

**Joint Economic Development Organization Board Minutes  
December 8, 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, Kevin Cook and Aaron Mays -3. The following members participated remotely: Deputy Mayor Michael Padilla and Councilmember Michael Lesser -2. Councilmember Hannah Naeger was absent. Councilmember Sylvia Ortiz served as the proxy for Councilmember Naeger -1. Mayor Michelle De La Isla presided -1.

Nonvoting Board Members Present: Councilmembers Karen Hiller and Tony Emerson. Councilmember Spencer Duncan participated remotely. Councilmembers Christina Valdivia-Alcala and Neil Dobler 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 7<sup>th</sup> Street, Room 166, Topeka, Kansas, or via email at [cclerk@topeka.org](mailto:cclerk@topeka.org).

**PRESENTATION on GO Topeka 2021 Quarterly Report was presented.**

Molly Howey, GO Topeka President of Economic Development, announced new projects by industry to include 25 active projects. She stated a site visit was held in November for a business in the technology industry. She stated there are broker and developer contacts that are potentially interested in aviation development.

Glenda Washington, GO Topeka Chief Equity and Opportunity Officer, provided an overview on how GO Topeka made community connections and is working towards collaborating with various organizations such as SENT, Inc., Washburn University and Omni Circle Group. She noted they looked at how to build business in Low to Moderate Income (LMI) communities and as well as creating jobs. She stated 78 grants were issued in 2021 totaling \$700,000.

Laurie Pieper, GO Topeka Vice President of Entrepreneurship and Small Business, provided an update on the small business incentives, the small business council, entrepreneurship work groups, shop Topeka Local Small Business Saturday and veteran-owned business outreach. She stated the business incentive program received 44 applications with 20 applicants completing the process. She noted there were some businesses that decided not to move forward with their applications; however, they continue to help businesses be resilient and adaptive so they can continue to grow their businesses during challenging times.

Lindsay Lavon, GO Topeka Program Manager for Plug and Play Topeka, provided the Plug and Play Animal Health Program update. She reported in over one year, GO Topeka has sourced over 316 startup companies, and of those 316 businesses, 95 were introduced to corporate partners and 30 businesses were accelerated. She highlighted the efforts they are taking to engage and communicate as

well as develop pilot programs, POCs and partnerships with startup companies and businesses. She noted of the over 95 startup companies introduced, 58 were based in the U.S. and 41% of the remaining companies are located outside the U.S. She provided information on startup companies by stage and focus area and stated Hill's Pet Nutrition has partnered with Bond Pet Foods, Inc. to develop a craft meat protein.

Glenda Washington, GO Topeka Chief Equity and Opportunity Officer, provided an update on the Kansas Procurement Technical Assistance Center (PTAC). She reported the contract awards for KS PTAC for the State of Kansas totaled \$112,061,216 and 18 of those contracts were awarded to businesses in Shawnee County totaling \$9,712,007.

Molly Howey, GO Topeka President of Economic Development, recognized GO Topeka team members present at the meeting to include: Ashely Lehman, GO Topeka Business Development Director; Trina Goss, GO Topeka Director of Existing Business and Talent Initiatives; and Rhett Flood, Executive Director of Forge Young Talent. She announced that Laurie Pieper, GO Topeka Vice President of Entrepreneurship and Small Business was appointed to the United States Small Business Council.

**APPROVAL of the Minutes from the meeting of September 8, 2021 was presented.**

Commissioner Cook moved to approve the September 8, 2021, JEDO Board meeting minutes. The motion seconded by Commissioner Riphahn carried unanimously on roll call vote. (7-0-0)

**APPROVAL of Project Helix (Heinen Brothers) Incentive Agreement, was presented.**

Ashley Lehman, GO Topeka Business Development Manager, reported at the September 2021 Special Meeting of the JEDO Board, incentive funding for Project Helix (Heinen Brothers) was approved. She stated Heinen Brothers is part of the Agriculture Innovation industry with plans to increase the number of employees by adding up to 20 new jobs over the next five years with an average annual salary of \$45,000 plus benefits, and generating an economic impact over a 10-year period of \$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 Agreement for Project Helix (Heinen Brothers) in the amount of \$119,000. The motion seconded by Councilmember Ortiz carried unanimously on roll call vote. (7-0-0)

**APPROVAL of Project Platinum (House Metal Engineering) Incentive Agreement, was presented.**

Ashley Lehman, GO Topeka Business Development Manager, reported Project Platinum (House Metal Engineering (HME)) a manufacturing company. She stated the request would amend a previously approved project by increasing the number of employees from 285 to 307 and generating an economic

impact over a 10-year period of \$12.5 million with a return on investment of 172%. She requested approval of incentive funding in the amount of \$60,000.

Jon Haas, House Metal Engineering President and CEO, expressed his appreciation for the incentives being offered by JEDO to work with local colleges and high schools to expand the number of specialized skilled workers eligible for employment. He provided information on the services provided by HME and noted they have been in business 25 years and employ over 500 employees.

Commissioner Cook commended Mr. Haas for the work HME has contributed to the community over the past 25 years.

Councilmember Hiller thanked HME for their work and congratulated them on 25 years of service. She asked where HME is located.

Jon Haas stated the facility sits on 60 acres located at 2828 NW Button Road, Topeka.

Councilmember Lesser thanked Mr. Haas for his commitment to Topeka and his contributions in helping grow the city.

Councilmember Lesser moved to approve the Incentive Funding for Project Platinum (House Metal Engineering) in the amount of \$60,000. The motion seconded by Councilmember Ortiz carried unanimously on roll call vote. (7-0-0)

**APPROVAL of Project Warrior (Ernest-Spencer Metals) Incentive Agreement, was presented.**

Ashley Lehman, GO Topeka Business Development Manager, reported Project Warrior (Ernest-Spencer Metals) is a manufacturing company seeking to purchase equipment with a capital investment of \$3.8 million with plans to add 35 new positions with an average annual salary of \$43,500 plus benefits, and generating an economic impact over a 10-year period of \$264 million with a return on investment of 249%. She requested approval of incentive funding in the amount of \$214,000.

Neil Spencer, President and CEO of Ernest-Spencer Metals, provided history on the company dating back to 1922 and noted they have 250 employees. He thanked the JEDO Board for the opportunity.

Commissioner Riphahn moved to approve the Incentive Funding for Project Warrior (Ernest-Spencer Metals) in the amount of \$214,000. The motion seconded by Deputy Mayor Padilla carried unanimously on roll call vote. (7-0-0)

Deputy Mayor Padilla announced the meeting would recess for 10 minutes. After a 10-minute recess, the meeting resumed in open session.

**APPROVAL of 2021-2022 Cash Carry-Forward Agreement in the amount of \$13,750,000, was presented.**

Natalie Zeller, GO Topeka Senior Vice President of Finance, referenced the agreement supplied with the agenda packet and reported on the following:

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12-08-2021 (DRAFT)

- 2022 Cash Carry-Forward Amount is \$13,750,000
- 2022 Budget Transfer to/(from) Carry-Forward amount is \$5665,801
- Restricted Uses By Contract
  - MWBD Program Carryover of \$808,000
- Future Commitments
  - Committed Incentives \$3,715,640
  - Choose Topeka Incentives of \$274,250
- Reserves For Special Purpose
  - Innovation Campus \$1,121,276

Commissioner Mays moved to approve the 2021-2022 Cash Carry-Forward Agreement in the amount of \$13,750,000. The motion seconded by Commissioner Cook carried unanimously on roll call vote. (7-0-0)

**APPROVAL of the 2022 GO Topeka Budget was presented.**

Molly Howey, GO Topeka President of Economic Development, stated she met with various JEDO Board members to review the budget and reported approximately \$2.1 million was set aside for future incentives. She stated the community would like to “double down” on innovation and entrepreneurship. She noted there will be a reduction in the 2022 budget compared to the 2021 budget.

Natalie Zeller, GO Topeka Senior Vice President of Finance, referenced the budget numbers comparing 2021 to 2022 as it relates to expenses versus incentives. (See Attachment A) She reported a reduction in 2022 expenses of approximately \$200,000 compared to 2021; a 7.7% reduction year over year; and \$4.7 million is projected in 2022 to be used for Innovation Campus incentives.

Molly Howey continued the 2022 GO Topeka Budget overview and provided information on the following:

**New Business Attraction**

- Redevelopment Specialist and Support – 50%
- Familiarization Tour with Site Selectors
- Aviation Taskforce/Consultant
- Site Due Diligence
- Sales Travel
- KCADC and Team Kansas Sponsorships
- Marketing Support and Ad Placements
- Incentive Payouts

**Existing Business**

- HQ Visits

- Incentive Contract Review and Payouts

Laurie Pieper, GO Topeka Vice President of Entrepreneurship and Small Business, provided 2022 GO Topeka Budget information on the following:

**Small Business & Entrepreneurship**

- Plug & Play Support
- Small Business Incentives
- Wheelhouse Incubator
- Small Business Awards
- Washburn Pitch Competition Sponsorship
- Washburn SBDC Support
- PTAC Grant

Glenda Washington, GO Topeka Chief Equity & Opportunity Officer, provided 2022 GO Topeka Budget information on the following:

**MWBD**

- Redevelopment Specialist and Support – 50%
- MED/Week Pitch Contest
- Microloan Program
- Supplier Diversity
- DEI Strategy
- Athena Woman’s Program
- DEI Summit
- Community Sponsorships
- THA Support

Councilmember Hiller inquired about the Kauffman Heartland Challenge Grant.

Glenda Washington reported the grant was not included in the 2022 budget; however, it is included in the Omni Circle Group budget. She stated \$60,000 of the funds will go to the Omni Circle Group and \$300,000 will go towards entrepreneurship and development. She invited everyone to the Omni Circle Building ribbon cutting event on January 24, 2022 located at 220 SW 33<sup>rd</sup> Street.

Trina Goss, GO Topeka, Director Business and Talent Initiatives, provided 2022 GO Topeka Budget information on the following:

**Talent**

- Top City Teachers
- Community Support
- Washburn Scholarships
- Marketing Support and Ad Placement

- FORGE/TYC Development Investments

Natalie Zeller, GO Topeka Senior Vice President of Finance, provided 2022 GO Topeka Budget information on the following:

### **General**

- PR Firm
- Subscriptions and Memberships
- Research Database
- Salesforce CRM
- Shared Services
- Administrative

### **Special Projects**

- Innovation Campus
- Choose Topeka Incentives
- Workforce Barriers

Commissioner Mays moved to approve the GO Topeka 2022 Operating Budget. The motion seconded by Councilmember Lesser carried unanimously on roll call vote. (7-0-0)

### **PUBLIC COMMENT was provided by the following individual:**

Lazone Grays explained how he has been involved in the community and expressed the importance of funding for businesses, workforce housing and training.

### **REMINDER: 2022 JEDO Board Meeting Dates per the JEDO Operational Rules:**

- Wednesday, February 9, 2022
- Wednesday, May 11, 2022
- Wednesday, September 14, 2022
- Wednesday, December 14, 2022

No further business appearing the meeting adjourned at 7:39 p.m.

# Attachment A

**Growth Organization of Topeka/Shawnee County (Public)**  
**Budgeted Statement of Activities**  
**For the year ended December 31, 2022**

	Business Attraction & Retention/Expansion	Small Bus Dev & Ent Dev	MWBD	Talent Initiatives	General & Administrative	Total On-Going Programming	Total On-Going Programming	Special Initiatives	ETLC	Total
	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022	December 31, 2022
	Current Budget	Current Budget	Current Budget	Current Budget	Current Budget	Current Budget	Prior Budget	Current Budget	Current Budget	Current Budget
<b>Revenue</b>										
Event/program rev	\$ -	\$ -	\$ 34,900	\$ -	\$ -	\$ 34,900	\$ 28,500	\$ -	\$ -	\$ 34,900
Sponsorships	-	10,500	-	20,000	-	30,500	106,891	-	-	30,500
Reimbursed expense	-	-	-	-	-	-	-	-	18,856	18,856
Public revenue	3,442,101	842,077	471,572	308,998	663,328	5,728,076	5,024,215	4,966,724	-	10,694,801
<b>Total Earned revenue</b>	<b>3,442,101</b>	<b>852,577</b>	<b>506,472</b>	<b>328,998</b>	<b>663,328</b>	<b>5,793,476</b>	<b>5,159,606</b>	<b>4,966,724</b>	<b>18,856</b>	<b>10,779,057</b>
Other revenue	5,000	-	-	-	-	5,000	-	-	45,435	50,435
Interest revenue	-	-	-	-	8,500	8,500	71,100	-	-	8,500
<b>Total Other revenue</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,500</b>	<b>13,500</b>	<b>71,100</b>	<b>-</b>	<b>45,435</b>	<b>58,935</b>
<b>Total Revenue</b>	<b>3,447,101</b>	<b>852,577</b>	<b>506,472</b>	<b>328,998</b>	<b>671,828</b>	<b>5,806,976</b>	<b>5,230,706</b>	<b>4,966,724</b>	<b>64,291</b>	<b>10,837,992</b>
<b>Expenses</b>										
Payroll/benefits	257,352	249,173	208,141	83,043	151,465	949,176	907,982	-	-	949,175
Other compensation	2,238	1,287	1,131	624	1,230	6,510	5,955	-	-	6,510
Professional services	138,322	23,265	17,500	-	26,658	205,744	421,649	15,000	-	220,744
Other employee related costs	27,840	36,110	5,500	5,041	12,150	86,641	102,162	-	-	86,641
Shared services	89,000	24,000	22,000	43,000	246,000	424,000	384,000	-	-	424,000
<b>Total Personnel expenses</b>	<b>514,752</b>	<b>333,835</b>	<b>254,272</b>	<b>131,708</b>	<b>437,503</b>	<b>1,672,071</b>	<b>1,821,748</b>	<b>15,000</b>	<b>-</b>	<b>1,687,070</b>
Program/event expense	10,000	23,900	31,000	-	-	64,900	108,085	-	-	64,900
Sales travel	40,500	-	-	-	-	40,500	53,448	-	-	40,500
Hospitality	8,200	25,600	21,000	500	500	55,800	56,140	-	-	55,800
Grants/sponsor/contrib/scholar	65,000	106,999	173,000	177,250	-	522,249	377,989	202,000	-	724,250
<b>Total Program expenses</b>	<b>123,700</b>	<b>156,499</b>	<b>225,000</b>	<b>177,750</b>	<b>500</b>	<b>683,449</b>	<b>595,662</b>	<b>202,000</b>	<b>-</b>	<b>885,450</b>
Occupancy	-	23,830	-	-	62,804	86,635	110,425	55,896	-	142,531
Office expense	12,629	2,971	-	-	22,588	38,187	51,087	-	-	38,187
Dues/subscriptions	9,995	4,502	6,000	295	60,523	81,315	62,194	-	-	81,315
Advertising	73,417	30,940	21,200	19,245	48,000	192,801	245,740	-	-	192,801
Depreciation/amortization	-	-	-	-	22,169	22,169	7,674	-	105,069	127,238
Insurance/taxes/fees	7,100	-	-	-	9,241	16,341	27,228	-	31,356	47,698
Interest expense	-	-	-	-	-	-	-	-	70,055	70,054
<b>Total Operational Expenses</b>	<b>103,141</b>	<b>62,243</b>	<b>27,200</b>	<b>19,540</b>	<b>225,325</b>	<b>437,448</b>	<b>504,348</b>	<b>55,896</b>	<b>206,480</b>	<b>699,824</b>
<b>Total Expenses Before Incentives</b>	<b>741,593</b>	<b>552,577</b>	<b>506,472</b>	<b>328,998</b>	<b>663,328</b>	<b>2,792,968</b>	<b>2,921,758</b>	<b>272,896</b>	<b>206,480</b>	<b>3,272,344</b>
Business incentives	2,705,508	300,000	-	-	-	3,005,508	2,228,205	4,693,828	-	7,699,336
<b>Total Expenses</b>	<b>3,447,101</b>	<b>852,577</b>	<b>506,472</b>	<b>328,998</b>	<b>663,328</b>	<b>5,798,476</b>	<b>5,149,963</b>	<b>4,966,724</b>	<b>206,480</b>	<b>10,971,680</b>
<b>Total Changes in Net Assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,500</b>	<b>\$ 8,500</b>	<b>\$ 80,742</b>	<b>\$ -</b>	<b>\$ (142,189)</b>	<b>\$ (133,689)</b>