

Special JEDO Board Meeting July 13, 2022 6:00 P.M.

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

JEDO Board Members

Shawnee County Commissioners

Bill Riphahn	District No. 1
Kevin Cook	District No. 2
Aaron Mays	District No. 3

City of Topeka Governing Body

Michael Padilla	Mayor
Karen Hiller	District No. 1
Christina Valdivia-Alcalá	District No. 2
Sylvia Ortiz	District No. 3
Tony Emerson	District No. 4
Brett Kell	District No. 5
Hannah Naeger	District No. 6
Neil Dobler	District No. 7
Spencer Duncan	District No. 8
Michael Lesser	District No. 9

JEDO Board Voting Members

Shawnee County Commissioners	City of Topeka Governing Body
Commissioner Aaron Mays	Mayor Michael Padilla
Commissioner Bill Riphahn	Deputy Mayor Spencer Duncan
Commissioner Kevin Cook	Councilmember Hannah Naeger
	Councilmember Neil Dobler

<u>Public Comment</u>. Comment from members of the public shall be entertained on each actionable agenda item and at the end of each meeting. Comment shall be limited to topics directly relevant to JEDO business. Members of the public wishing to speak must notify the County Counselor's Office (call 785-251-4042 or email <u>tabitha.pusch@snco.us</u>) before 5:00 p.m. on the date of the meeting. The JEDO Secretary will provide the Zoom Link to those who sign up for public comment. Members of the public will be let in to speak, one at a time in the order they signed up. As is normally the case, public comment shall not apply to items added during the meeting. Members of the public shall be given four (4) minutes to speak and must maintain proper decorum relating to public meetings.

<u>Agenda</u>. Agendas are furnished at least five (5) business days prior to each meeting and posted on JEDO's website at <u>https://www.jedoecodevo.com/Meeting-Documents/</u>.

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



JEDO BOARD OF DIRECTORS AGENDA

Wednesday, July 13, 2022 - 6:00 p.m. City Council Chambers 214 SE 8th Street, 2nd Floor Topeka, Kansas

Public Comment Allowed In-Person or via Zoom. Face Coverings & Social Distancing Encouraged

- 1. CALL TO ORDER
- 2. ROLL CALL

3. ACTION ITEM:

- A. APPROVAL of Project Bolt Incentive Funding for \$268,000
- B. APPROVAL of Project Boomerang Incentive Funding for \$585,000
- C. APPROVAL of Project Three Incentive Funding for \$205,000
- D. APPROVAL of Earning Period Extension for Active Agreements
- E. APPROVAL of Project James Incentive Agreement and Announcement
- F. APPROVAL of Project Julia Incentive Agreement and Announcement
- G. APPROVAL of Project Tree Incentive Agreement and Announcement

4. **PUBLIC COMMENT:**

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

Wednesday, September 14, 2022 Wednesday, December 14, 2022

6. ADJOURNMENT.

<u>Public Comment</u>. Comment from members of the public shall be entertained on each actionable agenda item and at the end of each meeting. Comment shall be limited to topics directly relevant to JEDO business. Members of the public wishing to speak must notify the County Counselor's Office (call 785-251-4042 or email <u>tabitha.pusch@snco.us</u>) before 5:00 p.m. on the date of the meeting. The JEDO Secretary will provide the Zoom Link to those who sign up for public comment. Members of the public will be let in to speak, one at a time in the order they signed up. As is normally the case, public comment shall not apply to items added during the meeting. Members of the public shall be given four (4) minutes to speak and must maintain proper decorum relating to public meetings.

<u>Agenda</u>. Agendas are furnished at least five (5) business days prior to each meeting and posted on JEDO's website at <u>https://www.jedoecodevo.com/Meeting-Documents/</u>. View the Meeting online at: <u>https://www.facebook.com/cityoftopeka/</u> and <u>https://www.topeka.org/communications/live-stream/</u>.

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 July 13, 2022

ACTION ITEM:

APPROVAL of Project Bolt Incentive Funding for \$268,000



Incentive Funding Proposal | Project Bolt

5.31.22

GO Topeka has been working with a local company to assist in a much-needed expansion. The details of the proposed incentive for Project Bolt are below:

- Capital Investment of \$7M in real property
- 44 new jobs over the next five years, with an average wage of at least \$40,000

Real Property Incentive

GO Topeka is offering a cash incentive paid upon performance of \$56,000 for the investment in the company's Topeka facility.

Employment Incentive

Based on the projections of the company adding 44 new jobs to Shawnee County over the next five years with an average wage of at least \$40,000, Project Bolt will earn a performance-based cash grant of \$4,000 per employee for a maximum total incentive of \$176,000

Cash for Training

The community recognizes the importance of a skilled workforce. As part of the incentive package for Project Bolt, GO Topeka will offer a cash training grant of \$1,000 per new employee up to 44 employees. The value of the training incentive offered is \$44,000

GO Topeka Incentive	S
Real Property Investment Incentive	\$56,000
Employment Incentive	\$176,000
Training Incentive	\$44,000
TOTAL	\$268,000



Agenda Item No. 3B

JEDO Board Meeting July 13, 2022

ACTION ITEM:

APPROVAL of Project Boomerang Incentive Funding for \$585,000



Incentive Funding Proposal | Project Boomerang

5.31.22

GO Topeka has been working with a local manufacturing company to assist in a much-needed expansion. The details of the proposed incentive for Project Boomerang are below:

- Capital Investment of \$125M (\$5M in real property ; \$120M in machinery & equipment)
- 40 new jobs over the next five years, with an average wage of at least \$55,000

Real Property Incentive

GO Topeka is offering a cash incentive paid upon performance of \$25,000 for the investment in the company's Topeka facility.

Equipment Investment Incentive

GO Topeka is offering a cash incentive paid upon performance of \$2,000 per million invested in equipment at the Topeka site. Total Equipment incentive offered is \$240,000.

Employment Incentive

Based on the scope of the project and the projected average annual salary ranging between \$56,000 and \$75,000+ plus benefits. Project Boomerang will earn a performance-based cash grant payable over five years in an amount ranging from \$5,000 to \$7,000 per employee up to 40 employees. The incentive amount would be based on a tiered system with the incentive amount increasing as the average annual wage increases. The total value of the employment incentive offered is \$280,000

Cash for Training

The community recognizes the importance of a skilled workforce. As part of the incentive package for Project Boomerang, GO Topeka will offer a cash training grant of \$1,000 per new employee up to 40 employees. The value of the training incentive offered is \$40,000

GO Topeka Cash Incentiv	es
Real Property Investment Incentive	\$25,000
Equipment Investment Incentive	\$240,000
Employment Incentive	\$280,000
Training Incentive	\$40,000
TOTAL	\$585,000



Agenda Item No. 3C

JEDO Board Meeting July 13, 2022

ACTION ITEM:

APPROVAL of Project Three Incentive Funding for \$205,000



Project Three Incentive Proposal

GO Topeka is working with a new company who is interested in leasing existing space in Shawnee County for a third-party logistics facility (3PL) to serve some of our existing manufacturing companies. They will add all their investment and new employees in year one and have requested a three-year ramp up and incentive payout schedule because of that. The incentives proposed are outlined below:

Real Property Investment Incentive

GO Topeka may offer a cash incentive paid upon performance of \$5,000 per million invested in real property. For this proposal, we have used the provided estimated investment of \$4M. As the project scope is further defined, all offerings can be adjusted to more accurate figures.

Total value of the Real Property Investment Incentive offered is: \$20,000

Employment Cash Incentive

Based on the scope of the project and the projected average annual salary of at least \$55,000 plus benefits, GO Topeka will offer a performance-based cash incentive payable over three years as earned in the amount of \$5,500 per employee for up to 28 employees.

Total value of the employment incentive offered is: \$154,000

Cash for Training

The community recognizes the importance of a skilled workforce. As part of the incentive package for Project Three, GO Topeka will offer a cash training grant of \$1,000 per new employee up to 28 employees.

Total value of the training incentive offered is: \$28,000

Application Fee Reimbursement

GO Topeka may offer a cash reimbursement for the State Incentive Application Fees, up to \$3,000.

Total value of the application fee reimbursement offered is: \$3,000

Real Property Incentive Value	\$20,000
Employment Incentive Value	\$154,000
Training Incentive Value	\$28,000
Application Fee Reimbursement	\$3,000
Total GO Topeka Incentive Value	\$205,000



Agenda Item No. 3D

JEDO Board Meeting July 13, 2022

ACTION ITEM:

APPROVAL of Earning Period Extension for Active Agreements



Request for Contract Performance Period Extensions

7.6.22

During annual performance verifications for active, approved incentives from GO Topeka, some companies have expressed a desire to extend the performance period for their planned investments and new jobs. Due to the pandemic, timing of investments due to supply chain issues as well as the ability to add new jobs have been negatively impacted.

GO Topeka is recommending extending the performance period by an additional three years for each of the 17 companies who were under active incentive agreements for the years 2020, 2021 and 2022. This extension does not change the job and investment performance indicators agreed upon. The extension only allows additional time to make investments and add new jobs.

If approved, each company will have an amendment added to their current incentive agreement to reflect the change above.



Agenda Item No. 3E

JEDO Board Meeting July 13, 2022

ACTION ITEM:

APPROVAL of Project James Incentive Agreement and Announcement



To: GO Topeka Executive Committee Board From: Ashley Lehman, Business Development Manager Date: 05.25.2022 Re: Project James Incentive Amendment

GO Topeka staff has been working with an existing company (Project James) that is looking to grow and expand in our community. We are seeking GO Board approval of the incentive funding. Below is a summary of the project and the requested incentive package:

Project James Summary Industry Type: Manufacturing Capital Investment: \$5,000,000

Incentive Proposal

In the growth and expansion of Project James in Shawnee County, Kansas, this amendment is for the additional \$5,000,000 that will be invested in equipment & machinery. GO Topeka proposes an additional \$10,000 for these investments to be added as an amendment to their previously approved incentive agreement.

All proposed incentives are performance-based, to be paid out as earned and details of the agreement will be outlined via a formal contract with the company.

Below is a breakdown of the proposed incentives:

 \$5,000,000 Machinery & Equipment =
 \$10,000

 TOTAL PROPOSED INCENTIVE =
 \$10,000

AMENDMENT NO. 1 TO INCENTIVE AGREEMENT

This Amendment No. 1 to Incentive Agreement (the "Amendment") is effective as of _________(the "Amendment Effective Date") and is entered into by and between Growth Organization of Topeka/Shawnee County, Inc. ("GO Topeka") and PROJECT JAMES;

WHEREAS, PROJECT JAMES is a corporation that is in good standing and qualified to do business under the laws of the state of Kansas; and

WHEREAS, GO Topeka and PROJECT JAMES are parties to an Incentive Agreement effective May 26, 2020 (the "Incentive Agreement") concerning the modernization and expansion of PROJECT JAMES (as defined in the Incentive Agreement); and

WHEREAS, PROJECT JAMES has completed the full Capital Investment (as defined in the Incentive Agreement) of Five Million Dollars (\$5,000,000) contemplated by the Incentive Agreement; and

WHEREAS, GO Topeka has paid all of the incentive payments under the Incentive Agreement to PROJECT JAMES in the amount of Ten Thousand Dollars (\$10,000) associated with the previously mentioned Capital Investment; and

WHEREAS, PROJECT JAMES is contemplating potential additional Capital Investments with respect to its Topeka facility of up to Five Million Dollars (\$5,000,000); and

WHEREAS, GO Topeka desires to assist and promote PROJECT JAMES by offering up to Ten Thousand Dollars (\$10,000) in additional Investment Incentives (as defined in the Incentive Agreement); and

WHEREAS, the parties wish to amend the Incentive Agreement to reflect the foregoing and to make related changes, as further set forth herein.

WITNESSETH:

NOW, **THEREFORE**, in consideration of the foregoing and of the mutual covenants and agreements expressed herein, the parties agree that the Incentive Agreement shall be amended as follows:

1. **Definitions.** Capitalized terms not otherwise defined herein shall have the meanings assigned to such terms in the Incentive Agreement.

2. <u>Amendments</u>.

(a) Section 4 "Real Estate and Equipment Investment Incentive" of the Incentive Agreement is hereby amended, effective as of the Amendment Effective Date, to add the following additional paragraph:

"In addition to the Real Estate and Equipment Investment Incentive payments already paid to PROJECT JAMES as contemplated by the preceding paragraph, GO Topeka shall pay an Additional Investment Incentive to PROJECT JAMES for additional Capital Investment made by PROJECT JAMES over and above the previously incented Five Million Dollar (\$5,000,000.00) Capital Investments (the "Initial Capital Investments"), in accordance with the following provisions:

- PROJECT JAMES may earn an incentive of One Thousand Dollars (\$1,000) for each Five Hundred Thousand Dollars (\$500,000) in capital investment with the maximum incentive being Ten Thousand Dollars (\$10,000) which equates to Five Million Dollars (\$5,000,000) in capital investment.
- Capital investment shall include the costs to improve (construct/renovate) property located in Shawnee County associated with expansion of PROJECT JAMES and the purchase of equipment to be utilized at such property.
- To be eligible for the Additional Investment Incentive, the additional Capital Investments must be made by PROJECT JAMES between May 13, 2022 and December 31, 2024. The Additional Investment Incentive shall be subject to the terms of this Agreement applicable to the Investment Incentive."

3. <u>Effect as to Agreement</u>. No changes or amendments other than those set forth in Section 2 above are effected hereby. All other terms and provisions of the Incentive Agreement not affected by the revisions stated above shall continue in full force and effect.

4. <u>Entire Agreement</u>. This Amendment, together with the Incentive Agreement, and the documents referred to therein, contains the entire agreement made by the parties hereto as to the subject matter hereof, superseding any and all previous representations, warranties or agreements, oral or written, relating thereto.

5. <u>Amendment</u>. This Amendment may be varied only by a written instrument signed by the duly authorized representatives of each party.

6. <u>**Captions**</u>. The captions that appear in this Amendment have been inserted for the convenience of the reader and do not limit or in any other way affect the meaning of its terms and conditions.

7. <u>**Counterparts**</u>. This Amendment may be executed in multiple counterparts, and by the parties hereto in separate counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

8. <u>Electronic Signature</u>. The parties acknowledge and agree that this Agreement may be executed or accepted using electronic, stamped or facsimile signatures, and that such a signature shall be legally binding to the same extent as a written cursive signature by a party's authorized representative. Each party waives any legal requirement that this Agreement be embodied, stored or reproduced in tangible media, and agrees that an electronic reproduction shall be given the same legal force and effect as a signed writing.

9. <u>Public Event</u>. PROJECT JAMES and GO Topeka will use reasonable efforts acting in good faith, to agree upon a mutually acceptable date, time, and agenda for, and if agreed will participate in a public event in Shawnee County, Kansas. Such event would include general recognition of PROJECT JAMES' expansion and GO Topeka's involvement and assistance.

IN WITNESS WHEREOF, the parties hereto have caused their respective representatives hereunto duly authorized to execute this Amendment as of the Amendment Effective Date.

PROJECT JAMES	
ADDRESS	
Topeka, KS	
By:	
Printed Name:	
Title:	

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC. By:

Printed Name: Molly Howey Title: President, GO Topeka



Agenda Item No. 3F

JEDO Board Meeting July 13, 2022

ACTION ITEM:

APPROVAL of Project Julia Incentive Agreement and Announcement



Incentive Funding Proposal | Project Julia

GO Topeka staff has been working with an existing company (Project Julia) that is looking to grow and expand in our community. The GO Topeka Board approved incentive funding on 5.20.21. We are seeking

JEDO Board approval of the incentive funding. Below is a summary of the project and the requested incentive package:

Project Julia Summary Industry Type: Manufacturing Capital Investment: \$700K Average Wage: \$59,000 annually, plus benefits Number of Jobs: up to 5 positions incentivized, up to an additional 60 positions trained, over five years

Incentive Proposal

In the growth and expansion of Project Julia in Shawnee County, Kansas, an expected addition of up to 5 new full-time jobs, with salaries up to \$60K, plus benefits. GO Topeka proposes up to \$6,500 per new job in performance-based cash incentives. The job incentives will be paid out in equal installments (1/5 of each qualified job incentive = eg. up to \$1,300 per year) annually over five years, not to exceed \$32,500. Capital Investment includes equipment purchases of \$700K. Additionally, a training incentive in the amount of \$1,000 per new position will be offered to the company as part of the package.

All proposed incentives are performance-based, to be paid out as earned and details of the agreement will be outlined via a formal contract with the company.

Below is a breakdown of the proposed incentives: \$700K in Capital Investment = \$ 1,400 \$6,500 per job x 5 new jobs = \$32,500 \$1,000 per new job for training = \$65,000 TOTAL PROPOSED INCENTIVE = \$98,900

INCENTIVE AGREEMENT

This Incentive Agreement is effective \underline{JUY} , 2021, and is entered into between the following parties:

GO TOPEKA: GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

719 S. Kansas Ave., Suite 100 Topeka, KS 66603 Phone: (785) 234-2644 Fax: (785) 234-8656 Contact Person/Title: Molly Howey, President, GO Topeka

PROJECT JULIA

WITNESSETH:

WHEREAS, PROJECT JULIA is a corporation that is in good standing and qualified to do business under the laws of the state of Kansas; and

WHEREAS, PROJECT JULIA is contemplating investing approximately Seven Hundred Thousand Dollars (\$700,000.00) to equip additional production space in Shawnee County, Kansas; and

WHEREAS, PROJECT JULIA intends to expand its operations and, in the process, create sixty-five (65) full time jobs over the next approximately five (5) years; and

WHEREAS, GO TOPEKA desires to assist and promote PROJECT JULIA by offering up to Ninety-Eight Thousand Nine Hundred Dollars (\$98,900.00) in employment, capital investment and training incentives; and

WHEREAS, PROJECT JULIA acting in reliance upon the incentives set forth in this Agreement, has decided to maintain and expand its operations in Shawnee County, Kansas; and

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

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

1. Local Employment Incentive. GO TOPEKA agrees to provide to PROJECT JULIA an employment incentive of up to Thirty-Two Thousand Five Hundred Dollars (\$32,500.00) (the "Employment Incentive") for new Full Time Employment Positions created by PROJECT JULIA over five (5) years, subject to the limitations and requirements outlined herein. A new Full Time Employment Position as defined below is eligible for an Employment Incentive of Six Thousand Five Hundred Dollars (\$6,500.00), paid over five (5) years (\$1,300 per year); however, the average compensation for all eligible new Full Time Employment Positions must equal at least Fifty-Nine Thousand Dollars (\$59,000.00) annually in order for any of the new Full Time Employment Positions to qualify for the Employment Incentive.

PROJECT JULIA intends to hire and train approximately sixty (60) incarcerated individuals. Positions filled by the incarcerated individuals will not be considered eligible Full Time Employment Positions as defined below and will not qualify for an Employment Incentive due to the nature and wages of these positions. Thus, the compensation for these positions will not be included in the average compensation calculations for all eligible new Full Time Employment positions. However, these positions may qualify for Employee Training Incentive as provided for in Section 3 "Employee Training Incentive".

As used in this agreement, a "Full Time Employment Position" is an employee position that includes approximately 2080 paid hours of service in Shawnee County, Kansas, during each calendar year. For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, bonuses or other cash incentives paid by PROJECT JULIA to a full-time employee in a calendar year, but does not include benefits. Each position shall be eligible to receive health insurance benefits, at least part of the premiums of which are paid by PROJECT JULIA, and paid time off. Nothing herein shall require that a Full Time Employment Position be held by the same person, nor shall this Agreement preclude other requirements identified herein, including compensation). Each Full Time Employment Position must be one in which PROJECT JULIA withholds and pays all federal, state and local employment taxes attributable to the employee. More than one position cannot be aggregated to qualify for an Employment Incentive. Only new Full Time Employment Positions shall be eligible for the Employment Incentive. A "new" Full Time Employment Position is an otherwise eligible Full Time Employment Position that is in excess of and in addition to the three hundred sixty-seven (367) Full Time Employees employed by PROJECT JULIA as of July 31, 2021. To qualify for the Employment Incentive, the Full Time Employment Positions must commence on or after July 31, 2021 and be hired and receiving compensation by December 31, 2026.

A Full Time Employment Position shall not fail to qualify for the Employment Incentive if the position is vacated (voluntarily or otherwise) and PROJECT JULIA is undertaking an open and active search and such position is filled within one hundred eighty (180) days after the vacancy during the calendar year. If unfilled for longer than one hundred eighty (180) days during a calendar year, the position will cease to qualify as Full Time Employment Position and will not be eligible for an Employment Incentive for that year.

Notwithstanding anything to the contrary herein, a maximum Employment Incentive available hereunder shall not exceed Thirty-Two Thousand Five Hundred Dollars (\$32,500) in the aggregate. Generally, the maximum yearly Employment Incentive payment shall be Six Thousand Five Hundred Dollars (\$6,500); however, if PROJECT JULIA is experiencing faster than anticipated growth and the GO TOPEKA budget allows, the yearly Employment Incentive may exceed the noted maximum at the direction of the President of GO TOPEKA.

GO TOPEKA will endeavor to make incentive payments according to the following schedule:

- New Full Time Employment Positions hired between July 31, 2021 and December 31, 2021 will be eligible to receive the first incentive payment installment in 2022;
- New Full Time Employment Positions hired between January 1, 2022 and December 31, 2022 will be eligible to receive the first incentive payment installment in 2023;
- New Full Time Employment Positions hired between January 1, 2023 and December 31, 2023 will be eligible to receive the first incentive payment installment in 2024;
- New Full Time Employment Positions hired between January 1, 2024 and December 31, 2024 will be eligible to receive the first incentive payment installment in 2025;
- New Full Time Employment Positions hired between January 1, 2025 and December 31, 2025 will be eligible to receive the first incentive payment installment in 2026;

• New Full Time Employment Positions hired between January 1, 2026 and December 31, 2026 will be eligible to receive the first incentive payment installment in 2027;

provided, however, that PROJECT JULIA must first provide GO TOPEKA with sufficient documentation relating to such employment levels (as required elsewhere herein). GO TOPEKA shall make all reasonable efforts to complete payment of all incentive payments within sixty (60) days of the receipt of such sufficient documentation relating to employment levels.

The parties recognize there may be some turnover and fluctuations in PROJECT JULIA's employment levels. Therefore, a position may qualify for an Employment Incentive in one year after failing to qualify in a prior year.

For purposes of illustration, if PROJECT JULIA hires one (1) new Full Time Employment Positions between July 31, 2021 and December 31, 2021 and maintains that position through 2022, plus hires two (2) new Full Time Employment Positions throughout the period between January 1, 2022 and December 31, 2022 and the average compensation among all three (3) positions is at least Fifty-Nine Thousand Dollars (\$59,000), PROJECT JULIA would be eligible to receive an Employment Incentive installment in the amount of three thousand nine hundred dollars (\$3,900) (3 x \$1,300) in 2023 upon receipt and verification of appropriate documentation.

2. <u>Employment Incentive Calculation Documentation</u>. When and as reasonably requested by GO TOPEKA, PROJECT JULIA shall provide GO TOPEKA with state and federal employment tax returns and/or other information reasonably necessary to establish employment levels in Shawnee County, Kansas, for purposes of calculating Employment Incentives and monitoring PROJECT JULIA's performance hereunder. GO TOPEKA is granted the right to audit payroll and human resources records at any time during the term of this Agreement. GO TOPEKA is granted the right to reduce payments made to PROJECT JULIA by amounts found to be improper, unauthorized or unsubstantiated. GO TOPEKA shall have sole authority in this regard and shall base its decision upon information submitted, including absence of documents to substantiate expenditure.

3. <u>Employee Training Incentive.</u> PROJECT JULIA may earn an Employee Training Incentive in an amount not to exceed Sixty-Five Thousand Dollars (\$65,000.00) (the "Employee Training Incentive"). The Employee Training Incentive shall be divided into two funding amounts:

- Full Time Employee Training Incentive = Five Thousand Dollars (\$5,000.00)
- Incarcerated Employee Training Incentive = Sixty Thousand Dollars (\$60,000.00)

Full Time Employee Training Incentive

For the Full Time Employee Training Incentive GO Topeka shall reimburse PROJECT JULIA for verifiable training costs including, but not limited to, tuition, registration fees, computer software for in-house training and other direct training costs incurred from July 31, 2021 to December 31, 2026 in accordance with the following provisions. PROJECT JULIA shall be eligible for up to One Thousand Dollars (\$1,000.00) in Employee Training Incentive for each net new Full Time Employment Position (as defined in Section 1 "Local Employment Incentive"), up to five (5), created by PROJECT JULIA. Thus, for PROJECT JULIA to receive all Five Thousand Dollars (\$5,000.00) in Full Time Employee Training Incentive the company's full time employment would need to increase to at least three hundred seventy-two (372).

A Full Time Employee Training Incentive payment may be made to PROJECT JULIA starting in 2022 for training costs incurred by any full time employee (new or existing) at PROJECT JULIA in 2021 upon proof of approved training expenses in the form of paid invoices, or other verifiable records confirming payment for approved training expenses. The amount of Full Time Employee Training Incentive available in 2022 will be based on net new Full Time Employment Positions created by PROJECT JULIA in 2021. For example, if PROJECT JULIA created two (2) net new Full Time Employment Positions in 2021, increasing the company's full time employee count to three hundred sixty-nine (369), PROJECT JULIA could receive a reimbursement of up to \$2,000 for expenses incurred to train any existing or new full time employee. Payment for training expenses incurred shall be available on a yearly basis thereafter through 2027 based on the previous year's net new job creation and verifiable training costs. GO TOPEKA shall not reimburse PROJECT JULIA for wages paid to an employee while they are in training or incidental costs associated with training such as travel expenses, meals, and lodging.

Incarcerated Employee Training Incentive

For the Incarcerated Employee Training Incentive GO Topeka shall reimburse PROJECT JULIA for verifiable training costs including, but not limited to, special equipment, wages of an employee to go on-site to provide training, instructor costs, tuition, registration fees, computer software and other direct verifiable training costs incurred from July 31, 2021 to December 31,

2026 in accordance with the following provisions. PROJECT JULIA shall be eligible for up to One Thousand Dollars (\$1,000.00) in Employee Training Incentive for the training of each incarcerated individual who is housed in a facility located in Shawnee County. This Employee Training Incentive will be available for up to sixty (60) incarcerated individuals.

An Incarcerated Employee Training Incentive payment may be made to PROJECT JULIA starting in 2022 for training costs incurred by PROJECT JULIA in 2021 upon proof of approved training expenses in the form of paid invoices, or other verifiable records confirming payment for approved training expenses. The amount of Incarcerated Employee Training Incentive available in 2022 will be based on the number of incarcerated individuals trained by PROJECT JULIA in 2021. For example, if PROJECT JULIA trained twenty (20) incarcerated individuals in 2021, PROJECT JULIA could receive a reimbursement of up to twenty thousand dollars (\$20,000.00) for expenses incurred to train the incarcerated individuals. Payment for training expenses incurred shall be available on a yearly basis thereafter through 2027 based on the number of incarcerated individuals trained in the previous year and verifiable training costs. GO TOPEKA shall not reimburse PROJECT JULIA for wages paid to an employee or incarcerated individuals while they are in training or incidental costs associated with training such as travel expenses, meals, and lodging.

4. <u>Equipment Investment Incentive.</u> For each One Million Dollars (\$1,000,000.00) in expenditure made by PROJECT JULIA between July 31, 2021 and December 31, 2026 for the purchase of equipment to be housed at its real estate located in Shawnee County, Kansas GO TOPEKA shall pay an incentive to PROJECT JULIA of Two Thousand Dollars (\$2,000.00) (The "Equipment Investment Incentive"). The aggregate of said equipment investment incentive payments shall not exceed One Thousand Four Hundred Dollars (\$1,400.00). The equipment investment incentive payments shall be made to PROJECT JULIA upon GO TOPEKA's receipt of documentary evidence showing the purchase of said equipment.

5. <u>Use of Funds.</u> The funds received by PROJECT JULIA pursuant hereto shall be used for the purpose of purchasing and improving real estate and equipment in Shawnee County, Kansas and for the employment and training of persons to be employed in Shawnee County, Kansas.

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

7. <u>Miscellaneous</u>. The following miscellaneous provisions shall apply to this Agreement:

a. PROJECT JULIA agrees to make every reasonable effort to use, if qualified, Shawnee County residents to fill the new Full Time Employment Positions in Shawnee County, Kansas.

b. PROJECT JULIA agrees to make every reasonable effort to use, if qualified, Shawnee County, Kansas-based vendors for the purchase or procurement of the improvements, machinery and equipment contemplated herein.

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

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

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

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

g. Time is of the essence of this Agreement.

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

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

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

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

1. The parties acknowledge and agree that PROJECT JULIA shall not assign, transfer, hypothecate or otherwise encumber this Agreement and its rights hereunder, without the prior written approval of GO TOPEKA.

m. Sarbanes-Oxley and similar legislation may have application to, or affect the accounting for, this Agreement by PROJECT JULIA.

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

GO TOPEKA's obligations hereunder are contingent upon approval hereof by the 0. Joint Economic Development Organization ("JEDO") and the continued funding of GO TOPEKA at adequate levels through a portion of the Shawnee County retailer's sales tax and/or by JEDO. GO TOPEKA may unilaterally reduce or eliminate any payments hereunder in the event that sufficient funds are not available (taking into account GO TOPEKA's other GO TOPEKA will endeavor to give PROJECT JULIA advance notice of any obligations). reduction of funds when practical. PROJECT JULIA agrees and understands that if there are not sufficient funds appropriated or available to GO TOPEKA to continue to make any payments hereunder (taking into account GO TOPEKA's other obligations), GO TOPEKA may terminate this Agreement with written notice of termination to PROJECT JULIA. The reduction or elimination of any payments, and/or termination of this Agreement pursuant to this paragraph, shall not cause any penalty or damages to be charged to GO TOPEKA and PROJECT JULIA waives and releases any rights, causes of action or claims it may have should such insufficiency of funds occur.

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

q. PROJECT JULIA agrees to make a good faith effort to provide relocating information to existing employees, and/or new employees with information/relocation materials regarding Topeka and Shawnee County, that support and promote residency within the Topeka/Shawnee County limits. Annual reporting of these efforts shall be provided to GO TOPEKA during the incentivized period defined in this Agreement.

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

s. Nothing herein contained shall be construed or held to make any party a partner, joint venture or associate of another party in the conduct of its business, nor shall either party be deemed the agent of the other, it being expressly understood and agreed that the relationship between the Parties hereto is and shall at all times remain contractual as provided by the terms and conditions of this Agreement.

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

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

"PROJECTIULIA" By:
Print Name: Rose Ma
Title: CFO

"GO TOPEKA"

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

ally By: Print Name: Molly Howey Title: President, GO Topeka



Agenda Item No. 3G

JEDO Board Meeting July 13, 2022

ACTION ITEM:

APPROVAL of Project Tree Incentive Agreement and Announcement



Incentive Funding Proposal | Project Tree

5.5.2022

GO Topeka has been working with a local manufacturing company to assist in a much-needed expansion. The details of the proposed incentive for Project Tree are below:

- Capital Investment in real property of \$2M ; \$8M in equipment over the next five years
- 20 new jobs over the next five years, with an average wage of at least \$40,000

Real Property Incentive

GO Topeka is offering a cash incentive of \$134,000 to offset the purchase of land and a facility for a second location for Project Tree in Shawnee County.

Equipment Investment Incentive

GO Topeka is offering a cash incentive paid upon performance of \$2,000 per million invested in equipment. For this proposal, we have used the estimated investment of \$8M. Total Equipment incentive offered is \$16,000.

Employment Incentive

Based on the assumption the company would bring 20 new jobs to Shawnee County over the next five years with an average annual salary of \$40,000 GO Topeka is offering a performance-based cash grant payable over five years in an amount of \$4,000 per employee. The incentive amount will adjust as those numbers adjust up until the time and incentive contract is executed. The value of the employment incentive offered is: \$80,000

Cash for Training

The community recognizes the importance of a skilled workforce. As part of the incentive package for Project Tree, GO Topeka will offer a cash training grant of \$1,000 per new employee up to 20 employees. The value of the training incentive offered is: \$20,000

Real Property Investment Incentive	\$134,000
Equipment Investment Incentive	\$16,000
Employment Incentive	\$80,000
Training Incentive	\$20,000
TOTAL	\$250,000

INCENTIVE AGREEMENT

This Incentive Agreement is effective _____, 2022, and is entered into between the following parties:

GO TOPEKA: GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

719 S. Kansas Ave., Suite 100 Topeka, KS 66603 Phone: (785) 234-2644 Fax: (785) 234-8656 Contact Person/Title: Molly Howey, President, GO Topeka

PROJECT TREE

WITNESSETH:

WHEREAS, PROJECT TREE is a corporation that is in good standing and qualified to do business under the laws of the state of Kansas; and

WHEREAS, PROJECT TREE is contemplating investing approximately Ten Million Dollars (\$10,000,000) to purchase real estate, construct improvements, and equip additional production space in Shawnee County, Kansas; and

WHEREAS, PROJECT TREE intends to expand its operations and, in the process, create Twenty (20) full time jobs over the next approximately five (5) years; and

WHEREAS, GO TOPEKA desires to assist and promote PROJECT TREE by offering up to Two Hundred Fifty Thousand Dollars (\$250,000.00) in employment, training and capital investment incentives; and

WHEREAS, PROJECT TREE acting in reliance upon the incentives set forth in this Agreement, has decided to maintain and expand its operations in Shawnee County, Kansas; and

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

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

1. <u>Local Employment Incentive.</u> GO TOPEKA agrees to provide to PROJECT TREE an employment incentive of up to Eighty Thousand Dollars (\$80,000.00) (the "Employment Incentive") for new Full Time Employment Positions created and maintained by PROJECT TREE over the next approximately five (5) years, subject to the limitations and requirements outlined herein.

A new Full Time Employment Position as defined below may be eligible for an Employment Incentive of Four Thousand Dollars (\$4,000.00), paid over five (5) consecutive years (\$800.00 per year). The incentives payable hereunder shall be paid in five (5) installments of eight hundred dollars (\$800.00) per year, for years the new Full Time Employment Position is added/or maintained in accordance with the timeline outlined herein.

The qualification for Employment Incentive is based on the calculated average annual compensation of all eligible new Full Time Employment Positions. The annual compensation for all eligible new Full Time Employment Positions shall be averaged. This calculated average must be at least Forty Thousand Dollars (\$40,000.00) in order for any of the new Full Time Employment Positions to qualify for the Employment Incentive. If the calculated average is less than Forty Thousand Dollars (\$40,000.00) none of the new Full Time Employment Positions will qualify for the Employment Incentive for that year.

As used in this agreement, a "Full Time Employment Position" is an employee position that includes approximately 2080 paid hours of service in Shawnee County, Kansas, during each calendar year. For purposes of determining eligibility for Employment Incentives (and the amount thereof), compensation includes salary, bonuses or other cash incentives paid by PROJECT TREE to a full-time employee in a calendar year, but does not include benefits. Each position shall be eligible to receive health insurance benefits, at least part of the premiums of which are paid by PROJECT TREE, and paid time off. Nothing herein shall require that a Full Time Employment Position be held by the same person, nor shall this Agreement preclude PROJECT TREE from changing the title, purpose or utility of a position (as long as it meets the other requirements identified herein, including compensation). Each Full Time Employment Position must be one in which PROJECT TREE withholds and pays all federal, state and local employment taxes attributable to the employee. More than one position cannot be aggregated to qualify for an Employment Incentive.

Only new Full Time Employment Positions shall be eligible for the Employment Incentive. A "new" Full Time Employment Position is an otherwise eligible Full Time Employment Position that is in excess of and in addition to the One Hundred Two (102) Full Time Employees employed by PROJECT TREE as of April 6, 2022. To qualify for the Employment Incentive, the Full Time Employment Positions must commence on or after April 6, 2022 and be hired and receiving compensation by July 30, 2027.

A Full Time Employment Position shall not fail to qualify for the Employment Incentive if the position is vacated (voluntarily or otherwise) and PROJECT TREE is undertaking an open and active search and such position is filled within one hundred eighty (180) days after the vacancy during the calendar year. If unfilled for longer than one hundred eighty (180) days during a calendar year, the position will cease to qualify as Full Time Employment Position and will not be eligible for an Employment Incentive for that year.

Notwithstanding anything to the contrary herein, a maximum Employment Incentive available hereunder shall not exceed Eighty Thousand Dollars (\$80,000.00) in the aggregate. Generally, the maximum annual Employment Incentive shall be Sixteen Thousand Dollars (\$16,000.00); however, if PROJECT TREE is experiencing faster than anticipated growth and the GO TOPEKA budget allows, the annual Employment Incentive may exceed the noted maximum at the direction of the President of GO TOPEKA.

GO TOPEKA will endeavor to make incentive payments according to the following schedule:

- New Full Time Employment Positions hired between April 6, 2022 and December 31, 2022 will be eligible to receive the first incentive payment installment in 2023;
- New Full Time Employment Positions hired between January 1, 2023 and December 31, 2023 will be eligible to receive the first incentive payment installment in 2024;
- New Full Time Employment Positions hired between January 1, 2024 and December 31, 2024 will be eligible to receive the first incentive payment installment in 2025;
- New Full Time Employment Positions hired between January 1, 2025 and December 31, 2025 will be eligible to receive the first incentive payment installment in 2026;

- New Full Time Employment Positions hired between January 1, 2026 and December 31, 2026 will be eligible to receive the first incentive payment installment in 2027;
- New Full Time Employment Positions hired between January 1, 2027 and May 31, 2027 will be eligible to receive the first incentive payment installment in 2028;

provided, however, that PROJECT TREE must first provide GO TOPEKA with sufficient documentation relating to such employment levels (as required elsewhere herein). GO TOPEKA shall make all reasonable efforts to complete payment of all incentive payments within sixty (60) days of the receipt of such sufficient documentation relating to employment levels.

The parties recognize there may be some turnover and fluctuations in PROJECT TREE's employment levels. Therefore, a position may qualify for an Employment Incentive in one year after failing to qualify in a prior year.

For purposes of illustration, if PROJECT TREE hires two (2) new Full Time Employment Positions between April 6, 2022 and December 31, 2022 and maintains those positions through 2023, plus hires three (3) new Full Time Employment Positions throughout the period between January 1, 2023 and December 31, 2023 and the average compensation among all 5 positions is at least Forty Thousand Dollars (\$40,000.00), PROJECT TREE would be eligible to receive an Employment Incentive installment in the amount of One Thousand Six Hundred Dollars (\$1,600.00) (2 x \$800) in 2023 and Four Thousand Dollars (\$4,000.00) (5 x \$800) in 2024 upon receipt and verification of appropriate documentation.

2. <u>Employment Incentive Calculation Documentation</u>. When and as reasonably requested by GO TOPEKA, PROJECT TREE shall provide GO TOPEKA with state and federal employment tax returns and/or other information reasonably necessary to establish employment levels in Shawnee County, Kansas, for purposes of calculating Employment Incentives and monitoring PROJECT TREE's performance hereunder. GO TOPEKA is granted the right to audit payroll and human resources records at any time during the term of this Agreement. GO TOPEKA is granted the right to reduce payments made to PROJECT TREE by amounts found to be improper, unauthorized or unsubstantiated. GO TOPEKA shall have sole authority in this regard and shall base its decision upon information submitted, including absence of documents to substantiate expenditure.

3. <u>Employee Training Incentive.</u> PROJECT TREE may earn an Employee Training Incentive in an amount not to exceed Twenty Thousand Dollars (\$20,000.00) (the

"Employee Training Incentive"). GO Topeka shall reimburse PROJECT TREE for verifiable training costs including, but not limited to, tuition, registration fees, computer software for inhouse training and other direct training costs incurred from April 6, 2022 to December 31, 2027 in accordance with the following provisions. PROJECT TREE shall be eligible for One Thousand Dollars (\$1,000.00) in Employee Training Incentive for each net new Full Time Employment Position (as defined in Section 1 "Local Employment Incentive"), up to Twenty (20), created by PROJECT TREE. Thus, for PROJECT TREE to receive all Twenty Thousand Dollars (\$20,000.00) in employee training incentives the company's full time employment would need to increase to at least One Hundred Twenty-Two (122).

An Employee Training Incentive payment may be made to PROJECT TREE starting in 2023 for training costs incurred by any full time employee (new or existing) at PROJECT TREE in 2022 upon proof of approved training expenses in the form of paid invoices, or other verifiable records confirming payment for approved training expenses. The amount of Employee Training Incentive available in 2023 will be based on net new Full Time Employment Positions created by PROJECT TREE in 2022. For example, if PROJECT TREE created five (5) net new Full Time Employment Positions in 2022, increasing the company's full time employee count to One Hundred Seven (107), PROJECT TREE could receive a reimbursement of up to Five Thousand Dollars (\$5,000.00) for expenses incurred to train any existing or new full time employee. Payment for training expenses incurred shall be available on a yearly basis thereafter through 2028 based on the previous year's job creation and verifiable training costs. GO TOPEKA shall not reimburse PROJECT TREE for wages paid to an employee while they are in training or incidental costs associated with training such as travel expenses, meals, and lodging.

4. <u>Real Estate and Equipment Investment Incentive.</u> For each One Million Dollars (\$1,000,000.00) in expenditures for the purchase of equipment to be housed at its real estate located in Shawnee County, Kansas GO TOPEKA shall pay an equipment incentive to PROJECT TREE of Two Thousand Dollars (\$2,000.00).

Additionally, GO TOPEKA shall pay One Hundred Thirty-Four Thousand Dollars (\$134,000.00) for the purchase of real estate located in Shawnee County, Kansas, including associated transaction costs paid by PROJECT TREE. GO TOPEKA shall pay these funds to PROJECT TREE within forty-five (45) days of the closing of the purchase of the subject real estate upon GO TOPEKA'S receipt of the closing documents as set forth herein.

The aggregate of said Real Estate and Equipment Investment Incentive payments shall not exceed One Hundred Fifty Thousand Dollars (\$150,000.00). The Real Estate and Equipment Investment Incentive payments shall be made to PROJECT TREE upon GO TOPEKA's receipt of closing documents showing the purchase of the real estate along with any and all appropriate documentary evidence showing further capital investment in the real estate for the construction or renovation of improvements thereon, if applicable, and the purchase of said equipment. Purchases related to the Real Estate and Equipment Investment Incentive must be made by PROJECT TREE between April 6, 2022 and June 30, 2027.

5. <u>Use of Funds.</u> The funds received by PROJECT TREE pursuant hereto shall be used for the purpose of purchasing and improving real estate and equipment in Shawnee County, Kansas and for the employment and training of persons to be employed in Shawnee County, Kansas.

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

7. <u>Miscellaneous</u>. The following miscellaneous provisions shall apply to this Agreement:

a. PROJECT TREE agrees to make every reasonable effort to use, if qualified, Shawnee County residents to fill the new Full Time Employment Positions in Shawnee County, Kansas.

b. PROJECT TREE agrees to make every reasonable effort, if qualified, to include in the bidding process Shawnee County, Kansas-based vendors for construction at its facility and the purchase or procurement of the machinery and equipment contemplated herein.

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

d. PROJECT TREE agrees to participate in a public event with GO TOPEKA in Shawnee County, Kansas, celebrating the employment expansion contemplated by this

Agreement. Such event would include general recognition of JEDO's and GO TOPEKA's involvement in the project.

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

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

g. Time is of the essence of this Agreement.

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

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

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

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

1. The parties acknowledge and agree that PROJECT TREE shall not assign, transfer, hypothecate or otherwise encumber this Agreement and its rights hereunder, without the prior written approval of GO TOPEKA.

m. Sarbanes-Oxley and similar legislation may have application to, or affect the accounting for, this Agreement by PROJECT TREE.

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

o. GO TOPEKA's obligations hereunder are contingent upon approval hereof by the Joint Economic Development Organization ("JEDO") and the continued funding of GO TOPEKA at adequate levels through a portion of the Shawnee County retailer's sales tax and/or

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

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

q. PROJECT TREE agrees to make a good faith effort to provide relocating information to existing employees, and/or new employees with information/relocation materials regarding Topeka and Shawnee County, that support and promote residency within the Topeka/Shawnee County limits. Annual reporting of these efforts shall be provided to GO TOPEKA during the incentivized period defined in this Agreement.

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

s. Nothing herein contained shall be construed or held to make any party a partner, joint venture or associate of another party in the conduct of its business, nor shall either party be deemed the agent of the other, it being expressly understood and agreed that the relationship between the Parties hereto is and shall at all times remain contractual as provided by the terms and conditions of this Agreement.

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

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

"PROJECT TREE"

By: _____

Name/Title:_____

"GO TOPEKA"

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC.

By: _____ Print Name: Molly Howey Title: President, GO Topeka