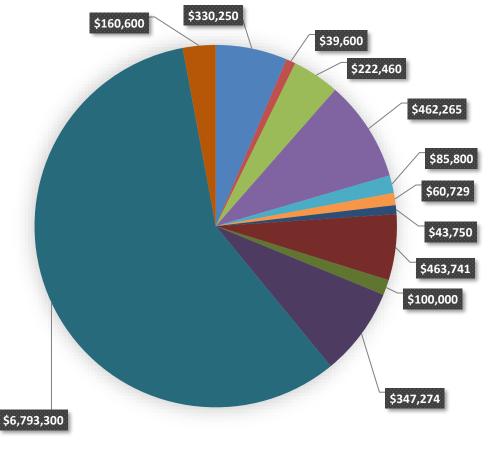
- Business assistance programs
- Public infrastructure
- Taxes, fees and regulations
- Economic impact analyses

#### **COMPONENT BUDGET SUMMARY**

GO Topeka Proposed Program Budgets	Proposed 2018	Approved 2017
New Business Attraction	\$ 330,250	\$ 350,250
Marketing	\$ 160,600	\$ -
Existing Business Retention & Expansion	\$ 39,600	\$ 46,400
Workforce & Education	\$ 222,460	\$ 231,900
EMBD	\$ 462,265	\$ 495,214
Entrepreneurial Development	\$ 85,800	\$ 86,700
Research	\$ 60,729	\$ 59,550
Government Relations	\$ 43,750	\$ 43,750
Total Program Budget	\$1,405,454	\$1,313,764
Finance, Administration, Other Operating	\$ 463,741	
Entrepreneur Hub (712 Innovations)	\$ 100,000	
Personnel (excl. EMBD) salaries	\$ 347,274	
Incentives and Site Expenditures	\$6,793,300	
TOTAL Proposed Budget	\$9,109,769	

#### **2018 GO Topeka Proposed Total Expenditures**

### **GO Topeka Proposed Budget**





#### **BUSINESS PLAN COMPONENTS AND BUDGETS**

REVENUES	<ul> <li>Economic Development Sales Tax - \$5,000,000</li> <li>Other Income - \$23,400</li> </ul>	\$5,023,400
A. New	Business Attraction	
<b>A.</b> 1	<ul> <li>National and International Marketing</li> <li>National awareness advertising involving trade and targeted industry public International awareness marketing</li> </ul>	<b>\$112,000</b> ications
A.2	<ul> <li>Economic Development Sales</li> <li>Participation in site consultant events and organizations</li> <li>In-Community site visits for prospects and projects</li> <li>Prospect/project development</li> <li>Webinars with site consultants and industrial real estate consultants</li> <li>Visits to targeted industry sector companies</li> </ul>	\$100,000
<b>A.3</b>	<ul> <li>Regional Marketing and Development Efforts</li> <li>Participation in Kansas Department of Commerce and Kansas City Area Development site consultant visits</li> <li>Prospect Development with Kansas City Area Development Council</li> <li>Prospect Development with KC Smart Port</li> <li>Support of Regional Bioscience Initiatives</li> <li>Prospect Development with Kansas Research Nexus</li> <li>Regional Site Consultant event</li> </ul>	<b>\$81,000</b> evelopment Council's
<b>A.</b> 4	Professional Services • Engineered concept drawings for prospects	\$6,000
A.5	<ul> <li>Professional Development/Partnering EDO's</li> <li>Kansas Economic Development Association (KEDA)</li> <li>International Economic Development Council (IEDC)</li> <li>Industrial Asset Management Council (IAMC)</li> <li>Team Kansas</li> <li>Economic Development Webinars/Learning series</li> <li>IEDC Economic Development Research Partners (EDRP)</li> </ul>	\$19,250
<b>A.6</b>	Telecommunications Expense	\$1,800
<b>A.7</b>	Car &Travel Expenses	\$1,200
<b>A.8</b>	Meeting Expenses	\$1,200
<b>A.9</b>	Postage	\$1,200

<b>A.</b> 10	) Supplies	\$600
<b>A.</b> 1	I Contingencies	\$6,000
TOT	AL NEW BUSINESS ATTRACTION BUDGET	\$330,250
B. Marl	<u>ceting</u>	
B.1	<ul> <li>Creative Services</li> <li>Marketing specifically aligned with target sectors for attraction</li> <li>Social media strategy and implementation</li> <li>Communications to site selectors</li> <li>Public relations as needed</li> <li>Crisis communication plan</li> </ul> ing Business/Expansion & Retention	\$160,600
	enue from Financial Services Summit	(\$7,500)
<b>C.1</b>	<ul> <li>Existing Business Visitation Program</li> <li>Conduct 50 on-site business visits</li> <li>Have 90 business interactions</li> <li>Develop a strategy for conducting corporate headquarter visits</li> </ul>	\$4,000
<b>C.2</b>	<ul> <li>Existing Employer Recognition Program</li> <li>Create opportunities for building relationships with existing business leadership and develop events to recognize existing industries.</li> </ul>	\$5,000
<b>C.3</b>	<ul> <li>Existing Employer Support</li> <li>Provide assistance with resources for business expansion including state incentive application fees (PEAK, HPIP, etc.)</li> <li>Local primary employer expansion assistance</li> <li>Financial Services Summit industry seminar</li> <li>Plant manager group manufacturing/distribution meetings</li> <li>One-on-one/small group relationship building events with local executives</li> <li>Partner with Entrepreneurial and Minority Business Development program to identify small businesses that need assistance and support.</li> </ul>	\$25,200
<b>C.4</b>	<ul><li>Marketing and Promotions</li><li>Program marketing</li><li>Promotions</li></ul>	\$3,000
<b>C.5</b>	Professional Association Dues/Memberships	\$900
<b>C.6</b>	<ul> <li>Professional Development and Business Organization</li> <li>International Economic Development Council</li> <li>Business Retention Expansion International</li> </ul>	\$4,500

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

C.7 Telecommunications Expense	\$600
C.8 Car & Travel Expenses	\$1,500
C.9 Meeting Expenses	\$1,200
C.10 Postage	\$300
C.11 Supplies	\$300
C.12 Contingencies/Unspecified	\$600
Sub-Total - Expenses	\$47,100
TOTAL EXISTING BUSINESS/EXPANSION & RETENTION BUDGET	\$39,600

#### D. Workforce and Education

#### **D.1** Pre-Pathway Assessments

\$25,000

- Fund testing of seniors in participating Shawnee County school districts or incoming certificate students in Shawnee County technical programs.
- Provide testing results to participating schools showing a year by year comparison of test results.
- Promotion of Assessments/Certificates to area employers.

#### **D.2** Employer Workforce and Education Support

\$178,000

- Support 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
- Assist and support recruitment and retention efforts through intern programming
- 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

<b>D.3</b>	<ul> <li>Professional Development</li> <li>Kansas Workforce Summit</li> <li>International Economic Development Council</li> <li>Kansas Economic Development Association</li> <li>North Topeka Business Alliance</li> <li>Sales &amp; Marketing Executives</li> <li>ACCE</li> </ul>	\$5,600
<b>D.4</b>	<ul><li>Marketing and Promotions</li><li>Program marketing</li><li>Promotions</li></ul>	\$9,000
D.5	Telecommunications Expense	\$600
D.6	Car & Travel Expenses	\$1,200
D.7	Meeting Expenses	\$1,200
D.8	Professional Association Dues/Memberships	\$900
D.9	Supplies	\$360
D.1	O Contingencies/Unspecified	\$600
TO	AL WORKFORCE & EDUCATION BUDGET	\$222,460
E. Ent	repreneurial and Minority Business Development (EMBD)	
Rev	enue from registrations, ticket sales, and sponsorships	(\$12,900)
E.1	Salaries and Benefits (1.7 FTE)	\$211,015
E.2	Telecommunications Expense	\$1,200
E.3	<ul> <li>Contract Services/Program Development</li> <li>Instructor Training</li> <li>Entrepreneur Software Applications &amp; Licensing</li> </ul>	\$25,000
E.4	Capital Expenditures	\$6,000
E.5	Car & Travel	\$1,500
E.6	Meeting Expense	\$1,550
E. <i>7</i>	<ul><li>Subscription Expense</li><li>Program Support Materials</li></ul>	\$900
E.8	Professional Development and Outreach to EDO's	\$7,000

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) **E.9** Postage \$2,400 \$3,600 E.10 Supplies \$30,000 **E.11 Grants & Scholarships** 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 E.12 Marketing/Promotions/Advertising \$36,000 Develop a holistic marketing strategy to promote entrepreneurial training, opportunities and 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 **E.13 Client Scholarships** \$1,000 Support the growth of New Venture graduates by providing access to local and statewide marketing opportunities E.14 Printing \$6,000 **E.15** Entrepreneurial Course Offering \$15,000 Kaufman FastTrac New Venture (30 HR) Kauffman FastTrac Growth Venture (30HR) Course Quick Books TA, Workshop • Misc Entrepreneur Courses E.16 EMBD Council New Initiatives \$12,000 E.17 Legal \$6,000

#### **E.18 Small Business Awards**

\$18,000

- 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

#### **E.19 Information Technology**

\$1,800

**E.20** Contingencies

\$1,200

#### **E.21** Professional Women's Roundtable \$15,500 • 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 **E.22** Purchasing Initiatives \$2,500 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 \$70,000 **E.23 PTAC (Procurement Technical Assistance Center)** 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 \$475,165 **Sub-Total - Expenses** TOTAL ENTREPRENEURIAL AND MINORITY BUSINESS DEV. BUDGET \$462,265 +F. Entrepreneurial Development F.1 Program Support for Washburn University \$10,800 **Small Business Development Center (SBDC)** Provide in-kind work space - 1,715 sq. ft. \$75,000 F.2 Entrepreneurial Support Washburn/Washburn Tech Pitch Competitions New Project Ideas **TOTAL ENTREPRENEURIAL BUDGET** \$85,800 G. Research **G.1** General Data Acquisition \$33,115 Implan: Model economic impact tool Retail Lease Trac: Commercial retail tenant information Dun & Bradstreet: Global commercial database Chmura: Economic & statistic analytic tool RealtyTrac Survey Monkey: Web-based survey system

General Database Access

<b>G.2</b>	Professional Development/Conferences	\$6,000
G.3	Professional Dues/Memberships	\$1,000
<b>G.4</b>	Website Maintenance	\$6,000
	<ul><li>Web Hosting</li><li>Website Updates</li></ul>	
G.5	CRM	\$8,710
G.6	Marketing Resources	\$4,104
	Constant Contact	
	<ul> <li>Adobe Stock</li> </ul>	
	Prezi	
	Social Media Ads	
	Social Media Management	
	Adobe Creative Suite	
	Social Media Ambassadors	
<b>G.7</b>	Telephone Expense	\$1200
G.8	Contingencies	\$600
TOTA	AL RESEARCH and SOCIAL MEDIA BUDGET	\$60,729
⊔ Cov	vernment Relations Consultant	
п. Воч	ernment kelations Consultant	
H.1	Consultant-Washington, D.C.	\$18,000
	Federal Employer retention/expansion	<b>4.5,555</b>
	Federal grants	
	Federal Legislation	
	• Federal Legislation	
H.2	Travel	\$750
н.3	Governor's Military Council	\$25,000
TOTA	AL GOVERNMENT RELATIONS CONSULTANT BUDGET	\$43,750
TOTAL P	ROGRAM BUDGET	\$1,405,454
<u>I. Fina</u>	nce and Administration	
1.1	Utilities/Phone/Copy/Equip/IT/Capital Expend.	\$94,159
1.2	Rent/Office Maintenance	\$97,552
1.3	Administration & Finance	\$88,800
1.4	Insurance/Taxes/Legal	\$43,980

1.5	Accounting/Audit/Consulting	\$63,100
1.6	Travel/Auto	\$9,270
I. <b>7</b>	Dues/Subscriptions	\$12,060
1.8	Meetings/Postage/Printing	\$7,220
1.9	Supplies	\$24,150
I.10	JEDO Expenses	\$15,450
1.11	Contingencies	\$8,000
TOTA	AL FINANCE AND ADMINISTRATION BUDGET	\$463,741
I. <u>Salaı</u>	ies and Benefits (exclusive of EMBD salaries)	\$347,274
TOTAL OPE	<ul> <li>Finance &amp; Administration - \$463,741</li> <li>Salaries and Benefits (exclusive of EMBD) - \$347,274</li> </ul>	\$2,216,469
TOTAL REV	ENUES OVER OPERATING EXPENSES	\$2,806,931
J. Entre	epreneur Hub (712 Innovations)	\$100,000
<u> </u>	•	4100,000
	ntives and Site Expenditures	4.23,333
	·	\$1,798,400
K. <u>Ince</u> K.1	ntives and Site Expenditures	
K. <u>Ince</u> K.1 K.2	Anticipated expenditures on current commitments  Indirect site/incentive expenditures  • Maintenance of parks, cost of incentive reviews	\$1,798,400
K. <u>Ince</u> K.1 K.2	Anticipated expenditures on current commitments  Indirect site/incentive expenditures  • Maintenance of parks, cost of incentive reviews  • Landscaping/Signage	\$1,798,400 \$45,000
K. <u>Ince</u> K.1 K.2	Anticipated expenditures on current commitments  Indirect site/incentive expenditures  • Maintenance of parks, cost of incentive reviews  • Landscaping/Signage  New Incentives  • East Topeka Learning Center - \$2,750,000  • Broadband - \$111,000	\$1,798,400 \$45,000 \$250,000
K. Ince K.1 K.2 K.3 K.4	Anticipated expenditures on current commitments  Indirect site/incentive expenditures  • Maintenance of parks, cost of incentive reviews  • Landscaping/Signage  New Incentives  New Workforce Initiatives  • East Topeka Learning Center - \$2,750,000  • Broadband - \$111,000  • Transportation Pilot - \$70,000	\$1,798,400 \$45,000 \$250,000 \$2,931,000

#### TRANSFER FROM (TO) CASH, INVESTMENTS & LAND HELD FOR DEVELOPMENT \$4,086,369

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

	Forecast		
	Proposed Budget Year Ending 2018	Estimated/ Expected Year Ending 2017	Approved Budget Year Ending 2017
Receipts:			
Sales Tax	5,000,000	5,000,000	5,000,000
Other income	23,400	<u>19,000</u> 5,019,000	23,400
Total Receipts	5,023,400	5,019,000	5,023,400
Expenditures: Salaries & Personnel	265,270	200 025	330,394
Payroll taxes and benefits	82,004	280,835 86,021	101,201
Total excluding EMBD (1) (2)	347,274	366,856	431,595
Total excluding LIMBD	347,274	300,030	451,595
Departmental activities			
New business attraction	330,250	350,250	350,250
Marketing	160,600		
Existing Business	39,600	46,400	46,400
Workforce development	222,460	231,900	231,900
Entrepreneurial and Minority Bus Dev (EMBD) (3)	462,265	495,214	495,214
Entrepreneurial Development	85,800	86,700	86,700
Research/Social Media Government relations	60,729	59,550	59,550 43,750
Total Departmental	43,750 1,405,454	43,750 1,313,764	1,313,764
·			
Utilities/Phone/Copy/Equip/IT/Capital Expend.	94,159	72,430	72,430
Rent/Office maintenance	97,552	75,040	75,040
Administration & Finance	88,800		
Insurance/Taxes/Legal	43,980	38,240	38,240
Accounting/Audit/Consulting	63,100	70,000	70,000
Travel/Auto	9,270	9,000	9,000
Dues/Subscriptions	12,060	11,700	11,700
Meetings/Postage/Printing	7,220	7,000	7,000
Supplies	24,150	21,000	21,000
JEDO Continuos inco	15,450	15,000	15,000
Contingencies Other operating expenditures	8,000 463,741	3,000 322,410	3,000 322,410
Total Operating Expenditures	2,216,469	2,003,030	2,067,769
, ,			
Total Receipts over Operating Expenditures	2,806,931	3,015,970	2,955,631
Heartland Visioning	400.000	75,000	75,000
Entrepreneur Hub (712i)	100,000		
Installing Otto Formand Names and other	100,000	75,000	75,000
Incentives, Site Expenditures and other:			
Anticipated expenditures on current commitments	1,798,400	35,000	1,736,290
Indirect site/incentive expenditures/signage/entryway	45,000	96,700	96,700
New incentives	250,000	500,000	500,000
New Workforce Initiatives (4)	2,931,000	1,311,994	550,000
New Business Initiatives (5)	300,000	158,233	300,000
49th St improvements	1,468,900	126,000	
Total Incentives, Site Expenditures and other	6,793,300	2,227,927	3,182,990
Transfer from (to) cash, investments and land held for development	4,086,369	(713,043)	302,359
Net		0	002,000
1101			

#### **Summary of Significant Forecast Assumptions - Footnotes**

 $<sup>^{\</sup>rm (1)}$  Includes estimated 12% health insurance increase July 1, 2018.

<sup>&</sup>lt;sup>(2)</sup> Budget for 2018 is based on 3.9 FTEs This excludes the 2.5 EMBD FTE's. Decrease due to outsourced marketing

<sup>(3)</sup> This amount is net of EMBD program income. Includes salaries, taxes and benefits budgeted for 2.5 FTEs 2018, \$211,015 in 2018 and \$156,914 in 2017.

<sup>(4)</sup> Includes \$2.75m East Topeka Learning Center and \$111k Broadband, and \$70k transportation

 $<sup>^{\</sup>rm (5)}$  Includes \$300k for Small Business Incentive program



## Agenda Item No. 8

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

## **Approval of GO Topeka 2017-2018 Cash Carry-Forward Agreement**



### 2017-2018 Cash Carry-forward Breakdown

The carry-forward funds under consideration in the 2018 Cash Carry-forward 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 Kanza Fire Commerce Park improvements per the Mars contract
- Earmark funds for the completion of the 49th street improvement project

2018 Carry-forward Amount	\$16,500,000
East Topeka Learning Center Facility	-\$2,750,000
49 <sup>th</sup> Street Improvement Project	-\$1,468,900
Committed Incentives (2019 & beyond)	-\$1,594,400
EMBD Carryover	-\$908,000
Kanza Fire Park & Firehouse (from Mars contract)	-\$200,000
Economic Development Incentive Fund	-\$5,000,000
Quality of Place	-\$2,000,000
TOTAL Carryforward Planned Expenses	\$13,921,300
REMAINING for future investment	\$2,578,700

#### JEDO CONTRACT NO. C- - 2017

#### CASH CARRY-FORWARD AGREEMENT

THIS AGREEMENT is entered into this \_\_\_\_\_ day of December, 2017, 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 2018 an amount not to exceed Sixteen Million Five Hundred Thousand Dollars (\$16,500,000) 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, 2018 to December 31, 2018.
- 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:LARRY WOLGAST, Chair
Dated:	GROWTH ORGANIZATION OF TOPEKA/SHAWNER COUNTY, a non-profit Kansas corporation
	By: MATT PIVARNIK, President and CEO



## Agenda Item No. 9

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

## East Topeka Learning Center Project Update Discussion



## East Topeka Learning Center Project Update December 13, 2017

Staff: Barbara Stapleton, Vice President of Workforce & Education Taskforce Chair: Glenda Duboise, Co-Chair: Lalo Munoz

#### **Design Process**

- Hosted two community events to obtain design input and ideas and increase awareness
  - o Community Cookout at the site hosted on September 30 with over 140 attendees
  - Project Design Open House hosted at Hillcrest Community Center on October 16 with over
     50 attendees
- Bid for General Contractors
  - o Host pre-bid informational meeting mid-December for both general and sub contractors
    - Will provide overview of scope of work, design of building and Q & A
    - Encourage supplier diversity
  - Drawing & Specs will be out early January 2018
  - o Bids expected in by end of January 2018
  - Permitting will occur early February 2018, depending on when the contract is in place and working through city review comments

#### **Market Study**

- Survey, focus groups and community interviews are complete
- Received excellent feedback, participants were excited and engaged, with a strong awareness of the project
- Respondents indicated that continued community outreach is very important
- The Market Study Report draft will be presented to the ETLC Taskforce December 15 and the taskforce will convene to strategize and finalize the report.

#### **Expenditures to date**

,		\$344,123
77		
HTK Architects, design work	14	\$39,000
Terracon, abatement design and bid solicitation		\$2,000
Bartlett & West, land survey, topography, zoning		\$8,700
	Sub total	\$294,423
Property maintenance, YTD		\$3,880
City of Topeka, stormwater utility fees, YTD		\$2,221
planning/zoning, market study review)		\$5,498
Attorneys fees (agreement, NMTC discussion,		5
12 month insurance premium		\$8,665
Environmental studies and asbestos survey		\$22,250
Purchase of site and closing costs		\$251,909



#### **New Markets Tax Credits**

Columbia Capital has communicated that the House of Representatives' approved tax bill
eliminates NMTCs after the 2017 round but that the Senate bill maintains the program. With the
bills headed for reconciliation in conference committee, the fate of the program is still unclear after
this year's round is announced.

The ETLC Taskforce is following this narrative and will keep apprised of updates that could affect the project. What we know to date:

- The 2017 round of NMTCs are not in jeopardy from the House's tax reform bill. At this
  time, there is nothing additional for us to complete to be considered eligible for the project
  to be funded, if selected.
- The 2017 allocation round has not been announced and there is not yet an anticipated release date, but it will most likely occur in January 2018.
- The project presents a good opportunity for CDE's to achieve an early-round closing, which
  is a positive for them as they proceed to 2018 round applications.



## Agenda Item No. 10

JEDO Board Meeting December 13, 2017 - 6:00 P.M.

## **Broadband Initiative Update Discussion**

#### JEDO Broadband Planning project status

#### JEDO board summary update for Q4 2017:

To date the designated stakeholders representing the JEDO's interest on this project have:

- 1. Ongoing weekly meeting with the consultant
- 2. Updated the project timeline (attached on next page for reference)
- 3. Finalized coverage map for wireless propagation
  - 3.1. Part of the broadband planning process is to understand availability of and gaps in broadband services throughout Topeka and Shawnee County. The area outside of the Topeka city limits has traditionally been underserved and does not currently have consistent, widespread access to reliable and sufficient broadband services. This is step will assist the project team in evaluating the costs and benefits of addressing gaps in the rural areas using wireless technology vs. a fiber-to-the-premise solution.
- 4. Reviewed a draft outline of what will be in the report to Task Force
- 5. Results of Economic Impact Validation and Business Case Analysis
  - 5.1. Part of the review process also includes an analysis of the economic impact study and business case analysis that were conducted as part of the original broadband planning process with the Kansas Department of Commerce in 2014
  - 5.2. We have the following observations to this point:
    - 5.2.1. Agreed with 2014 study's overall methodology
    - 5.2.2. At the time of the original study, the project team were thinking that the economic impact numbers seemed a bit high
    - 5.2.3. More conservative levels of impact may in the end be more sustainable
    - 5.2.4. The initial review concluded that key assumptions about impact from fiber implementation in the original study were too high based on available literature. The review recommended a more conservative set of assumptions, although still ones that project a positive economic impact.
  - 5.3. All findings will be in the full report to be presented at the February 2018 JEDO board meeting

#### Upcoming milestones for Q1 2018:

- 1. Presentation of Report to JEDO executive team
- 2. Discussion of potential business and operating models under fiber and technology options to explore further in RFI to service providers / potential partners
- 3. Comments from Task Force
- 4. Revised Report and Discussion
- 5. Further comment from the Task Force
- 6. Develop RFI recommendations to JEDO Board with Task Force support
- 7. JEDO Presentation of Report and Recommendations for Request for Information (RFI)



Updated: 12/1/2017

#### JEDO Broadband Planning project timeline

	5 5	2017						2018											
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Phase 1Analysis																			
Project Launch / Kick Off																			
Economic impact study validation	-																		
Business case validation																			
Prepare draft report and presentatio	n																		
Stakeholder meetings on recommen	dation	s																	
Prepare revised report and presenta	tion																		
Stakeholder meetings on revised red	omme	ndat	ions																
Phase 2Presentation	-																		
Revised report and presentation																	-		
Presentation to JEDO Board	-																		
RFI decision support	-																		
Phase 3RFI Execution	-																		
Draft RFI																			
Present draft RFI	***************************************																		
Revise and issue RFI	-																		
Coordinate RFI process																			
Create RFI decision matrix																			
Prepare report and presentation to J	EDO																		
JEDO Board meetings														, ,					
Phase-4 – RFP Execution	-											parameter new					8		
Draft RFPs												-							
Present draft RFPs	-	-										-							
Revise and issue RFPs	and the same of th											***************************************							
Coordinate RFP process							-					- Annana							
Evaluate responses and create decis	ion ma	trix										***********							
Prepare report and presentation to J	EDO											-							
JEDO Board meetings												-			-				
Phase-5 – RFP/Taxing Entity Project I	lando	ff .										-			-				No.
Vendor negotiation	The same of the sa	T									-	- Company		Ì	-				
Implementation kick-off															-				



Updated: 12/1/2017