



JEDO BOARD OF DIRECTORS AGENDA

September 8, 2021 - 6:00 p.m.

Virtual ZOOM Meeting
Topeka, Kansas

- 1. CALL TO ORDER:**
- 2. ROLL CALL:**
- 3. PRESENTATIONS:**
 - A. GO Topeka 2021 Quarterly Update
 - B. Local Economics Presentation
- 4. ACTION ITEMS:**
 - A. APPROVAL of the May 12, 2021 and August 4, 2021 JEDO Board meeting minutes
 - B. APPROVAL of cash carry-forward funds in the amount of \$130,000 for Small Business Incentives
 - C. APPROVAL of 2020 JEDO Audit Report
- 5. PUBLIC COMMENT:**
- 6. REMINDER: 2021 JEDO Board Meeting Dates per the JEDO Operational Rules:**

Wednesday, December 8, 2021
- 7. ADJOURNMENT:**

Public 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 City Clerk's Office (call 785-368-3940 or email cclerk@topeka.org) before 5:00 p.m. on the date of the meeting. Because this will be a Zoom meeting, the City Clerk will provide the Zoom Link to those who sign up for public comment. Members of the public shall be given four (4) minutes to speak and must maintain proper decorum relating to public meetings.

Agenda is furnished at least five (5) business days prior to each meeting and posted on the JEDO website page at <https://www.jedoecodevo.com/Meeting-Documents/>.

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



Agenda Item No. 3A

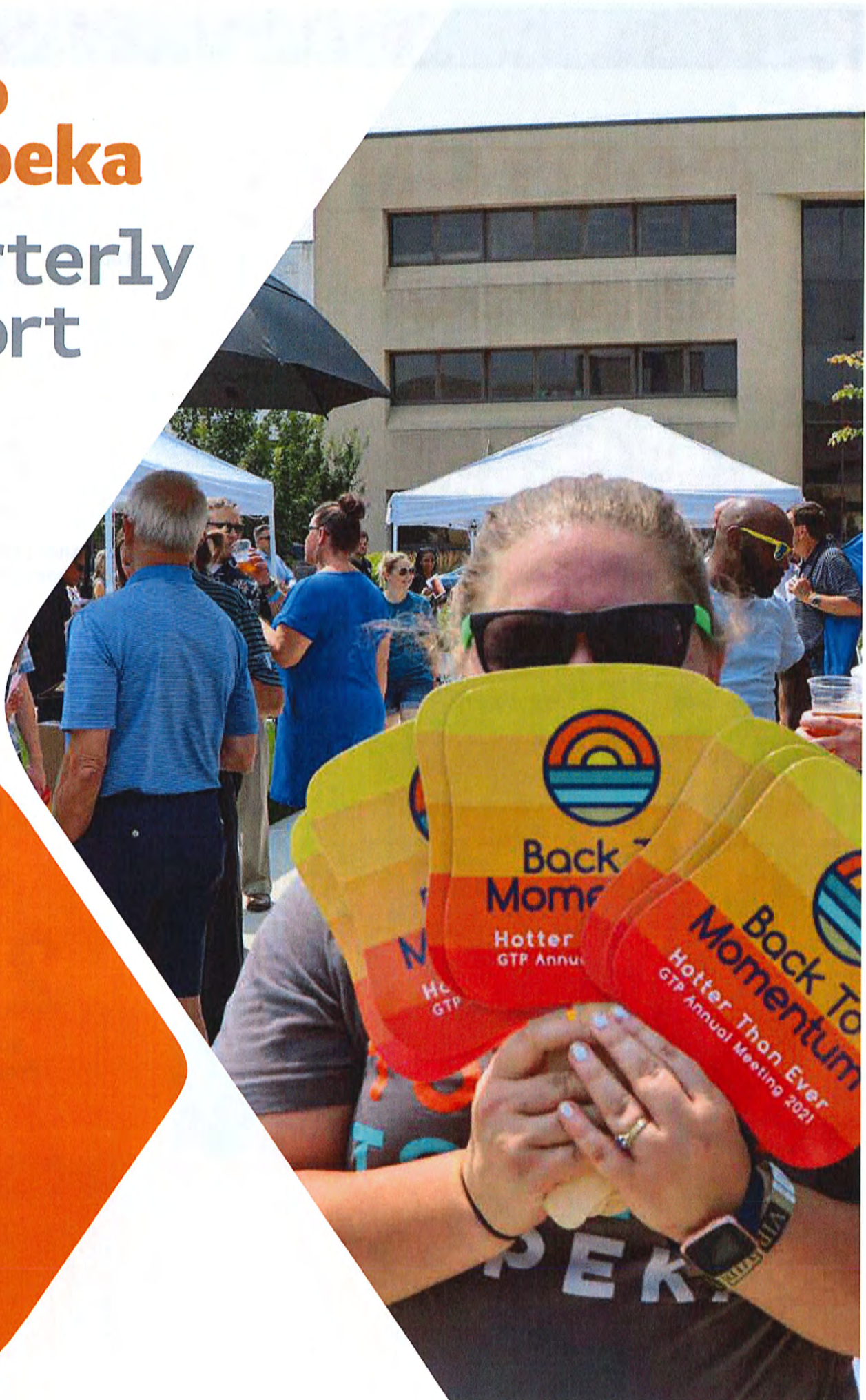
**JEDO Board Meeting
September 8, 2021 - 6:00 P.M.**

GO Topeka 2021 Quarterly Update

go
topeka

Quarterly Report

Q2
2021



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HOST
Program



go
topeka

GO TOPEKA
785.234.2644
GOTOpeka.com
719 S Kansas Ave. Ste.100
Topeka, KS 66603

COVER PHOTO:

The Greater Topeka Partnership's Annual Meeting was "Hotter Than Ever." During the afternoon activities guests got back to momentum while enjoying food, drinks and live music.

INSIDE COVER PHOTO:

Attendees at the BioKansas Golf Scramble during the Plug and Play Expo portion of the event. Attendees heard pitches from 10 different startups.

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Business
Attraction

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Junior Achievement
Virtual Career Fair
and Washburn Tech
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Ashley Lehman

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2021 Go Topeka
Board of Directors

Momentum 2022 focuses on five key elements to make Topeka & Shawnee County a better place to live, work, play and do business.

KEY ►



Develop
Homegrown
Talent



Create Vibrant
& Attractive
Places



Grow a
Diverse
Economy



Promote
a Positive
Image



Collaborate
for a Strong
Community

TOPEKA & SHAWNEE COUNTY

VITAL STATS

Updated 04-19-2021



DEVELOP HOMEGROWN TALENT

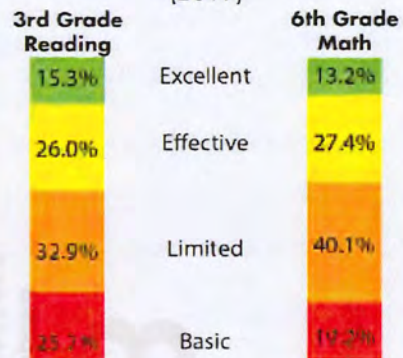
GRADUATION RATE

STATE OF KANSAS
88.2%

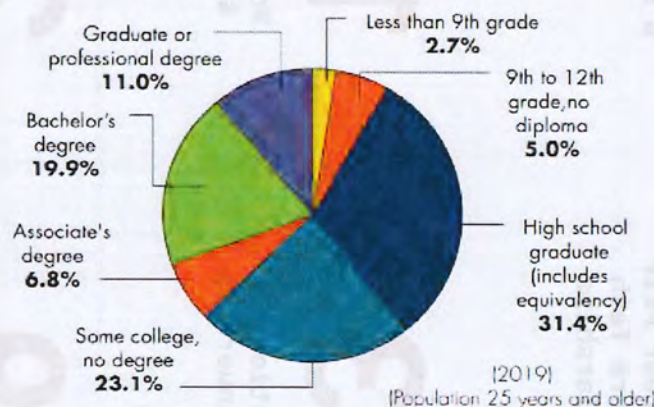
SHAWNEE COUNTY
87.7%

Four-year adjusted cohort formula
(all Schools 2019-2020)

STUDENT-LEVEL METRICS (2019)



EDUCATIONAL ATTAINMENT



CERTIFICATES EARNED

1,403

(Less than a 2-year degree)
(2019)



CREATE VIBRANT & ATTRACTIVE PLACES

LIVABILITY

This score rates the overall livability of Shawnee County on a scale from 0 to 100. It is based on the average score of seven livability categories—housing, neighborhood, transportation, environment, health, engagement, and opportunity—which also range from 0 to 100.

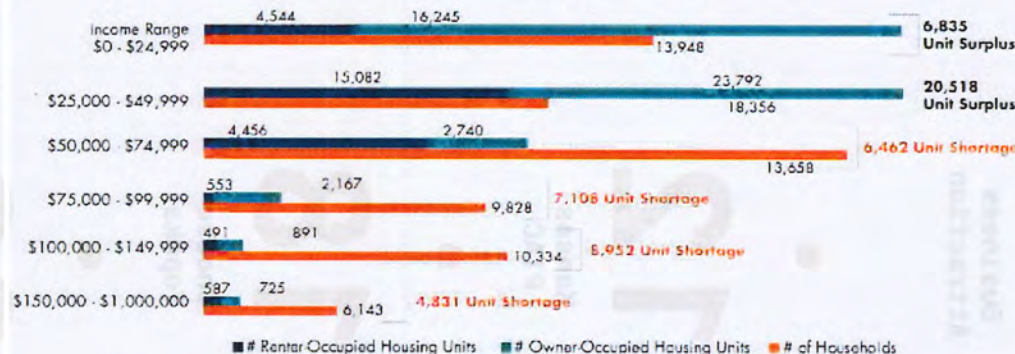


2022 Target: 58 AARP livability index

PEDESTRIAN FRIENDLINESS (2021)



AFFORDABLE HOUSING (2019)



*The analysis does not account for age or quality of housing units, and there is the possibility that upper income households are likely outcompeting lower income households for the same housing units.

ATTENDANCE AT ATTRACTIONS (2020)

367,099
PEOPLE

Total attendance of the following Shawnee County Attractions:
Topeka Zoo, KS Children's Discovery Center, TPAC, Old Prairie Town, KS State Capitol, ICT, Sunflower Soccer, Mulvane Art Museum, Brown vs Board NHS, Evel Knievel Museum, Museum of KS Nat'l Guard, Combat Air Museum, Jayhawk Theater, Ritchie House, Great Overland Station

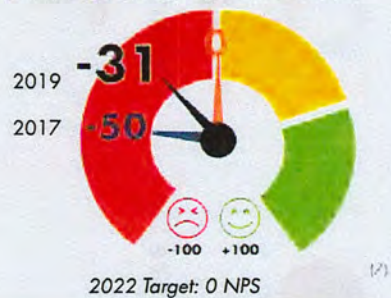
2022 Target: 750,000 people



PROMOTE A POSITIVE IMAGE

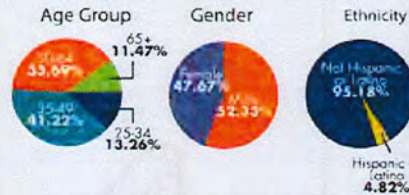
NET PROMOTER SCORE (NPS)

An index ranging from -100 to 100 that measures the willingness of customers to recommend a product or experience to others.

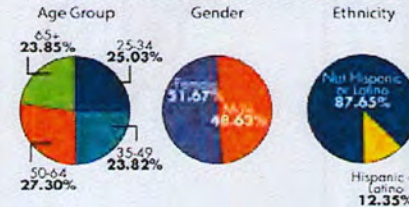


COLLABORATE FOR STRONG COMMUNITY

NON-PROFIT BOARD DIVERSITY (2019)

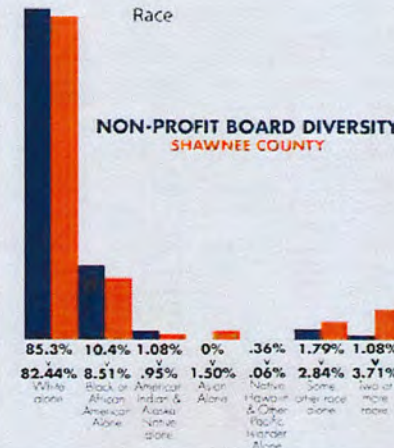


CURRENT SHAWNEE COUNTY DEMOGRAPHICS



It is intended that non-profit boards are reflective of the community as a whole. To that end, the graphs above should mirror the graphs at right.

NON-PROFIT BOARD DIVERSITY SHAWNEE COUNTY



PHYSICAL AND MENTAL HEALTH (2021)



Average number of physically/mentally unhealthy days reported in past 30 days (age-adjusted)

2022 Target: 2.7 Physical | 3.2 Mental

INFANT MORTALITY RATE (2021)



GROW A DIVERSE ECONOMY

SHARE OF EMPLOYMENT AT NEW BUSINESSES

6,441 OR 8.3% PEOPLE WORK AT A NEW BUSINESS

(New business is any that has been open less than five years)(2020 Q1) (8)

2022 Target: 7,093 people

ANNUAL MEDIAN WAGE IN TOPEKA

\$39,290

(2020 MSA) (6)

2022 Target: \$39,000

PRIVATE CAPITAL INVESTMENT (JANUARY 2021)

Capital investment is the amount of money new or current businesses spend to create, expand or improve facilities. For this report, capital investment is captured by GO Topeka during regular communications with companies or when companies work with GO Topeka to receive an incentive for an investment. The numbers are self-reported and exclude the cost of maintenance. GO Topeka makes every attempt to gather this info for all companies in Shawnee County, however some will not be captured due to lack of awareness of the investment.



2022 Target: \$350M

TOTAL PRIVATE JOBS

71,772

(Sep: 2020)
(Private = Non-Government Jobs) (5)

2022 Target: 79,000 jobs

GLOBAL METRICS

GDP OF DOLLARS (10)

\$10.5 BILLION IN 2019

\$10.655 BILLION IN 2017

Gross domestic product (GDP) is equal to the sum of personal consumption expenditures, gross private domestic investment, net exports of goods and services, and government consumption expenditures and gross investment.

2022 Target: \$11.500 GDP in billions of current dollars

NUMBER OF PEOPLE WORKING, BUT NOT LIVING IN SHAWNEE COUNTY (2018)

39,277 OR 38.4%

2022 Target: 33%

PER CAPITA INCOME IN SHAWNEE COUNTY (2019)

\$47,991

2022 Target: \$50,000

STUDENTS ELIGIBLE FOR FREE OR REDUCED LUNCHES

51.4%

2022 Target: 48%

POVERTY RATE IN SHAWNEE COUNTY (2019)

9.8% TOTAL POVERTY RATE

13.3% CHILD POVERTY RATE

2022 Target: 10%

All metrics refer to Shawnee County unless otherwise stated.
Sources: 1 Kansas State Department of Education, 2 U.S. Census Bureau, ACS 5-Year Estimates, 3 AARP Livability Index, 4 City of Topeka Planning Department, 5 Quarterly Census of Employment and Wages, 6 Occupational Employment Statistics, 7 Momentum 2022 Survey, 8 U.S. Census Bureau, Longitudinal Employer-Household Dynamics, 9 County Health Ranking, 10 Bureau of Economic Analysis, 11 U.S. Census Bureau, Small Area Income and Poverty Estimates

PROVIDED BY
Momentum 2022

Business Attraction



GO Topeka continues to see interest from companies considering Shawnee County as a new location. Currently, GO Topeka has 19 active projects. Six in manufacturing and aviation, three in food processing and one in office, education, healthcare and technology.

19

ACTIVE PROJECTS



Manufacturing

6



Aviation

6



Food Processing

3



Office

1



Education

1



Healthcare

1



Technology

1

Project Helix

20 New Jobs

Economic Impact **\$135M**

324% ROI

Project Julia

05 New Jobs

Economic Impact **\$61M**

142% ROI

Project Platinum

\$15M Capitol Investment

Economic Impact **\$12.5M**

172% ROI

Project Warrior

\$3.5M Capitol Investment

Economic Impact **\$264M**

49% ROI

4 NEW
PROJECTS
IN Q2

GO Topeka continues to see interest from companies considering Shawnee County as a new location. GO Topeka has 4 new BRE projects in Q2; Project Helix, Project Julia, Project Platinum and Project Warrior.

Business Retention



Business Retention & Expansion

In the second quarter of 2021 with our Business Retention & Expansion programs, we serve as a liaison and primary resource for existing businesses in the community, making sure we serve the needs of our major employers and meet the needs and future plans for local organizations so they can continue to grow and expand, too. During the May JEDO Meeting, we announced two project expansions, Project Central, which is J-Six Enterprises, and Project Gateway, which is Mercury Broadband Services.

Project Gateway

On May 12th the Joint Economic Development Organization (JEDO) board approved an incentive agreement to aid in the growth and expansion of Mercury Broadband.

GO Topeka confirmed that the expansion, previously referred to as "Project Gateway," is expected to produce up to 168 new full-time jobs, with an average yearly wage of \$43,000, including benefits, over the next five years. The total economic impact expected in the next 10 years is \$520 million with a return on investment of 712%.

"The field of technology is always growing, especially within the arena of internet service. With this incentive we hope to dramatically increase our staff and provide specialized training so that they may better serve our customers and grow in their profession," said Matthew Sams, Chief of Staff, Mercury Broadband. "Mercury Broadband is immensely grateful to the JEDO board and GO Topeka for this incentive and for aiding in our continued growth."

Mercury Broadband expects to finish renovations on its new call center, where the majority of these new positions will be housed, in the third quarter of 2021. This new office is located at 3400 SW Van Buren.

"It's always inspiring to see incentives put toward the continued development of talent in our area," said Shawnee County Commissioner Kevin Cook. "In addition to recruiting and developing talent within our community, Topeka & Shawnee County will be able to reap the benefits of Mercury Broadband's investment during this growing phase and the extremely positive economic impact of \$520 million that we'll experience in the next decade."

"The broadband gap is an ongoing issue many in our city and region are faced with," said Topeka Mayor Michelle De La Isla. "This project will help meet the needs of our community while also growing our workforce and overall economy."

"With this project we are not only seeing a substantial investment but also the promising addition of positions along with training opportunities that will help grow our workforce," said Barbara Stapleton, vice president of business retention and talent initiatives, GO Topeka. "Developing these resources within our community both aids our community and the next generation of professionals."

The JEDO approved performance-based incentive for this project is up to \$847,000.



Project Central

Today the Joint Economic Development Organization (JEDO) board approved an incentive agreement to aid in the growth and expansion of J-Six Enterprises, Parent Company of Fairview Mills.

GO Topeka confirmed that the expansion, previously referred to as "Project Central," is expected to produce up to 50 new full-time jobs, with an average yearly wage of \$40,000, including benefits, over the next five years. Capital investment includes building and facility expenditures and employee training programs of \$9.5 million. The total economic impact expected in the next 10 years is \$150 million.

"I want to take a moment to thank JEDO and GO Topeka for all the support they've given us thus far in the expansion of our business in the Topeka area," said Jason Hammes, special projects manager, J-Six Enterprises, Parent Company of Fairview Mills. "This project will allow us to expand our opportunities as a company to human-grade pet food operation in Topeka, Kansas. We're excited about the capabilities that Topeka brings already to our team and how this will continue in the future."

"It's exciting to see J-Six Enterprises expand in Topeka & Shawnee County," said Shawnee County Commissioner Kevin Cook. "This project promises new specialized jobs and a promising economic impact of \$150 million in the next 10 years."

"This is another great example of how Topeka & Shawnee County is growing the animal health ecosystem, locally and regionally," said Katrin Bridges, senior vice-president of innovation, GO Topeka. "I'm thrilled to learn more about the new facility and job prospects this project will offer this community and the overall industry."

"This project is a win for the Capital City, especially considering its growing role in the Animal Health Corridor," said Topeka Mayor Michelle De La Isla. "Projects like this will help us grow as an innovative and diverse business community."

Molly Howey, president of GO Topeka said, "We anticipate great things from this project: growth and development in our workforce; a powerful economic impact; and new partnerships within the community."

The JEDO approved performance-based incentive for this project is up to \$284,000.



Minority & Women Business Development



Small Business Incentives

THROUGH Q2 OF 2021

29

Incentives
Issued,
Totaling

\$130,115

LIFE OF PROGRAM

434

Incentives
Issued,
Totaling

\$1.79M

Some companies may have been awarded more than one incentive.

6

New
Businesses

15

Existing
Businesses

Incentive Types



8

Construction



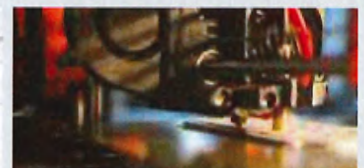
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Marketing



2

Architecture
& Design

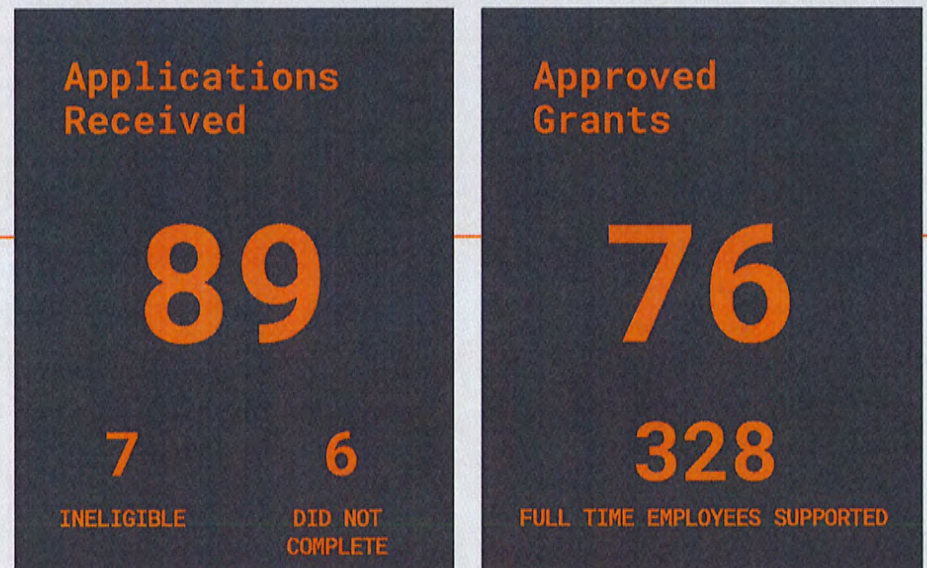


7

Equipment

JEDO Small Business Grant Relief Program

The Joint Economic Development Organization (JEDO) approved the funding for JEDO Small Business Grant Relief Program. The JEDO Small Business Grant Relief Program is a grant program of GO Topeka and JEDO to provide relief to businesses suffering financial losses due to the COVID-19 Pandemic. Grants range from \$5,000-\$30,000 and are dependent on the small business' employee count. The funding for the JEDO Small Business Grant Relief Program was approved in quarter one of 2021, The results below are up to date as of Q2 of 2021.



\$688,000
Distributed

Kansas PTAC

(Procurement Technical Assistance Center)
February 1, 2021 - July 28, 2021



\$35,989,556

Total Contract Awards for KS PTAC Sub-Center Topeka¹

\$35,785,253

Federal

+

\$0

State & Local

+

\$204,303

Subcontracts

10

CONTRACTS AWARDED
TO SHAWNEE COUNTY
BUSINESSES TOTALING
\$8,811,566²

\$540

RETURN ON
INVESTMENT (ROI)
FOR EVERY \$1
JEDO INVESTS³

SOCIOECONOMIC STATS ON FEDERAL CONTRACT AWARDS

30

Small Disadvantaged
Business

20

Woman-Owned
Small Business

11

HUBZone

4

Service Disabled
Veteran-Owned
Small Business

38

NEW CLIENTS
42% of Goal

388

COUNSELING HOURS
64% of Goal

6

EVENTS HELD IN
SHAWNEE COUNTY
75% of Goal

112

CONTRACT AWARDS⁴

¹Service area covers 32 counties in NE KS

²Out of the Total Awards Amount shown above

³JEDO was requested to invest \$66,689 in the KS PTAC program for FY2021. This is the number used to calculate ROI.

⁴This Procurement Technical Assistance Center is funded in part through a cooperative agreement with the Defense Logistics Agency. It is funded additionally by Wichita State University, Pittsburg State University, GO Topeka, and Johnson County Community College.

Innovation & Entrepreneurship



Topeka Pitches to Plug and Play Startups

A Focus Week is part of the accelerator curriculum for every cohort. Topeka took the opportunity to directly introduce 10 resources Topeka and the Animal Health Corridor have to offer in a virtual resource expo event on May 6. The following organizations presented in this first round:

- **KC Animal Health Corridor**
- **Kansas Department of Agriculture**
- **Network Kansas**
- **Washburn SBDC**
- **Topeka & Shawnee County Library**
- **University of Kansas/BTBC**
- **K-State Innovation Partners**
- **K-State Technology Development Institute**
- **Quantum Alliance**
- **GO Topeka**

Feedback was positive and we look forward to continuing the conversations with our startups and partners. All resource pitches will be available on the GO Topeka Innovations website shortly so any entrepreneur can access them directly.

JEDO Approves \$5.8M in Topeka Innovation Campus

JEDO's approval of up to \$5.8M on May 12 is a significant milestone in the launch of the Topeka Innovation Campus. Under the guidance of the Innovation Advisory Board and after approval of the GO Topeka Board of Directors, GO Topeka has entered into a partnership with BioRealty, a nationally recognized developer specialized in life sciences buildings, to develop phase 1 of the campus. The site identified for this development is located in downtown Topeka. Total estimated project costs are between \$12M-\$13M for a total rentable square footage of approximately 63,700 sf.

"This is a historic day for our community. The vote to support funding for an innovation campus in Downtown Topeka will secure this city's role as a leader in animal health and startup entrepreneurship for years to come," said Michelle De La Isla, Mayor of Topeka. "The effort is truly bold and visionary. I firmly believe in 20 years we will look back on this project and see that it was the beginning of a transformative era for business and innovation in the Capitol City."





*Aerial shot of the Plug and Play Topeka Expo
at the BioKansas Golf Scramble*

BioKansas Golf Scramble and Plug and Play Topeka Batch 1

On June 10, GO Topeka, Plug and Play Topeka and BioKansas hosted their first ever joint networking event on Firekeeper Golf Course bringing together networks in biosciences from across the region and country. The many highlights of the day included a final virtual pitch of the 10 startup companies in Batch 1, keynotes from industry leaders as well as a 19th hole celebration at Everygy Plaza drawing 150+ participants including John Brown,

CEO of StenCo, a cohort member who had traveled from Birmingham, AL to meet with corporate partners. The event marked the successful conclusion of the first full Plug and Play cohort focused on animal health and sustainability.

In numbers: 100+ startups had been sourced for this batch, 60 were shortlisted, 15 presented to the selection committee and 10 startups were selected to participate. 9 NDA's

(non-disclosure agreements) have been put in place between startups and corporate partners and 5 pilot projects have been started. These pilots create the perfect opportunity to develop a long-term relationship and lays the groundwork for the ability to scale a technology for the global market. We look forward to the next group of startups joining batch 2 in the fall!

Innovation & Entrepreneurship



Local Plug and Play Topeka Team Forming

June saw the launch of the third group of local small businesses participating in a 12-week Wheelhouse Incubator program after a break of almost 12 months. Seven main street businesses looking for new ways to grow their business are paired with mentors and are guided by the proven GrowthWheel program to achieve specific objectives defined at the beginning of the program. Participating Shawnee County companies include:

-
- **Cashmere Popcorn**
 - **Dialogue Coffee House**
 - **Heat & Home Design Co.**
 - **Circle Coffee Company**
 - **Kansas Business Solutions**
 - **Farm Bureau Financial Services**
 - **Shannon Nichol, Realtor**
-

Owners are targeting their growth plans, training and hiring new employees, developing a new product line or expanding B2B sales, opening a second or establishing a first storefront location, and building a larger manufacturing facility separate to increase product production and sales region. The success of the program is fueled by mentors who have joined the mentor committee led by Scott Gales, CEO of Architect One. A big shout-out to all the mentors volunteering their time to help Topeka businesses grow!

Topeka Visits Manhattan to Scout Available Resources

With the launch of Batch 1 of the Plug and Play cohort, the need for connectivity with regional resources is more important than ever. A group of 10 Topeka community representatives, including city council, Plug and Play, the Innovation Advisory Board and The Partnership, met with our partners in Manhattan on May 20 for a day of introductions, discussions and learning. There is a genuine interest in collaboration with Plug and Play and Topeka. Clearly, Manhattan, KS, is home to many leading organizations in agriculture, animal health and research: Kansas Department of Agriculture, KSU College of Engineering, College of Agriculture, College of Vet Med, Greater Manhattan Chamber, K-State Innovation Partners, K-State Vice-President of Research Team, and the National Bio-Agro Defense Facility (NBAF). We look forward to cultivating these connections and thinking of new ways to help our entrepreneurs and innovators succeed.



Workforce & Talent



2021 Q2 Workforce Data

Total Population

123,388
TOPEKA

174,355
SHAWNEE COUNTY

KS 2,238,647
US 261,217,000

Labor Force Participation

63,563
TOPEKA

91,844
SHAWNEE COUNTY

KS 1,508,008
US 161,051,000

Employment

61,298
TOPEKA

88,864
SHAWNEE COUNTY

KS 1,450,397
US 151,740,000

Jobs

78,031
TOPEKA
▲ 3.1% FROM 2020

92,091
SHAWNEE COUNTY
▲ 3.4% FROM 2020

KS 1,322,449
US 139,211,600

Average Wages

\$50,782
TOPEKA
▲ 7.0% FROM 2020

\$50,786
SHAWNEE COUNTY
▲ 7.1% FROM 2020

KS \$52,577
US \$65,465

Labor Force Participation Rate

51.51% TOPEKA

52.70% SHAWNEE COUNTY

KS 67.36%
US 61.65%

Employment-Population Ratio

49.68% TOPEKA

51.00% SHAWNEE COUNTY

KS 64.79%
US 58.09%

Unemployment Rate

3.6% TOPEKA

3.2% SHAWNEE COUNTY

KS 3.8%
US 5.8%

*Total Civilian Non-institutionalized Population

Diversity, Equity & Inclusion

Diversity, Equity and Inclusion Statements

Diversity, Equity & Inclusion assisted with the creation of DEI Statements for GO Topeka, Visit Topeka, Topeka Chamber, Greater Topeka Partnership and Downtown Topeka.

Greater Topeka Partnership

As members of the Greater Topeka Partnership's Chairs Council, we commit to practicing diversity, equity, and inclusion on every level and in all business strategies. We understand that these principles are essential business drivers and must be integrated in all that we do. They serve as keys to innovation and are the impetus for new product development. As we continue to move toward building a strong and viable Topeka & Shawnee County, let it be known that each of our organizations will endeavor to represent the diversity of people, places, products and services, and embrace the different perspectives and experiences of our citizens.

Downtown Topeka

Downtown Topeka is the heart of the community and serves as the mirror that reflects, demonstrates, and celebrates the diversity of its citizens.

It has a strong history rooted in commerce and inclusion and represents diversity of cultures, arts, entrepreneurs, innovative products, and services.

As representatives of Downtown Topeka, Inc., we strive to be a symbol of pride, prosperity, and diversity. We stand together against racism and discrimination and commit to being intentional in identifying factors that harm, exclude and eliminate members of our community.

As members and representatives of Downtown Topeka Inc., we pledge to foster an environment where all citizens and visitors feel welcome.

GO Topeka

DEI Statement: GO Topeka is passionate in its vision to become a strong advocate for the inclusive, equitable and diverse growth of Shawnee County.

We will execute on this vision with integrity by creating a culture of belonging, understanding and appreciation for all people.

As the Economic Development entity, we believe that this passion and commitment for DEI will create a stronger, more prosperous business environment and serve as a key economic driver for the region.

Chamber

We, the Board of Directors of the Greater Topeka Chamber of Commerce, envision a community in which every person can attain their full potential and have the opportunity to create economic success. We will actively pursue and support policies and programs that provide for all community members to achieve this potential and have these opportunities without being disadvantaged by race, gender, ethnicity, social position, group identity, or other socially determined circumstance.

We are committed to achieving that vision by advancing core values of diversity, equity, and inclusion across all aspects of our community, including business, public service, education and arts. We will work to ensure inclusion and support efforts of equality on every level of economic and community development. We stand united to speak out against systematic racism and discrimination in Topeka and Shawnee County. It has no place here.

We will challenge the notion of neutrality while producing programming that educates and empowers individuals and organizations. We welcome the partnership of our allies to ensure inclusive practices as it relates to this community. We will work to eradicate injustice, defy discrimination, and dismantle the platform of racism as we seek to grow a better economy and business environment in Topeka and Shawnee County for all of its citizens.

Visit Topeka

Diversity, Equity, and Inclusion are core values of Visit Topeka and the Greater Topeka Partnership. It is practiced in all aspects of our organization. As the lead tourism authority for the region, it is our role to invite the world to celebrate the rich and diverse tapestry of ideas, people, and places that our community brings to life.

We are committed to building a variety of strong and diverse relationships. We will intentionally seek to attract visitors from diverse groups and markets. We will exhibit an authentic and welcoming environment to all residents and visitors alike.

Events and Activities

JULY 27

Strategies and Achievements –
Best Practices Panel Discussion:
Actionable Steps to Move the DEI
Needle CEO DEI Roundtable
(Invitation Only)

AUGUST 24

Design or Redesign Your DEI
Strategy Workshop

SEPTEMBER 21

DEI Summit

OCTOBER

Minority Students Corporate
FAM Tour

Seat at the Table

Launched in September 2020, A Seat at the Table has hosted 8 Seat at the Table Events and 72 participants (3-4 per group per meetings). More than 150 pre- and post-event surveys have been completed and speak to the need to continue the conversation about the importance of DEI.

Choose Topeka Relocation Incentive



2,150+

CALLS TO DATE
(FROM CANDIDATES & EMPLOYERS)

5,400+

SUBMISSIONS WITH
RESUMES OR QUESTIONS

350+

REMOTE WORKER
SUBMISSIONS

30

EMPLOYER CANDIDATES
ACCEPTED, EQUALING

19

REMOTE WORKERS
ACCEPTED, EQUALING

\$180,000

IN MATCHING JEDO
FUNDS COMMITTED

\$120,000

IN RELOCATION
INCENTIVES

\$300,000

IN TOTAL COMMITTED FUNDS FROM THE EMPLOYER
MATCHING FUNDS AND REMOTE WORKER OPTIONS

ECONOMIC IMPACT ANALYSIS

49

CANDIDATES

\$87K

AVERAGE SALARY

11.8x

RETURN ON INVESTMENT

\$3.2M

IN ECONOMIC IMPACT,
YEAR ONE

CHOOSE IN THE NEWS

GO Topeka uses several public relation tools and have cultivated relationships with regional and national media to help maintain brand awareness through earned media. Overall, 86+ pieces of coverage were read by approximately 4.9M people and generated over 52,000 social media shares. This totals an earned media value of \$400,000.



Forge



April

The Leadership Herd held part 1 of a quarterly series: "Getting Hired 101" panel event. Local leaders answered questions regarding resume tips, interview tricks, and much more! You can view the zoom video [here](#).

The Inspire Herd is continuing their ever popular #ForgeCares video series this quarter. These interview-style videos spotlight local non-profits and inform young professionals on how to get involved and/or volunteer with these organizations. Several featured in the 2021 lineup include: Capper Foundation, Big Brothers Big Sisters, Greater Topeka Youth Foundation and Community Blood Center.

For the last two weeks of April, Forge held a virtual gift card giveaway to showcase two local businesses, while also engaging members online and giving away \$500 in cards to be spent right here in Topeka! The giveaway had a reach of nearly 5,500 people online, and twenty lucky winners were sent cards to Sunflower Chiropractic and Lean Kitchen!

Also in April, Forge conducted a community-wide health survey, in hopes to gauge members' readiness for in-person programming, as well as gain insight into their desires for future health-focused events. More than 550 Forge members completed the survey! We will use these results to be more intentional with both our physical and mental health programming moving forward.

May

Forge Executive Director Kelli Maydew presented to the IABC (International Association of Business Communicators) on May 6. The virtual presentation dove into Forge initiatives, ways to get involved, the importance of benefactors/sponsors, and a Q/A session.

Forge announced that the organization is back to in-person events and programming!



In early May, the Health Herd had a "Mimosa Yoga on the Terrace" event at the Foundry Event Center. Attendees were able to partake in bottomless bubbly while getting yoga instruction from the Topeka Yoga Network. It was a beautiful evening with blue skies and sunshine, and each attendee left with a complimentary souvenir tumbler. Due to Covid-19, this was the first in-person Forge event since late 2019, and it SOLD OUT!



Also in May, Forge, along with Choose Topeka, hosted a meet & greet social at the Redbud Park Pavilion in NOTO, adorned with ours 'devours, beverages and a local band for entertainment. This event was part of NOTO's First Friday initiative.





June

The Inspire Volunteers Herd in spearheaded June's Forge Young Talent Day of Service. This event provided a fun opportunity for corporate and local nonprofit agencies to work together on special projects, to give back to our community and make a difference.

Volunteers selected projects provided by the partner agencies.

The Forge Your Future Herd hosted a month-long historical tour around TopCity! This "Past-Port" event took young professionals on a journey around the Capital city, with civic stops all along the way! Participants marked their progress on the provided map, and then submitted for a chance to WIN a \$50 downtown gift card! This free event ran June 9 to July 9.

Forge was excited to announce the first VIP Tour of 2021! Our members have likely driven or walked by Every Plaza or possibly even attended an event there, but they may not know all the ins and outs of this new downtown Topeka hotspot. Forge hosted a private behind-the-scenes tour of the venue, and then treated attendees to beverages across the street at Iron Rail. The Every Plaza VIP Tour was June 16 and was free for members. The event boasted the largest VIP Tour crowd in Forge history, with over than 40 attendees!

Later in June, Forge had a presence at both Tap That, as well as Country Stampede at the Heartland! Volunteers handed out Forge swag, engaged with attendees and signed up new members.

Looking Ahead

In an attempt to better understand our members and gain some valuable insight, Forge is conducting an informational survey, which includes questions regarding gender, race, ethnicity, familial status, and salary/career information. We hope to analyze this data and use the metrics to be intentional with future programming, as well as to improve our recruitment efforts.

So far, we have more than 150 anonymous responses, so we feel confident that this data mining will be fruitful for our planning efforts in 2022 and beyond.



The Forge Executive Team, along with the full Leadership Team, are thrilled to announce that our organization now has a Diversity, Equity, and Inclusion (DEI) Oversight Committee.

The Forge Executive Team is in the process of filling the committee's member slots and are confident that they will be fully operating by Fall of this year.

Mark your calendar! August 28 will be a day of fun in downtown Topeka – hosted by Forge! ForgeFest 2021 will take place at 5:30 PM and include: food trucks, beer gardens, live entertainment, contests, giveaways, and much more! All Forge benefactors and sponsors will be recognized throughout the evening on the Every Plaza big screen. Details and promotion will begin later this month!

Our herds are already brainstorming additional ideas for Q4 and even into 2022; we cannot wait to show you what we have planned!

TopCity Interns

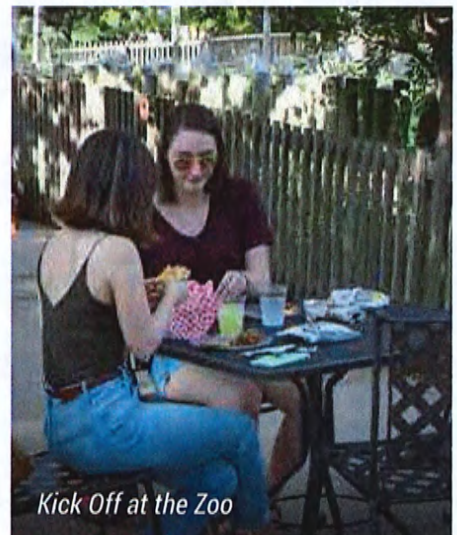
The TopCity Interns Committee has been actively planning over the last handful of months. This year there will be a total of 6 events including a Kick Off at the Zoo, Pennant Social, Brew Tour, Influential Leaders Panel Lunch, Financial Literacy Lunch, and an End of the Year Bash. As far as attendance expectancy this year – based on our survey, we’re expecting up to 60-70 in-person interns at our events. In previous years, we have about 150 interns involved in the program. About half of employers who took our survey are providing virtual options for internships. Our survey also revealed 33% of internships will be 100% virtual. Two of our events will have a virtual option.

6

Events

70+

In-Person Interns



Kick Off at the Zoo

2

Virtual Events



The Pennant

HERE. GROW. GREAT.

Positioned as an industry leader, the new GO Topeka will strive to innovate, collaborate and boldly move Topeka and Shawnee County into the future.

Great. Grows. Here.

Visit GoTopeka.com.

2021 Go Topeka Board of Directors

Elected Directors

Don Beatty	Hill's Pet Nutrition
Linda Briden	Sunflower Realtors
Kevin Hahn	Tri-Source Pharma
Wade Jueneman	McElroy's Inc.
Jim Klausman	Midwest Health
Treena Mason	Blue Cross Blue Shield of Kansas
Shane Sommars	Briggs Auto
Jacob Wamego	Prairie Band Pottawatomie Nation
Scott Anderson	HAMM Co.
Steve Anderson	University of Kansas St. Francis
Abbey Frye	Kansas Gas Service
Renita Harris	My Company, Inc.
Dr. Bob Kenagy	Stormont Vail Health
Martha Piland	MB Piland
Marsha Pope	Topeka Community Foundation
Marvin Spees	Capital City Oil
Tammy Dishman	Capitol Federal
Dan Foltz	KBS Constructors
Calla Haggard	Community Bank
Shane Hillmer	Southwest Publishing
Kurt Kuta	CoreFirst Bank & Trust
Jeff Russell	Resers Food
Daina Williams	L&J Building Maintenance

Directors Appointed at Large

Diana Ramirez	Express Pros
Cassandra Taylor	HTK Architects
Doug Wolff	Security Benefit
Sarah Girard	Central National Bank
Brittany Crabtree	Topeka Collegiate
Scott Hunsicker	Kansas Financial Resources
Manny Herron	Haus Property Partners

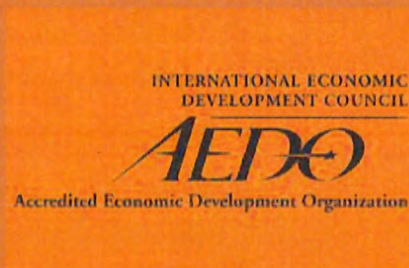
Directors By Virtue of Position Held

Michelle De La Isla	City of Topeka, Mayor
Kevin Cook	Shawnee County Commissioner
Mike Padilla	City of Topeka, Council Member
Eric Johnson	Metropolitan Topeka Airport Authority
Brent Trout	City of Topeka, City Manager
Dr. Jerry Farley	Washburn University
Roger Wilson	Chair of MWBD
Del-Metrius Herron	Forge Chair





A Greater Topeka Partnership Organization



Prepared for JEDO
Joint Economic Development Organization



Agenda Item No. 3B

**JEDO Board Meeting
September 8, 2021 - 6:00 P.M.**

Local Economics Presentation
(No Attachments)



Agenda Item No. 4A

**JEDO Board Meeting
September 8, 2021 - 6:00 P.M.**

JEDO Board Meeting Minutes

- **May 12, 2021**
- **August 4, 2021**

**Joint Economic Development Organization Board Minutes
May 12, 2021**

The Joint Economic Development Organization (JEDO) Board Members met at 6:00 p.m. via Zoom meeting application and in-person with the following voting Board Members present: Shawnee County Commissioners Bill Riphahn and Kevin Cook -2. The following members participated remotely: Deputy Mayor Michael Padilla, Councilmembers Hannah Naeger and Michael Lesser and Shawnee County Commissioner Mays -4. Mayor Michelle De La Isla presided -1.

Nonvoting Board Members Present: Councilmember Karen Hiller; and Councilmembers Sylvia Ortiz, Tony Emerson and Neil Dobler participated remotely. Councilmembers Christina Valdivia-Alcala and Spencer Duncan were absent.

Due to the COVID-19 pandemic, the meeting was conducted virtually via the Zoom meeting application and in-person. Zoom (virtual) meeting access was provided to those individuals signed up to speak to a specific item. Public comment related to an item on the agenda was submitted in writing to the Office of the City Clerk, 215 SE 7th Street, Room 166, Topeka, Kansas, or via email at cclerk@topeka.org.

APPROVAL of Minutes from the meeting of February 10, 2021, was presented.

Commissioner Cook moved to approve the February 10, 2021, meeting minutes. The motion seconded by Councilmember Naeger carried unanimously on roll call vote. (7-0-0)

APPROVAL of an Incentive Agreement between GO Topeka and Project Central (J-Six Enterprises) was presented.

Barbara Stapleton, Vice President of Existing Business & Talent, GO Topeka, stated at the December 2020 JEDO Board meeting the approval of the Project Central occurred with the total incentive amount of \$284,000 based on the capital investment of \$9.5 million, with the addition of 50 new jobs over the next five years at an average wage of \$40,000, with benefits. The total economic impact is \$150 million over ten years.

The discussion ceased due to Zoom audio issues. The JEDO Board moved to the next agenda item.

APPROVAL of an Incentive Agreement between GO Topeka and Project Gateway (Mercury Broadband) was presented.

Barbara Stapleton, Vice President of Existing Business & Talent, GO Topeka, stated at the December 2020 JEDO Board meeting the approval of Project Gateway occurred with a total requested incentive of \$847,000 based upon the addition of 168 new jobs over five years with average wages of \$43,000 annually, which includes benefits. This investment will result in a \$520 million economic impact over ten years with a 712% return on investment.

Matthew Sams, Mercury Broadband Chief of Staff, stated Mercury Broadband is an internet service provider working to close the internet gap across America. He stated in 2020 renovation began on a building located at 3400 SW Van Buren Street, which will serve as a call center generating 168 new jobs in Shawnee County. He thanked the JEDO Board and GO Topeka for allowing them the opportunity to provide services in Shawnee County.

Commissioner Mays moved to approve an Incentive Agreement between GO Topeka and Mercury Broadband. The motion seconded by Deputy Mayor Padilla carried unanimously on roll call vote. (7-0-0)

Discussion continued on the APPROVAL of an Incentive Agreement between GO Topeka and Project Central (J-Six Enterprises) was presented.

Jason Hammer, Special Project Manager, thanked the JEDO Board for the opportunity to allow for expansion in Topeka. He stated the project will allow the company to expand opportunities for a human grade pet food operation in Topeka.

Councilmember Naeger moved to approve the Incentive Agreement between GO Topeka and J-Six Enterprises. The motion seconded by Deputy Mayor Padilla carried unanimously on roll call vote. (7-0-0)

APPROVAL of the GO Topeka 2019 and 2020 Audit was presented.

Morgan Padgett, BT & Co., P.A. presented the Report of Board of Directors dated May 4, 2021, and summarized the Growth Organization (GO) of Topeka/Shawnee County, Inc., and Subsidiary Consolidated Statement of Financial Position years ended December 31, 2020 and 2019. She stated no new accounting policies were put in place and no changes occurred. She referenced the auditor letter and adjusting journal entries document, and highlighted the following in the Consolidated Financial Statements:

- Independent Auditors' Report
- Consolidated Statements of Financial Position
- Consolidated Statement of Activities
- Functional Expenses, Cash Flows, Net Losses and Additional Expenses

Ms. Padgett continued to report on the notes of the Consolidated Financial Statements, which include a Summary of Significant Accounting Policies, Availability and Liquidity, Restricted Cash and Funds, Long-Term Debt, Related Party Transactions, Revenue, Concentrations and Major Customers, Incentives, Risks and Uncertainties.

Mayor De La Isla thanked GO Topeka for the audit report.

Commissioner Cook moved to approve the GO Topeka 2019 and 2020 Audit. The motion seconded by Commissioner Riphahn carried unanimously on roll call vote. (7-0-0)

APPROVAL of Revised 2020-2021 Carryforward Agreement between GO Topeka and JEDO in the amount of \$14.2 Million was presented.

Cassandra Windler, BT & Co., P.A. presented the Cash Carry-forward Agreement in which an audit identified a cash carry-forward number adjustment. She stated the adjustment was a portion of an incentive agreement (a gift of land) to Walmart as a non-cash transition that will not influence the Cash Carry-forward Agreement presented in December 2020. This adjustment results in a higher number of \$14.2 million and they are requesting approval.

Councilmember Naeger moved to approve the revised 2020-2021 Carryforward Agreement between GO Topeka and JEDO in the amount of \$14.2 Million. The motion seconded by Commissioner Cook carried unanimously on roll call vote. (7-0-0)

APPROVAL of Minority and Women Business Development Carryforward Request in the amount of \$50,000 was presented.

Glenda Washington, Chief Equity & Opportunity Officer, GO Topeka, stated as economic development occurs it is important that it occurs in low to moderate income neighborhoods.

Nikki Ramirez-Jennings, Strengthening and Equipping Neighborhoods Together (SENT) Executive Director, provided presentation on the program and highlighted the following:

- SENT Mission Statement – Intentionally walking with neighbors through loving relationships and strategic development.
- SENT Vision Statement – Holistic Transformation of Neighborhoods in Shawnee County.
- Strategy Initiatives – Education, Development and Community Wellness.

Councilmember Hiller asked how the \$50,000 will be used.

Commissioner Mays asked how the increase in construction materials will affect the timeline and budget.

Nikki Ramirez-Jennings stated the funds would be used to build 32 new homes and the rehabilitation of 20 existing homes. She stated they will look at ways to use all their resources to be more cost effective.

Deputy Mayor Padilla moved to approve the Minority and Women Business Development Carryforward Request in the amount of \$50,000. The motion seconded by Councilmember Naeger carried unanimously on roll call vote. (7-0-0)

APPROVAL of Innovation Campus Investment in the amount of \$5,871,000 was presented.

Mayor De La Isla stated Deputy Mayor Padilla left the meeting and assigned his proxy vote to Councilmember Ortiz.

Molly Howey, President, GO Topeka, reported on the first cohort of the Topeka Plug and Play group. She stated the plan is to discuss building on the assets in Shawnee County as well as is a physical space to retain and attract entrepreneurs and innovative companies focused on animal health and agriculture technology.

Katrin Bridges, Sr. Vice President of Innovation, GO Topeka, reported on the Innovation Campus Investment. She stated progress has been made over the last 18 to 24 months around building a better and more equitable economy investing into quality of place and attracting and retaining talent. She stated Plug and Play choose Topeka to be the first animal health accelerator program in the world. She stated ten local startup companies are focused on pet health, food safety, livestock biome and energy.

Commissioner Riphahn thanked Katrin Bridges for the work she did on the project and noted it was a great opportunity to attract businesses to the community.

Commissioner Cook asked what the next steps would be if approved.

Katrin Bridges stated the approval would allow the start of detailed contract negotiations for the incentive agreement, finalizing the schematic design and engaging the legal teams to begin additional contracts. The Board will be provided a draft of the incentive agreement.

Doug Wolff, Chair-Elect, GO Topeka Board of Directors, stated he looks forward to working with the Board over the next couple of years and is excited about the opportunity to serve. He reported this would be the next step in collaborating with Plug and Play and provide a great opportunity for downtown Topeka. He stated he has confidence in Ms. Bridges and the GO Topeka Innovation Advisory Board.

Councilmember Emerson stated he fully supports this opportunity for the Committee and thanked Ms. Bridges and those who worked on the project.

Councilmember Hiller stated she appreciates the groundwork that has been laid for growing entrepreneurs as well as receiving experience in developing land and spaces throughout Shawnee County. She stated the Innovation Center and other companies would create great opportunities for community businesses.

Commissioner Riphahn moved to approve the Innovation Campus Investment in the amount of \$5,871,000. The motion seconded by Commissioner Mays carried unanimously on roll call vote. (7-0-0)

AN UPDDATE on the JEDO Local Recovery Taskforce Update was presented.

Mayor De La Isla reported the Taskforce met a second time and the criteria of the grant process was refined. She stated grant funding is in increments of \$250,000, due to municipalities already receiving American Rescue Plan Act (ARPA) funds and they did not want to duplicate the efforts. She stated grant fund dollars have benefited several organizations in the community. She noted \$240,000 of the \$250,000 of grant funds have been allocated.

Glenda Washington, Chief Equity & Opportunity Officer, GO Topeka provided an update on grant applications and grant amount allocated to date.

Mayor De La Isla asked what percent of the businesses who received grant funds are minority businesses.

Glenda Washington stated there are less than a dozen minority businesses who will receive grant funds.

Commissioner Mays stated the Taskforce met several times and received assistance from Glenda Washington and Division Director of Housing Services, Corrie Wright. He stated he is happy to see people applying for the grants.

Councilmember Lesser requested a report listing grant awardees.

Glenda Washington stated she would distribute grant information to the Board on May 13, 2021.

Councilmember Hiller mentioned restrictions on prior funds and the eligibility of some businesses. She asked if startup companies are included as these businesses are progressing forward.

Mayor De La Isla stated there were not many restrictions and startup companies were included as well.

Glenda Washington stated the financial documents were required as well as explanation of the hardship. She reported there are approximately 20 guideline requirements and she would send to Councilmember Hiller.

Mayor De La Isla requested the grant application guidelines be distributed to all of the JEDO Boardmembers.

Councilmember Ortiz thanked the Committee. She stated she had some businesses that did not qualify for the grants previously that do now qualify. She requested a list of the business owners who need assistance. She stated she will be visiting businesses along SE 6th Street to distribute the grant application.

PRESENTATION on Choose Topeka Economic Impact Metrics was presented.

Barbara Stapleton, Vice President of Existing Business & Talent, GO Topeka, stated the talent relocation incentive designed to support existing employers in recruiting and support long-term retention and growth of employees including the remote work option. She reported 48 candidates have accepted the employer match funding incentive and remote worker options with a commitment of \$323,750, leaving \$1,250 in available funds in the first round. She also reported the economic impact for the 48 candidates will have an average salary of \$87,000 with a \$3.9 million economic impact in year one.

Freddy Mawyin, Senior Economic Advisor, GO Topeka, provided the Economic Impact update.

Councilmember Hiller asked if the term “Rehab or Rental” was included in the program with the intent to attract investors to older neighborhoods.

Barbara Stapleton reported she believes the program has helped in the redevelopment of older neighborhoods in the city.

PRESENTATION on the Topeka Housing Authority Empowerment Center Presentation was presented.

Trey George, Topeka Housing Authority, stated the Greater Topeka Partnership were phenomenal to work with on the Topek Housing Authority (THA) Empowerment Center project, resulting in residents becoming entrepreneurs and business owners. He announced the THA Empowerment Center ribbon cutting ceremony located at 2705 SE 10th Street, on May 14, 2021, from 2:00 p.m. to 4:00 p.m.

Glenda Washington Chief Equity & Opportunity Officer, GO Topeka, stated the Center houses a bakery, daycare, kids play zone and a home repair business. She invited everyone to attend the ribbon cutting ceremony.

GO Topeka 2021 Quarterly Report was presented.

Mayor De La announced the Report was sent to JEDO Board members via email. She encouraged Board members to contact GO Topeka with any questions they have about the Report.

REMINDER: 2021 JEDO Board Meeting Dates per the JEDO Operational Rules:

Wednesday, September 8, 2021

Wednesday, December 8, 2021

No further business appearing the meeting adjourned at 7:42 p.m.

Joint Economic Development Organization Board Minutes
August 5, 2021

The Joint Economic Development Organization (JEDO) Board Members met at 6:00 p.m. via Zoom meeting application with the following voting Board Members present: The following members participated remotely: Deputy Mayor Michael Padilla, Councilmembers Hannah Naeger and Michael Lesser and Shawnee County Commissioner Aaron Mays, Kevin Cook and Bill Riphahn -6. Mayor Michelle De La Isla presided -1.

Nonvoting Board Members Present: Councilmembers Karen Hiller, Sylvia Ortiz, Tony Emerson and Neil Dobler participated remotely. Councilmembers Christina Valdivia-Alcala and Spencer Duncan were absent.

The meeting was conducted virtually via the Zoom meeting application. Zoom (virtual) meeting access was provided to those individuals signed up to speak to a specific item. Public comment related to an item on the agenda was submitted in writing to the Office of the City Clerk, 215 SE 7th Street, Room 166, Topeka, Kansas, or via email at cclerk@topeka.org.

APPROVAL of Incentive Funding for Project Helix in the amount of \$119,000, was presented.

Ashley Lehman, Business Development Manager, GO Topeka, reported the requests are for four existing companies that are looking to expand their companies. She stated the project is in the Agriculture Innovation industry looking to increase the number of employees by adding up to twenty new jobs over the next five years. She stated those positions have an average annual wage of \$45,000 plus benefits. The economic impact over ten years will be \$135 million with a return on investment of 324%. She requested approval of the incentive funding in the amount of \$119,000.

Commissioner Mays moved to approve the Incentive Funding for Project Helix in the amount of \$119,000. The motion seconded by Deputy Mayor Padilla carried unanimously on roll call vote. (7-0-0)

APPROVAL of Incentive Funding for Project Julia in the amount of \$98,900, was presented.

Ashley Lehman, Business Development Manager, GO Topeka, reported the request is from a manufacturing company that is looking to purchase additional equipment to increase production. Their capital investment will be \$700,000 and will add five new positions with an annual average wage of \$59,000 plus benefits. She stated the economic impact over ten years is \$61 million with a return on investment of 142%. She requested approval of the incentive funding in the amount of \$98,900.

Councilmember Naeger moved to approve the Incentive Funding for Project Julia in the amount of \$98,900. The motion seconded by Commissioner Riphahn carried unanimously on roll call vote. (7-0-0)

APPROVAL of Incentive Funding for Project Platinum in the amount of \$60,000, was presented.

Ashley Lehman, Business Development Manager, GO Topeka, reported the request is for a manufacturing company and would amend a previously approved project. The capital investment total will be \$15 million with the total economic impact over ten years of \$12.5 million and a return on investment of 172%. She requested approval of the incentive funding in the amount of \$60,000.

Deputy Mayor Padilla moved to approve the Incentive Funding for Project Platinum in the amount of \$60,000. The motion seconded by Councilmember Cook carried unanimously on roll call vote. (7-0-0)

APPROVAL of Incentive Funding for Project Warrior in the amount of \$214,000, was presented.

Ashley Lehman, Business Development Manager, GO Topeka, reported the request is for a manufacturing company looking to purchase equipment. The capital investment will be \$3.8 million and will add thirty-five new positions with an average annual wage of \$43,500 plus benefits. She stated the economic impact over ten years will be \$264 million with a return on investment of 249%. She requested approval of the incentive funding in the amount of \$214,000.

Commissioner Cook moved to approve the Incentive Funding for Project Warrior in the amount of \$214,000. The motion seconded by Councilmember Naeger carried unanimously on roll call vote. (7-0-0)

No further business appearing the meeting adjourned at 6:12 p.m.



Agenda Item No. 4B

**JEDO Board Meeting
September 8, 2021 - 6:00 P.M.**

**Carryforward funds of \$130,000 for Small Business
Incentives**



MEMORANDUM

From: Glenda Washington

Date: 09/02/21

RE: Request to Use Carryforward Funds

Purpose: To address the overflow of requests for the use of Small Business Incentive dollars. GTP has provided 85 incentives in the amount of \$410,390 to 58 new and existing small businesses across Shawnee County. This support assists businesses in the areas of construction and renovation, equipment purchase, marketing and architect and design. The incentive program currently has a pipeline of more than 60 requests pending. The next requests will exceed the funds budgeted (\$430,000) for the 2021 Small Business Incentive Program. The additional funds requested will be used to support the pending incentive requests.

Request: Request to use an additional \$130,000 in carryforward funds for the Small Business Incentives Program.

Amount Requested: \$130,000



Agenda Item No. 4C

**JEDO Board Meeting
September 8, 2021 - 6:00 P.M.**

JEDO Audit Report 2020



**JOINT ECONOMIC DEVELOPMENT
ORGANIZATION**

TOPEKA, KANSAS

REPORT TO THE BOARD OF DIRECTORS

DECEMBER 31, 2020

Table of Contents

REPORT TO THE BOARD OF DIRECTORS:

Governance Letter

Signed Management Representation Letter



August 31, 2021

To the Board of Directors
Joint Economic Development Organization
Shawnee County, Kansas

We have audited the financial statements of the governmental activities and major fund of Joint Economic Development Organization (JEDO) for the year ended December 31, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated February 2, 2021. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by JEDO are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by JEDO during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no sensitive estimates affecting JEDO's financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of the Economic Development Program in Note 4 to the financial statements with discussion of the agreement with GO Topeka.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. We assisted with the adjustments necessary in converting from the modified accrual basis

of accounting used in the fund financial statements to the accrual basis of accounting used in the government-wide financial statements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 31, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to JEDO's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as JEDO's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of JEDO and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

SSC CPAs, P.A.

SSC CPAs, P.A.

August 31, 2021

SSC CPAs, P.A.
5825 SW 29th Street
Topeka, KS 66614

This representation letter is provided in connection with your audit of the financial statements of Joint Economic Development Organization, which comprise the respective financial position of the governmental activities and major fund as of December 31, 2020, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of August 31, 2021, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 2, 2021, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government required by generally accepted accounting principles to be included in the financial reporting entity.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 9) Guarantees, whether written or oral, under which the Organization is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 10) We have provided you with:

- a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of Board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 11) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 12) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 13) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves—
- Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 14) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, regulators, or others.
- 15) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- 16) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 17) We have disclosed to you the names of the Organization's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- 20) The Organization has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 22) We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
- 23) There are no violations or possible violations of budget ordinances, laws and regulations, provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 24) As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of

the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.

- 25) The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) The Organization has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 27) The financial statements include all component units, appropriately present majority equity interests in legally separate organizations and joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 28) The financial statements properly classify all funds and activities in accordance with GASBS No. 34 , as amended.
- 29) All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 30) Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- 31) Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- 32) Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- 33) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 34) We understand that the name of your firm changed from Summers, Spencer & Company, P.A. to SSC CPAs, P.A. effective May 20, 2021. We agree that all reference to and agreements relative to the audit signed with Summers, Spencer & Company, P.A. prior to that date remain in effect with SSC CPAs, P.A.

Signature:

Title:

Betty J. Gurni
Secretary of JEDO Finance Committee



**JOINT ECONOMIC DEVELOPMENT
ORGANIZATION**

TOPEKA, KANSAS

BASIC FINANCIAL STATEMENTS TOGETHER
WITH INDEPENDENT AUDITOR'S REPORT
DECEMBER 31, 2020

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Independent Auditor's Report

To the Board of Directors
Joint Economic Development Organization
Shawnee County, Kansas

We have audited the accompanying financial statements of the governmental activities and major fund of the Joint Economic Development Organization as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Organization's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of the Joint Economic Development Organization, as of December 31, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2021 on our consideration of the Joint Economic Development Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Joint Economic Development Organization's internal control over financial reporting and compliance.

SSC CPAs, P.A.

SSC CPAs, P.A.
Topeka, Kansas

August 31, 2021

JOINT ECONOMIC DEVELOPMENT ORGANIZATION
Governmental Fund Balance Sheet and Statement of Net Position

December 31, 2020

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash and cash equivalents	\$ 732,528	\$ -	\$ 732,528
Receivables			
City of Topeka	2,525,025	-	2,525,025
Shawnee County	1,442,961	-	1,442,961
TOTAL ASSETS	\$ 4,700,514	-	4,700,514
LIABILITIES AND FUND BALANCE/NET POSITION			
Liabilities			
Accounts payable			
City of Topeka	\$ 1,655,652	-	1,655,652
Shawnee County	1,793,623	-	1,793,623
Total liabilities	3,449,275	-	3,449,275
Fund balance			
Restricted	1,251,239	-	-
Total fund balance	1,251,239	-	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 4,700,514		
Net position			
Restricted		-	1,251,239
TOTAL NET POSITION		\$ -	\$ 1,251,239

JOINT ECONOMIC DEVELOPMENT ORGANIZATION
Governmental Fund Revenues, Expenditures and Changes in Fund Balance and
Statement of Activities

For the Year Ended December 31, 2020

	General Fund	Adjustments	Statement of Activities
Revenue			
Sales tax			
City of Topeka	\$ 9,547,390	\$ -	\$ 9,547,390
Shawnee County	8,218,737	-	8,218,737
Interest income	46,040	-	46,040
Total revenue	17,812,167	-	17,812,167
Expenses			
Economic development			
Go Topeka	5,000,000	-	5,000,000
City of Topeka	6,124,620	-	6,124,620
Shawnee County	6,635,006	-	6,635,006
Professional services and other	63,250	-	63,250
Total expenses	17,822,876	-	17,822,876
Change in fund balance/net position	(10,709)	-	(10,709)
Fund balance/net position, beginning of year	1,261,948	-	1,261,948
Fund balance/net position, end of year	\$ 1,251,239	\$ -	\$ 1,251,239

JOINT ECONOMIC DEVELOPMENT ORGANIZATION

Notes to the Basic Financial Statements

December 31, 2020

Note 1- Reporting Entity and Summary of Significant Accounting Policies

Reporting Entity

The Joint Economic Development Organization (JEDO) is a separate legal entity created by an interlocal agreement, as amended and revised (the agreement) between the City of Topeka, Kansas (the City) and Shawnee County, Kansas (the County). JEDO Board of Directors consists of thirteen (13) members. Voting members include the three (3) County Commissioners, the City Mayor, Deputy Mayor and two City Council members. Nonvoting members include the remaining six (6) City Council members.

On August 3, 2004, County voters passed a countywide one-half percent sales tax to finance economic development and countywide infrastructure development. The State of Kansas collects the sales tax and remits the respective taxes to the City and County who in turn remit the sales tax to JEDO.

On November 4, 2014, County voters renewed the countywide one-half percent sales tax for an additional 15 years commencing January 1, 2017 and expiring December 31, 2031.

Beginning January 1, 2017 and continuing each year through December 31, 2031, JEDO shall dedicate \$5,000,000 annually for the purpose of supporting economic development priorities established by the JEDO Board. JEDO shall ensure that not less than 10% of the \$5,000,000 will be targeted to support economic development for socially and economically disadvantaged individuals and/or business enterprises. The remaining funds shall then be distributed to the City (48%) and to the County (52%) for purposes of completing the infrastructure improvements and quality of life projects as set forth in the November 4, 2014 ballot language. In the event the sales tax proceeds are not sufficient to fund all of the improvements and projects, JEDO may alter the distribution formula, or reduce the amount of funds allocated for any particular improvement or project.

Under the agreement, upon the later of the expiration or termination of the sales tax and the completion of and payment for the economic development priorities and the infrastructure improvements and quality of life projects, JEDO shall inform the City and County of any excess funds remaining. Any excess funds will be distributed to the City and County in the proportional rates as provided by KSA 12-192(a).

JEDO is a stand-alone government and is not legally required to adopt a budget for the General Fund. There are no component units related to JEDO that should be accounted for in JEDO's basic financial statements in accordance with Governmental Accounting Standards Board Statements.

Note 2 - Significant Accounting Policies

The accounting policies of JEDO conform to accounting principles generally accepted in the United States of America as applicable to governmental entities.

Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the governmental activities of JEDO.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Due to the nature of the funding sources, there are no program revenues and grants and contributions. Sales taxes contributed and unrestricted investment earnings not properly included among program revenues are reported instead as general revenues.

JOINT ECONOMIC DEVELOPMENT ORGANIZATION

Notes to the Basic Financial Statements

December 31, 2020

Fund Financial Statements

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

JEDO has one fund for financial statement presentation purposes, the General Fund.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. JEDO considers retail sales taxes available and susceptible to accrual if they are received within 90 days after year-end.

Countywide Sales Taxes

The one-half percent county-wide sales tax took effect January 1, 2005 and was set to expire on December 31, 2016. The sales tax was extended an additional 15 years commencing January 1, 2017 and is set to expire on December 31, 2031.

Assets, Liabilities and Net Position or Fund Balance

Cash and Cash Equivalents – cash in demand accounts at financial institutions and short-term, highly liquid investments that are readily convertible in known amounts of cash. Interest bearing deposit accounts are reported at cost plus accrued interest.

Accounts Receivable - Retail sales tax collected by the City and County to be remitted to JEDO that have been received within 90 days after year-end.

Net Position/Fund Balance Classifications

Net Position – In the government-wide financial statements, equity is classified as restricted – net position that consists of assets restricted for the sole use of JEDO in accordance with the November 4, 2014 ballot language.

Fund Balance – As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which JEDO is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2020, the fund balance of the general fund is restricted.

JOINT ECONOMIC DEVELOPMENT ORGANIZATION

Notes to the Basic Financial Statements

December 31, 2020

Note 3 - Deposits and Cash Equivalents

Cash and cash equivalents consisted of the following at December 31, 2020:

Demand deposits	\$ 1,000
Repurchase agreements	731,528
Total cash and cash equivalents	\$ 732,528

K.S.A. 9-1401 establishes the depositories which may be used by JEDO. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. JEDO has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits JEDO's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool (KMIP). JEDO has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount JEDO may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, JEDO's deposits may not be returned to it. State statutes require JEDO's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2020 by a repo sweep account.

Note 4 - Economic Development Program

JEDO has entered into an agreement with the Growth Organization of Topeka/Shawnee County, Inc., (GO Topeka), a non-profit Kansas Corporation to provide services in support of JEDO economic development program (the program) designed to expand employment, strengthen the tax base and diversify and strengthen the City and County economy. Under the agreement, JEDO will annually provide Go Topeka \$5,000,000 to carry out the program. Upon written notification, either party may terminate the agreement. Should the agreement be terminated, any cash or real property under the program shall revert back to JEDO. On May 10, 2017, the agreement was amended to extend the terms through December 31, 2020. The agreement was again amended on December 19, 2019, which extended the term of the agreement for three years, to renew automatically for a new three-year term each year, unless terminated by 180 day notice.

Note 5 – New Markets Tax Credits

In June 2018, JEDO participated in a New Markets Tax Credits (NMTC) financing for the benefit of East Topeka Learning Center, (ETLC). JEDO conveyed the Menninger Army Reserve property to ETLC, which is a non-profit affiliate of GO Topeka specifically created to own and cause the operation of the facility in support of GO Topeka's mission for the property. JEDO also agreed to serve as leverage lender for the NMTC financing.

The NMTC program permits investors in qualified projects in certain low-income communities to claim federal tax credits for making Qualified Equity Investments (QEI) in a designated Community Development Entity (CDE). The CDE must use substantially all of the proceeds to make Qualified Low-Income Community Investments (QLICIs). The tax credits are claimed over a seven-year period and equate to 39% of the QEI.

JOINT ECONOMIC DEVELOPMENT ORGANIZATION

Notes to the Basic Financial Statements

December 31, 2020

GO Topeka created the GO Topeka ETLC Support Corporation, a Kansas nonprofit corporation, (the Corporation), as a supporting organization to own and operate ETLC. The Corporation then entered into a ten-year contract for services with Washburn to provide educational programming at ETLC in exchange for \$1.5 million in operating subsidy payments to be paid over the first two years of ETLC's operations.

As described in Note 4, JEDO has contracted with GO Topeka to provide services in support of JEDO's economic development program. GO Topeka returned approximately \$4.5 million to JEDO to provide financing of the ETLC project and is classified as a return of funds in the financial statements. Using these funds, JEDO made the leverage loan to ETLC Investment Fund, a Delaware limited liability company, (the Fund) in the approximate amount of \$4.5 million with interest at 1% annually and scheduled to mature in 2053. The leverage loan is classified as an expense for economic development on the financial statements and the loan proceeds will be collected and accounted for by the Partnerships of Hope XXI, LLC, as noted below.

PNC New Markets Investment Partners, LLC, a Delaware limited liability company (PNC), made a capital contribution in the Fund in exchange for one hundred percent (100%) of Fund's membership equity interests.

Using PNC's capital contribution and JEDO's leverage loan, the Fund made the QEI, in accordance with the Internal Revenue Code of 1986 (the Code), in an amount equal to \$6.5 million to Partnerships of Hope XXI, LLC, a Missouri limited liability company (Partnerships) an affiliated Community Development Entity (CDE) of Raza Development Fund, Inc., a District of Columbia nonprofit corporation, which is eligible for NMTC in accordance with the Code.

Partnerships made certain loans to the Corporation in the aggregate original principal amount of \$6.5 million (collectively, the "QLICI Loans"), each of which is intended to constitute a Qualified Low Income Community Investment, as such term is used in Section 450 of the Code. Proceeds of the QLICI Loans will be used to fund ETLC and the payment to Washburn.

Note 6 – Risks and Uncertainties

As a result of significant disruption in the U.S. economy due to the outbreak of the COVID-19 coronavirus in 2020, uncertainties have arisen which are likely to negatively impact future operating results. The duration and extent to which COVID-19 may impact financial performance is unknown at this time.

Note 7 - Subsequent Events

JEDO has evaluated subsequent events through August 31, 2021, the date the financial statements were available to be issued. None were identified that required adjustment to or disclosure in the financial statements.



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Directors
Joint Economic Development Organization
Shawnee County, Kansas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and major fund of the Joint Economic Development Organization (JEDO), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise JEDO's basic financial statements, and have issued our report thereon dated August 31, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered JEDO's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of JEDO's internal control. Accordingly, we do not express an opinion on the effectiveness of JEDO's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether JEDO's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our 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 or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

SSC CPAs, P.A.

SSC CPAs, P.A.

Topeka, Kansas

August 31, 2021