

**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.