

**Joint Economic Development Organization Board Minutes
September 14, 2022**

In-Person and Via Zoom
City Council Chambers
214 SE 8th Street, 2nd Floor
Topeka, Kansas 66603
Wednesday, September 14, 2022

The Joint Economic Development Organization (JEDO) Board members met at 6:00 p.m. via Zoom meeting and in-person with the following voting Board Members present: Shawnee County Commissioners Aaron Mays and Kevin Cook; City of Topeka Mayor Michael Padilla and Deputy Mayor Spencer Duncan arrived at 6:05; Councilmember Hannah Naeger; Councilmember Tony Emerson voted by proxy for Councilmember Dobler. The following members participated remotely: City Councilmember Neil Dobler. Shawnee County Commissioner Aaron Mays presided as JEDO Chair.

The following nonvoting JEDO Board Members were present: City Councilmember Karen Hiller and Councilmember Tony Emerson.

The following JEDO Board Members were absent: Commissioner Bill Riphahn; City Councilmembers Christina Valdivia-Alcala, Sylvia Ortiz; Brett Kell and Michael Lesser.

Due to the COVID-19 pandemic, the meeting was conducted in-person as well as via Zoom meeting. Zoom access was provided to those individuals signed up for public comment.

APPROVAL of May 11, 2022 and July 13, 2022 JEDO Board Meeting Minutes was presented:

Commissioner Cook moved to approve the Minutes of May 11, 2022 and July 13, 2022. The Motion seconded by Mayor Padilla carried unanimously. (5-0-2)

APPROVAL of Project Boomerang Incentive Agreement was presented:

Ashley Lehman, GO Topeka Business Development Manager, spoke about Project Boomerang Incentive Agreement. Project Boomerang is an existing business in Topeka in the manufacturing industry. They are planning to add 40 new jobs over the next 5 years with a Capital Investment of 125 million dollars. The average wage is \$55,000 plus benefits with a total economic impact over the next 10 years of 480 million dollars. As of all incentives, this is performance based. She was excited to announce that Project Boomerang is Goodyear Tire Rubber and Company. With us here to say a few words is Tim Davis, the manufacturing director and Tim, their finance business partner.

Tim Davis, Manufacturing Director of Goodyear Tire and Rubber, explained how great full they are for the support of JEDO. He explained how the Topeka Facility is intrical to their operations and this investment will help Goodyear to continue to meet the needs of their customer base.

Commissioner Cook asked how the investment of \$125 million is going to change the plant specifically.

Mr. Davis explained the factory would be modernized and part of it would be an investment.

Councilmember Emerson moved to approve the Motion. The Motion seconded by Commissioner Mays carried unanimously. (6-0-1).

APPROVAL of Amended Incentive Funding for Project Three was presented:

Ashley Lehman, GO Topeka Business Development Manager, spoke about Project Three Incentive Funding. Project Three is a new business in Shawnee County who is interested in leasing existing space for a third-party logistics facility to serve some of our existing manufacturing companies. She gave an overview of some updated numbers for their incentive funding. They will be adding 55 new jobs as opposed to 28. All their investment and jobs will be added in year one with a three year ramp up and incentive payout schedule. A Capital Investment of 2.5 million dollars. With a total economic impact of 500 million dollars over the next 10 years. The total requested incentive ins \$373,000.

Commissioner Cook moved to approve the Motion. The Motion seconded by Councilmember Naeger carried unanimously. (6-0-1).

APPROVAL of Project Three Incentive Agreement and Announcement was presented:

Ashley Lehman, GO Topeka Business Development Manager, spoke about Project Three Incentive Agreement. Project Three is a new business in Shawnee County. They are a third-party logistics facility to serve some of our existing manufacturing companies. The numbers are as she previously mentioned. She was proud to announce that Project Three is Ryder Systems Inc. With us tonight is John Crenshaw, Engineering Manager to say a few words.

John Crenshaw, Engineering Manager, gave an overview of their company and explained that they will have a live start-up of a project here in Topeka at the end of the month. He explained the kinds of jobs that will fill their 55 new jobs. He stated how grateful they are for the support from GO Topeka and JEDO and are looking forward to partnering with this area.

Mayor Padilla moved to approve the Motion. The Motion seconded by Commissioner Mays carried unanimously. (6-0-1).

APPROVAL of Project Pages Incentive Funding for \$100,000 was presented:

Ashley Lehman, GO Topeka Business Development Manager, spoke about Project Pages Incentive Funding. Project Pages has a business attraction in wholesale distribution. They are planning to bring 20 new jobs to Shawnee County over the next 5 years with an annual salary of \$40,000. With a total economic impact over the next 10 years of 62 million dollars. The total requested incentive is \$100,000.

Commissioner Mays moved to approve the Motion. The Motion seconded by Commissioner Cook carried unanimously. (6-0-1).

APPROVAL of Contract Amendments for an Earning Period Extension was presented:

Molly Howey, GO Topeka President of Economic Development, presented. She stated that this item was on the last agenda for approval. Every company has the same contract with the only thing differing is that company's specific information. This contract would allow for an earning period extension for each business to meet certain metrics to qualify for the incentives. This extension was given for the circumstances from the Covid-19 pandemic. If approved, all the contracts will be forwarded to the companies to be executed.

Commissioner Mays moved to approve the Motion. The Motion seconded by Councilmember Naeger carried unanimously. (6-0-1).

GO Topeka Quarterly Update was presented:

Molly Howey, GO Topeka President of Economic Development started it off by sending regrets from Matt Pivarnik, GO Topeka President, who could not make it today because of a family emergency. She also extended congratulations to the City team for selecting a new City Manager, and congratulations to Steve Wade. Next, she pointed out the brochures the board had in front of them. It was a new marketing technique they made. It was specific to an international event they had which is why it has so many QR Codes. She explained that is just one of things they are starting to use to speak specifically to that industry. Ms. Howey gave an update on some tours they have given at the airport for companies that are interested in looking at the airports for development sights. She also mentioned that they have had a great increased partnership with the state, specifically Deputy Secretary of Commerce, Paul Hughes, who has a deep history in the industry and has given a lot of expertise. They are working to figure out how to stay competitive in that industry. She explained that they are almost done with the budget and to be looking out for that. She mentioned they are working on a goal of reducing their operating budget about 3-5%. Reminding the board that their revenue budget from the sales tax is flat and has been since 2007.

Commissioner Mays inquired about the Revenue Budget and how long it has been since they received any additional funding from the first Interlocal Agreement was made. He mentioned that he would like to look into that, possibly making it a percentage of the sales tax instead of a flat fee. Or in some way be raised as the revenues from the sales tax have went up considerably.

Commissioner Cook noted that the Interlocal Agreement would be part of the Master Contract. The amount of sales tax was put before the voters and now we are half way through the 10-year contract that was approved in 2017.

Trina Goss, Director of Business Retention and Initiatives presented on the Housing Advocacy Task Force. She explained that they are going to be focusing on a few sub-categories to try and help developers and incentivize them to build in Topeka. Next she spoke on the Child Care Task Force and identified their goals on addressing the Topeka-Shawnee County Child Care.

Councilmember Naeger inquired about changing the public's overall perception, is that translating into higher wages, benefits?

Ms. Goss explained that it may need to be through policy change or some other change, but they will be digging into that more. Next she gave an update on Choose Topeka. Since the last update the numbers have changed a lot. The numbers have went way up on the employer match side. There were 8,500 submissions, 64 employer submission candidates with an average salary of \$91,862 and there are \$344,250 encumbered funds for the employer match. For Remote there were 1,100 remote submissions, 30 remote workers with an average salary of \$83,804 and \$246,250 encumbered funds for employer match. In total there were 94 candidates., \$590,500 encumbered funds with an average salary of \$89,290.

Councilmember Emerson asked if these are the numbers for just this year or total.

Ms. Goss explained that they are total for the program.

Mayor Padilla asked what is the main industry that they get submissions in?

Ms. Goss stated that the main industry for submissions is fast-food and retail. But of the one's that employers are looking for are financial industry, engineering, sales, health care, education and the management level of distribution.

Councilmember Naeger inquired about the diversity break down of the candidates.

Ms. Goss explained that they aren't exactly tracking that information but she has seen mostly young families all the way up to people nearing retirement age.

Councilmember Hiller asked about why they are not selecting sales and retail applicants.

Ms. Goss explained that it is the employer who is putting the incentive up front and then getting reimbursed. Some retailers may not have it in their plans to give \$10,000 incentive to a front line worker. The last thing she presented on National Manufacturing Day which will be held on October 7, 2022.

Rhett Flood, Forge Director presented on Top City Interns. He explained that the 2022 program was back to pre-pandemic levels. They had 200 Interns, 23 companies and 6 in-person events. He stated that they were very happy with the program this year.

Councilmember Emerson commented that they had a great event downtown.

Zach, Chair, Forge Young Talent spoke about Forge Fest and its success.

Commissioner Mays commented that he really enjoyed Forge Fest and the Intern Program is fantastic.

Glenda Washington, GO Topeka Chief Equity and Opportunity Officer, gave a quarterly report on Equity and Opportunity/MWBD. She explained how the micro size businesses were doing and they were doing good. She gave an update on a child care business they gave a loan to. She talked about COVID research that an individual was doing in our community to see what resources we used, how we dealt with it and also how it impacted minority and small businesses. They are awaiting the results of that. Finally, she announced the 2022 DI Summit happening in September at Prairie Band Casino and she invites you all there.

Councilmember Duncan stated he was going to be at the DI Summit. He asked about what other criteria they have for those loans besides being minority.

Ms. Washington explained that this loan is specifically for minority businesses but not much other criteria. It is very easy to get.

Councilmember Naeger wanted to applaud her on the site visits and stated how that was an intricate part of the program.

Ms. Washington pointed out that starting tomorrow is Hispanic Heritage Month and wanted to make sure everyone came out to celebrate that. She then gave a presentation on PTAC and the great things they are doing. The presentation included all the numbers for that.

Laurie Pieper, VP, Entrepreneurship and Small Business, presented. She introduced Tammy Cortez, Chair of the Small Business Incentives Committee, and Shawn Gatewood, recent recipient of a small business incentive, who were there to speak tonight.

Shawn Gatewood spoke about how important the Small Business Loan was for him in starting his business.

Ms. Pieper then did a brief overview of some of the other businesses that were given the Small Business Incentives. She then spoke about uses of the Marketing Incentive. She went over the demographic information on the incentives which were shown on the presentation.

Tammy Cortez, Chair of the Small Business Committee explained how much they appreciate the Small Business Program.

Ms. Pieper spoke about how they introduced the competitive application process this year which helped to elevate the quality of the applications and makes them easier to go through.

Councilmember Emerson asked if they put money in every quarter? He also asked if the dashboard is public?

Ms. Pieper explained that the year started out with \$300,000 and carryover from the previous year, and then after the second quarter they had already allocated most of their budget. However, this year they implemented a monthly progress report to find out if the projects/companies are on tract. If they are not able to be on-tract then the funds are put back in the pot. That is why almost \$50,000

dollars was put back in the budget in 3rd quarter. She also added that the dashboard is not currently public but they can make it available to the public.

Councilmember Hiller inquired if the competitive application process was attracting more applicants and better applicants? She also asked if they are tracking if people are meeting their goals.

Ms. Pieper explained that it is attracting better applications because they are having to put more thought process into it. She also explained that they are tracking businesses goals but they just started this new process. She explained that the companies do have to be doing something that impacts economic development but there are different ways in which that can manifest. She went on to show what the Cash Flow projections are and reasons for performance difficulties. She thoroughly explained the new way they prioritize the review of the applications. Ms. Pieper gave a presentation on the University Engagements they have been working on and explained how exciting it was. They have 2 proof of concept projects with K-State. At Washburn University they have a Pitch Competition, Entrepreneur Showcase and Student Engagements. Two important aspects are collaboration on attraction of innovation companies and talent retention. She stated that the Propeller Program is going great and she wanted to invite everyone to the events of Global Entrepreneurship Week.

Stephanie Moran, SVP of Innovation, presented on the updates to Innovation and Plug n Play. She pointed out how they had great success with Plug n Play and attracting the animal health corridor to Topeka. The Innovation Board came up with 4 main pillars that focus on their Innovation Center downtown. They are Funding, Entrepreneurship/ People/ Talent/ Pipeline, Education/ Programming/ Services and Community Involvement. She some of the services they will focus on having for the businesses. She mentioned connecting your people to the program. She spoke about the programs and the community involvement. She announced the Open House at the Innovation Campus on September 15, 2022. She gave an update on Plug and Play. She stated that they just selected Batch 4 and will have 12 new startups. She gave an update on the successes they have had through Plug and Play, such as:

1. Dinbeat
2. Bond Pet Food
3. Stenco
4. Agis Packaging
5. W-Cycle
6. TBA
7. NovoNutrients
8. TeleTails
9. Moolec

She stated that in Batch 3 there were 11 Startups, 14 Deep Dives, 9 NDA's, 7 on-going conversations, 4 pilots and a total of 120 connections made for our partners. Lastly, she announced the Plug and Play November Summit on the 15th through 17th.

NO PUBLIC COMMENT was provided.

NO FURTHER BUSINESS appearing the meeting was adjourned at 7:18 p.m.