



JEDO Board of Directors
Agenda for Wednesday, March 25, 2015
6:00 p.m.
Topeka City Council Chambers

1. Roll Call
2. APPROVAL of Minutes from the meeting of February 11, 2015. (Action Item)
3. APPROVAL of a Resolution to authorize the issuance of a Request for Proposal (RFP) to solicit proposals from qualified and experienced economic development consultants to conduct an economic development analysis for Topeka/Shawnee County. (Action Item)
4. Any other business items that may come before the Board for consideration.
5. Public Comment
6. Adjournment

Public Comment Policy: 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 relevant to JEDO business. Members of the public wishing to speak must notify the City Clerk before 5:00 p.m. on the date of the meeting via email at cclerk@topeka.org or call 785-368-3940. This requirement shall not apply to items added during the meeting. Members of the public will be given four (4) minutes to speak and must maintain proper decorum relating to public meetings.

Agenda: Agendas are furnished at least five (5) business days prior to each meeting and posted on the City of Topeka web page at www.topeka.org/JEDO and the Shawnee County web page at www.snco.us/jedo.

To make arrangements for special accommodations please call 785-368-3940 or 785-368-3941. A 48-hour advance notice is preferred.



Agenda Item No. 2:

February 11, 2015 - Meeting Minutes

**Joint Economic Development Organization Board Minutes
February 11, 2015**

City Council Chambers, 214 SE 8th Street, Topeka, Kansas, Wednesday, February 11, 2015.

The Joint Economic Development Organization (JEDO) Board Members met at 6:00 p.m. with the following voting Board Members present: Councilmembers Karen Hiller, Michelle De La Isla and Nathan Schmidt; and Shawnee County Commissioners Shelly Buhler, Kevin Cook and Bob Archer. City of Topeka Mayor Larry Wolgast presided -7.

Nonvoting Members present: Councilmembers TJ Brown, Chad Manspeaker and Richard Harmon.

Absent: Deputy Mayor Denise Everhart, Councilmembers Elaine Schwartz and Sylvia Ortiz.

Mayor Wolgast called the meeting to order and announced Deputy Mayor Denise Everhart is ill and has designated Councilmember De La Isla to serve as her proxy.

APPROVAL of Minutes of the December 10, 2014 JEDO Board meeting, was presented.

Councilmember Hiller noted a typographical error on page 34 of the minutes. She referenced the comments of Camille Nohe, League of Women Voters in paragraph 5. She stated the last names of "Pugh" and "Burn" should be corrected to reflect "Pew" and "Byrne" accordingly.

Joseph Ledbetter expressed concern with not receiving agenda items five days in advance of the meeting. He referenced comments made by Allan Towle, GO Topeka Board Chair, on page 29, paragraph 2 of the minutes, regarding a lengthy discussion by GO Topeka in November 2014 relating to best practices. He stated he has requested a copy of the November 2014 GO Topeka Board minutes and he has not yet received a copy of the minutes to date.

Commissioner Cook moved to approve the minutes as corrected. The motion by Commissioner Buhler carried. Councilmember De La Isla abstained. (6-0-1)

A PRESENTATION on the JEDO Infrastructure Report was presented.

Brandon Kauffman, City Chief Fiscal Officer, provided a brief overview of the JEDO Cash Statement as of December 31, 2014. He stated the financial report is based on a cash basis and would not match the audit because there are accruals that occur in the audit for sales tax that are received in January and February 2015. He stated the infrastructure report spans from 2005 to 2016 with a total project amount of \$55 million including projected project costs with no substantial changes anticipated.
(Attachment A.)

Mayor Wolgast noted sales tax slightly increased in 2014. He suggested they keep this in mind as they moved forward in 2015 and begin estimating ending balances as the process is completed.

APPROVAL of an Incentive Contract with Big Heart Pet Brands (Project Blue Sky), was presented.

Scott Smathers, GO Topeka, introduced Jim Green, Controller, and Brian Pickett, Director of Co-Manufacturing Innovation & Sourcing, Big Heart Pet Brands.

Bryan Pickett, Big Heart Pet Brands, thanked the JEDO Board for their continued support over the past 10 years allowing the company to grow and add significant capabilities simultaneously. He reported they are in the planning stages of a fairly large expansion that will enhance manufacturing capabilities and move them forward into the future. He stated they plan to construct a 70,000 square foot building that will house processing, packaging and raw material storage and allow them to retain 20 positions and add 8 to 12 new positions.

Scott Smathers, GO Topeka, stated Big Heart Pet Brands have been a great asset to the community and they look forward to continuing to work with them. He notified Board members the contract has been approved by Big Heart Pet Brands Legal counsel and is in the final stages of approval from the required levels of management. He assured Board members there would only be minor changes (typographical in nature) made at this juncture of the process and the terms and/or concepts of the contract would not change at this time. He requested approval of the agreement be contingent upon approval of minor changes if necessary. He reported the proposed incentive provides for the following:

- Up to \$42.3 million of investment between equipment and plant expansion
- Up to \$84,760 for capital improvements
- \$3,000 for each new job (up to 12)
- \$2,300 for each retained job (up to 20)
- Total incentive amount of \$166,760.
- Incentive package is based on performance
- Positions must be retained for 10 years
- A minimum investment of \$20 million
- Anticipate less than a three-year payback with a projected annual Return on Investment (ROI) of 43%.

Councilmember Manspeaker asked if the recent announcement made by J M Smucker Company to buy Big Heart Pet Brands would impact the proposal moving forward. He questioned if Smucker agrees to the proposed changes; if they plan to keep the operation in Kansas; and what will be the salary range of the positions.

Scott Smathers stated the buy-out would not affect the plans to grow the Topeka Plant and Smucker fully supports the expansion.

Jeff Wietharn, GO Topeka Legal Counsel, reported the average annual wage would be \$45,100 plus benefits. He noted the wage average would not be based on other incentives still being utilized by the company.

Councilmember Manspeaker expressed concern with approving a contract that has not been finalized by Big Heart Pet Brands.

Mary Feighny, Assistant City Attorney, advised to approve the incentive agreement contingent upon approval of minor changes by the JEDO presiding officer, after consultation with the attorney for JEDO.

Councilmember Hiller moved to approve the incentive agreement contingent upon approval of minor changes by the JEDO presiding officer, after consultation with the attorney for JEDO. The motion was seconded by Councilmember De La Isla.

Joseph Ledbetter expressed concern with what he believes would be considered subjective language on page 1, last paragraph of the of incentive agreement stating, "and add up to eight (8), but possibly as many as twelve (12), new positions." He asked what the exact procedure is for people to apply for this type of funding being offered by GO Topeka.

Councilmember Hiller expressed concern with the language as well and asked if there was an expectation that there would be a minimum of eight new positions, and is the 20 retained jobs confirmed.

Scott Smathers stated the company has confirmed there would be eight new positions.

Jeff Wietharn clarified the agreement is self-enforcing, if they do not create and retain jobs as agreed they do not receive funding incentives.

The motion to approve the incentive agreement contingent upon approval of minor changes by the JEDO presiding officer, after consultation with the attorney for JEDO, carried unanimously. (7-0-0)

Mayor Wolgast thanked the representatives of Big Heart Pet Brands for their confidence in Topeka and stated they look forward to working with them in the future.

A PRESENTATION on the GO Topeka 4th Quarter 2014 Year End Report and Upcoming 2015 Economic Development Highlights, was presented.

Mayor Wolgast noted the GO Topeka 4th Quarter Report was posted to the City's website in early February, and the presentation was based on the requirements of the interlocal agreement between GO Topeka and JEDO regarding the activities and financial status of GO Topeka.

Scott Smathers, GO Topeka, reported the following:

New Business Attraction

- Over 40 current new business projects underway with nine opening in the 4th Quarter
- Begun new marketing material and website design
- Continue marketing the area at multiple events

- Conducted multiple Kansas Regional Nexus (KRN) meetings (Manhattan, Lawrence and Topeka)
- Begun signage design in Kanza Fire Commerce Park

Existing Business & Workforce Development

- 13 overall current projects with one opening in the 4th quarter
- Visited BNSF Headquarters in Texas regarding their plans for the future
- Finalized Project Blue Sky (Big Heart Pet Brands)
- Begin efforts on a financial services summit
- Discuss with Washburn Tech how the M-Tech program could evolve by looking at ways to expand welding training programs
- Continue to explore a Veterans workforce training assistance program

Entrepreneurial & Minority Business Development (EMBD)

- Held two sessions with USD 501 School District with over 150 people attending
- 712 Innovations had their Grand Opening on February 5, 2015, with over 400 people touring and utilizing the space to date
- 2015 Training Schedule includes Strategic Planning Breakfast Buzz
- Succession Planning
- New Venture and Women's Initiative Leadership Forum
- Expand growth opportunities and fill a void in the program by considering the possibility of implementing a Disaster Recovery Loan Fund and Forgivable Loan Fund; and they are in the preliminary stages of considering supporting a commercial kitchen

Mr. Smathers announced they would be hosting several events during Small Business Week held May 4-11, 2015; and the Small Business Awards would be held on May 14, 2015, honoring guest speaker Dr. Neeli Bendapudi, University of Kansas.

Mayor Wolgast asked who small businesses and local companies could contact for assistance in applying for funding and other incentives.

Mr. Smathers reported citizens should contact the Small Business Development Center (SBDC) or call GO Topeka directly. He noted there are a variety of programs available and they will help them determine what type of business best fits their needs.

Councilmember Hiller asked for an update on the Robotics Program and who is included in the Kansas Regional Nexus (KRN) meetings.

Glenda Washington, GO Topeka, reported they have hired an instructor for the Robotics Program; 12 students are actively participating in the program; and the program will merge with the Topeka Public Schools center within the next 2 years.

Scott Smathers stated the KRN meetings include Chamber of Commerce and Economic Development representatives from the cities of Topeka, Lawrence and Manhattan.

A PRESENTATION on the GO Topeka Target Market Study was presented.

Mayor Wolgast reported the GO Topeka Market Study was conducted as part of the GO Topeka Strategic Plan.

Scott Griffith, GO Topeka Board of Directors Chair, reported in 2010 GO Topeka ordered and obtained a Target Market Industry Strategic Study to help GO Topeka become more focused and prepared for economic development activities and efforts. He noted due to the many changes over the past five years, there was a need to reexamine local trends, industry changes and evaluate new target opportunities to help the Topeka, Shawnee County Community grow and prosper. He reported GO Topeka hired Avalanche Consulting, Inc., an economic development strategist company based in Austin, Texas, to assist them with the task. He provided a brief background and biography on Avalanche Team Members Amy Holloway, President & Chief Executive Officer, Tony DeLisi and Noelle Salerno, Consultants.

Amy Holloway reported Avalanche works with over 200 communities across the nation and their services include economic analysis and target industry studies, strategic plans for economic development organizations, organizational assessments, policy reviews, and marketing and branding strategies. She stated market dynamics and local assets have changed since GO Topeka's 2010 Target Industry Strategy was implemented. She reported they evaluated economic and demographic trends, reviewed target industry performance and updated target industry list and profiles.

Tony DeLisi provided a brief overview of the following:

COMPETITIVE ASSESMENT

- Employment growth in Shawnee County (private sector growth & unemployment rate)
- Major Industry Trends (Government, Manufacturing, Education & Health Services, Finance, Trade, Transportation & Utilities, Professional & Business Services)
- Logistics Center (Shovel Ready Sites)
- Neighboring Research Universities (Kansas State University & University of Kansas)
- Growing Household Incomes (Median Household Income & Growth in Median Household Income)
- Affordable Living (Overall Cost & Health Cost Rating 2014)
- Talent Retention Opportunities (Population Growth & Components of Population Change 2008-2013)
- In-migration and Out-migration (Top 10 sources & Destinations)
- Poverty Increasing (Primarily among the unemployed)
- Small Businesses Struggle (20 or fewer Employees & Growth)
- Tax Climate (Sit in the middle of the tax pack – ranked 26th in the nation and 28th in the State)
- Quality of Life Perceptions and Higher Crime (Violent Crimes & Property Crimes per 1,000 residents)

Study Takeaways:

1. Numerous Assets: Location, Industrial Parks, Washburn University & Washburn Technical School, Proximity to University of Kansas & Kansas State University, State Capital; Affordability and Family-friendliness
2. Areas of Concern: Disconnected Small Business Assets; Rising Poverty Among Unemployed; Concerns Retaining Residents and Limited Worker Availability

TARGET INDUSTRIES

- What to look for in a target?
 1. Growing nationally and globally
 2. Served well by existing assets
 3. Potential to grow faster with entrepreneurial development support
 4. Can be affected by GO Topeka's tools
 5. Address underperforming metrics
 6. Offer a range of career opportunities – low to high education, skills and income
 7. Matches Topeka's long-term vision and goals
- Which current targets created jobs?
 1. Aviation – The infrastructure is here, however, almost no jobs; facing competition
 2. Back Office – Created thousands of jobs, many are temporary, low-paying and not easily effected by economic development, there is potential in high-paying sectors (finance and insurance)
 3. Biomedical – Hospitals are strong in the area with few declining jobs, Biotech facing competition in Lawrence and Manhattan due to location of research universities
 4. Clean Energy – Existing jobs all power generation and machining not “clean,” not the rising star of economy as predicted
 5. Food Manufacturing – Mars, Frito-Lay, Reser's, and Bimbo all are doing great; Pet Food jobs have declined in recent years
 6. Logistics & Distribution – Trucking and warehousing losing jobs, location and price still a significant strength
- Refocusing GO Topeka's Efforts to include the following forecasting of 1,200 new jobs in target industries:
 1. Professional & Business Services to include Computer Systems & Security, Corporate Support Operations, Financial Services and Insurance Support Services. These services create a lot of jobs locally with higher pay. Topeka has a large base of professionals that desire quality of life improvements.
 2. Advanced Systems Technology to include Aerospace and Other Component Manufacturing, Clean Energy Technologies and Machine Shops as it will increase exports and it creates strong career opportunities with less education required. This is not old manufacturing this is state of the art production and invention.

3. Food manufacturing to include Candy, Fresh Prepared Foods, Hispanic Foods, Pet Food and Snack Foods because it is currently growing and matches existing local assets and can potentially grow further through niche focus. Stay the course.
4. Logistics & Distribution to include General Warehousing, Rail Distribution, Refrigerated Products and Warehousing & Distribution. Need to engage local employers to understand why jobs declined through recession.

Amy Holloway provided a brief overview of the following:

STRATEGIC THEMES

What have we done well?

1. Significant educational assets in Washburn University, Washburn Technical School and expanding high school STEM programs
2. Well-designed industrial parks with room to accommodate more operations
3. Marketing logistical and manufacturing assets
4. Community support through economic development tax and funding
5. Provide competitive utility rates and connectivity

What challenges do we face?

1. Loss of residents and difficulty attracting new workers
2. Limited awareness of GO Topeka's efforts and tools
3. Disconnected small business and other support resources
4. Increasingly tight supply of available workers
5. Perception that Topeka offers fewer cultural amenities than other Kansas cities particularly for young professionals

Ms. Holloway stated the challenges are serious; however, the same challenges are faced by many other communities. She reported there is a lack of shared opinion on economic development among the community and they must determine how to define economic development and educate the community for a shared vision; address the communication disconnect with small businesses; address the increasingly tight supply of available workers and the need to increase cultural amenities particularly for young professionals.

What can we do to address our challenges?

1. Expand the scope of GO Topeka
2. Accelerate downtown revitalization
3. Build community trust through engagement
4. Invest in branding identification and communications plan
5. Support transformational education and workforce initiatives
6. Increase connectivity and marketing of small business programs

Mayor Wolgast commended Avalanche Consulting representatives for an informative report, addressing the positive and the items they need to work on as a community.

Councilmember Harmon expressed concern with job loss in logistics and warehousing companies. He noted they have spent significant time and money focusing on bringing companies to the area such as Target Industries and Home Depot. He asked for an explanation as to why there are job losses in these target areas.

Mr. DeLisi noted the job loss is small and is primarily truck drivers and warehouse employees; however, overall, these types of companies are growing nationally. He stated they need to talk directly with area companies to see what GO Topeka can do for local companies because there are a number of factors to consider and understanding what the problems are is vital in resolving the issue.

Councilmember De La Isla referenced comments made regarding how economic development directly relates to quality of life issues and the need to accelerate downtown revitalization. She questioned the role of GO Topeka in supporting the downtown area if retail is not considered a target industry.

Ms. Holloway stated they also had the same question; however, they did not conduct an evaluation of the economic development structure for the area or organizationally for GO Topeka. She stated it will be important for them to spend time addressing the issue, and evaluate in more detail the organization's role in accelerating downtown improvements and supporting downtown retail businesses.

Commissioner Cook asked for clarification on the perception of back office jobs in regards to how temporary, low paying jobs, affect economic development. He thanked the consultant for addressing the needs and downfalls of the community and to force JEDO to review the economic development engine of the community.

Mr. DeLisi clarified GO Topeka needs to adjust and refocus on more professional business service jobs and support back office jobs because they are important to the growth of area businesses; however, they do not need to consider back office jobs as a target industry.

Councilmember Hiller questioned if they should focus efforts on the financial sector and big box businesses.

Mr. DeLisi reported Topeka's Workforce and Makers Space programs are a trend they are witnessing across the nation. He noted these programs provide a tremendous opportunity to tap into community resources.

Ms. Holloway stated economic development has to be a balanced approach of business recruitment and expansion and entrepreneurship support. She expressed the importance of having a smart market campaign and noted the Topeka-Shawnee County area has strong resources to grow locally.

Councilmember Schmidt asked if the perception of Topeka being void of cultural amenities and quality of life opportunities are an internal or external issue.

Ms. Holloway reported many communities are struggling with the same issues; however, smart market campaigning starts with the external perception and interest of people locating to the community along with local residents. She stated they must tackle the issue through multiple approaches.

Councilmember Brown commended Avalanche Consulting, Inc., for the honesty displayed in the report. He asked them to expand on how poverty and growing existing food manufacturing companies and logistics effect economic development.

Mr. DeLisi reported folks are falling into poverty due to unemployment benefits expiring or other obstacles such as lack of transportation or daycare. He also reported food manufacturing and logistics are a large percentage of employers in the area causing a competitive wage base forcing some companies to relocate or close. He stated these factors provide an opportunity to reach out to the unemployed and the portion of the community being left behind and those in a lower income bracket, as well as, prepare to accommodate employers by providing training for the growth that is appearing.

Mayor Wolgast questioned the next steps in the process.

Ms. Holloway stated their contract with GO Topeka has been fulfilled and they are in the process of finalizing their report; however, they would be happy to answer questions at any time.

DISCUSSION regarding the process to develop JEDO performance measurements for publically allocated economic development funds was presented.

Mayor Wolgast reported the matter was discussed at the December 10, 2014, JEDO Board meeting where a formal request to add the item to the next agenda for Board members to discuss and move forward with the Request for Proposal (RFP) process was made by Councilmember Schmidt.

Councilmember Harmon commended Avalanche Consulting, Inc., for the high quality work and thoroughness of research, resulting in a diagnostic report providing direction to GO Topeka. He stated he believes they need to look at economic development from a broader perspective. He would like the JEDO body to develop an RFP to hire a consultant to report back to the JEDO Board (not GO Topeka) on four (4) aspects of GO Topeka and its economic development philosophy. The following items were presented:

- (1) The Mission of GO Topeka needs to be a distinct as to what GO Topeka is to do in terms of economic development.
- (2) The objectives of GO Topeka need to be reviewed in the context of performance matrixes and best practices in terms of are we competing effectively with other communities for economic growth and development. He noted the economic paradigm has changed dramatically in the past 10 years and we need to base it on the current economic climate and what we anticipate it will be in the next 15 years.

- (3) The operations of GO Topeka need to be reviewed in terms of the organizational structure and its relationship to the Shawnee County Commission and City of Topeka Government. He wants them to look candidly at incentive packages as there is value in the current process; however, they need to address some of the short falls that Avalanche Consulting pointed out in trying to develop our local economy.
- (4) Review if we are effectively marketing Topeka, Kansas, and what the area has to offer in terms of economic development.

Councilmember Harmon continued by stating that he believes the JEDO body is in a good position to request an RFP and have a consultant look at the four items he listed. He suggested they appoint a 5-member steering committee of community business people to provide their ideas and develop an RFP to be presented to the JEDO Board for consideration.

Councilmember De La Isla stated she appreciates the comments made by Councilmember Harmon and hopes it will lead to discussions of what the JEDO Board is meant to do in regards to allocating and distributing funds to provide an understanding of how to better serve the community from a policy aspect, as well as, how the policy could support efforts of their contractors. She noted there are groups doing great things in the community; however, they have been told repeatedly there is disconnect between the groups in regards to communication.

Commissioner Cook commended Councilmember Harmon for his ideas. He stated he believes it is a unique perspective of how they might obtain a better of idea of how to improve the economic development engine of the community. He expressed concerned with if they want to serve as an oversight board or work hand-in-hand with GO Topeka; and if they plan to fund the process through the \$5 million allocated to GO Topeka annually or from another funding source.

Councilmember Hiller stated the ideas expressed are innovative and provides an opportunity for them to evaluate the role of the JEDO Board in the process. She stated she believes they need to take a more affirmative role in the responsibility of setting up the plan and performance measures rather than allowing others to take the lead. She suggested they look at what other economic development entities are doing elsewhere. She noted GO Topeka has agreed to pay for the RFP process.

Councilmember Brown stated he would support the proposal if it is based on performance measures.

Councilmember Harmon clarified his proposal and the challenges being faced have nothing to do with the current leadership team of GO Topeka.

Mayor Wolgast suggested Board members submit their ideas in writing and consider the matter within the next 6 to 8 weeks, allowing time for public input.

Councilmember Hiller stated she believes they should conduct a study periodically similar to the items being discussed (Mission, Objectives, Operations, Marketing and Policy) based on what are the best practices and what would be appropriate for the community rather than basing it on the context of evaluating how GO Topeka has performed.

Councilmember Schmidt asked what the formal process would be for moving forward with the RFP. He stated they would need at least two months to establish a steering committee.

Mayor Wolgast stated they need to determine what they want to accomplish before they can draft a formal RFP.

Commissioner Buhler cautioned Board members against a formal motion and noted the item was scheduled for discussion only. She stated there has been strong consensus to move forward with the process and gather public input on the matter.

Councilmember Hiller asked if Mayor Wolgast plans to consult with Councilmember Harmon and set a meeting date to discuss accordingly.

Mayor Wolgast stated he would report back to JEDO Board members with a written description of what the RFP will be based on for their consideration.

Joseph Ledbetter appeared to speak under public comment. He stated he agreed with many comments made by Avalanche Consulting, Inc., representatives. He expressed concern with the continued disconnect of small businesses and GO Topeka and why GO Topeka has invested millions in hundreds of acres of vacant land. He stated the Citizens for Accountability in Government requested the following changes to the JEDO Operational Rules be placed on a future JEDO Board agenda for consideration:

- (1) JEDO Agendas distributed to public 14 days before any JEDO meeting
- (2) JEDO/ GO Topeka Budgets distributed to the public 60 days in advance with a public hearing conducted 30 days in advance of that budget vote
- (3) Mechanism for public input into JEDO agenda formation and JEDO minutes

Mr. Ledbetter distributed the following handouts:

- (1) What are the basic responsibilities of a board and the legal duties of board members?
- (2) What are some of the best practices of board operations?
- (3) A copy of email from Betty Phillips relating to GO Topeka and KORA requests.

In conclusion, Mr. Ledbetter stated he believes the problem will never be solved until they have a two-way conversation with the public. He suggested the RFP process be funded by other funding sources, not GO Topeka.

Carol Marple appeared to speak under public comment. She expressed her disappointment in Board members for not following their own operational rules and questioned how they could have informative discussions without receiving support material in advance. She also expressed concern with the 990 IRS Tax Form filed by GO Topeka in 2013 regarding the number of volunteers compared to employees listed on the form. She encouraged the Board to do a better job in managing sales tax funds and be mindful of those who may have a conflict of interest. She expressed concern with the amount of annual carry over cash listed in GO Topeka's operational budget; the amount of interest

paid to banks to handle public funds; and the lack of transparency in answering KORA requests by GO Topeka.

Scott Griffith appeared to speak under public comment. He thanked Avalanche Consulting, Inc., for a conducting a thorough report and commended JEDO Board members for taking the time to have good conversation about the study and how they want to move forward. He noted the GO Topeka Board consists of 30 or more volunteers who take the business of economic development seriously and they appreciate the thorough oversight in guiding and assisting them over the past several years.

Lazone Grays appeared to speak under public comment. He referenced the Economic Development Plan approved in 2002 and stated the plan has good strategies and goals. He encouraged the Board to review the key indicators to compare how economic development has evolved and if the indicators are working. He noted people come and go; however, the plan remains. He expressed the importance of the City of Topeka and Shawnee County keeping current with the Workforce Innovation Act being implemented across the nation and state. He reported the Act will require cities and counties to spend money on workforce development which needs to be a unified priority set by JEDO not the contractor. He provided a handout outlining the City of Topeka Vendor Diversity Report and stated he would continue to address the importance of youth unemployment and how to grow young entrepreneurs.

No further business appearing the meeting was adjourned at 8:34 p.m.

Attachment A

Joint Economic Development Organization Cash Statement As of December 31, 2014

Receipts:

Sales Tax - City of Topeka	\$	7,905,667.48
Sales Tax - Shawnee County		7,247,571.91
Interest Income		410.66
Total Receipts		15,153,650.05

Disbursements:

City of Topeka		
Topeka Blvd Bridge Debt Service	\$	3,240,650.00
SW 21st St - City Limits to Urish		140,000.00
		<u>3,380,650.00</u>
Shawnee County		
County Bridges		1,500,000.00
SE 45th St - Adams to California		4,432,174.66
NW 46th St & N Topeka Blvd		1,850,665.07
		<u>7,782,839.73</u>
GO Topeka		4,999,999.92
Publication Expense for RFP		378.72
Audit Charges		4,235.00
Bank Charges		146.47
Total Disbursements		16,168,249.84
Net Receipts (Disbursements)		(1,014,599.79)
Bank Balance - January 1, 2014		6,897,910.67
Bank Balance - December 31, 2014	\$	5,883,310.88

Note: This is a cash basis report
Prepared by Brandon Kauffman

JEDO Projects

Project	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
Wanamaker Road & 41st Intersection	\$122,395	\$249,300	\$-	\$-	\$-	\$-	\$7,550	\$6,304	\$-	\$-	\$-	\$-	\$385,559
Wanamaker Road - County - 39th to 41st	\$185,959	\$233,200	\$-	\$-	\$-	\$-	\$16,971	\$-	\$-	\$-	\$-	\$-	\$392,430
Wanamaker Road & 53rd Intersection	\$235,600	\$713,667	\$4,012	\$-	\$-	\$-	\$19,117	\$-	\$-	\$-	\$-	\$-	\$974,581
Wanamaker Road - 53rd to 41st	\$103,400	\$139,625	\$174,957	\$1,165,439	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$1,392,821
Wanamaker Road & 61st Intersection	\$31,500	\$12,050	\$47,275	\$29,470	\$185,557	\$1,037,201	\$27,851	\$-	\$-	\$-	\$-	\$-	\$1,220,914
Wanamaker Road - 61st to 53rd	\$330,600	\$29,450	\$171,110	\$36,375	\$1,521,199	\$2,300,300	\$21,223,322	\$-	\$-	\$-	\$-	\$-	\$2,657,395
N. Topeka & 49th Intersection	\$-	\$-	\$-	\$-	\$-	\$85,000	\$57,114	\$9,907	\$63,499	\$2,273,417	\$-	\$-	\$2,488,937
49th Topeka - Adams	\$71,660	\$1,660	\$249,050	\$1,958,067	\$39,661	\$73,622	\$3,622	\$73,623	\$835,953	\$-	\$-	\$-	\$1,436,742
SE 49th - Adams to California	\$-	\$49,896	\$148,108	\$195,422	\$83,207	\$99,490	\$39,350	\$426,204	\$449,854	\$4,501,025	\$-	\$-	\$6,052,556
SE 49th - Adams to California	\$44,336	\$34,761	\$119,499	\$92,559	\$193,555	\$-	\$55,173	\$-	\$-	\$-	\$-	\$-	\$3,327,072
Croco Rd - 6th - Sycamore	\$19,025	\$48,540	\$65,261	\$9,151	\$1,158,124	\$-	\$27,402	\$-	\$-	\$-	\$-	\$-	\$1,397,503
SE 29th & Croco Rd Intersection	\$168,641	\$1,655,540	\$92,093	\$-	\$-	\$5,853	\$-	\$-	\$-	\$-	\$-	\$-	\$2,807,975
SW 21st & Urish Rd Intersection	\$-	\$8,836	\$123,240	\$2,355,505	\$228,710	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$2,715,281
SW 21st City Limits - Urish Rd	\$-	\$-	\$66,940	\$7,650	\$24,165	\$9,424	\$6,491	\$166,760	\$2,027,400	\$761,724	\$457,616	\$5,249,972	\$9,016,281
SW 21st Urish Rd - Indian Hills	\$-	\$-	\$-	\$5,968	\$20,790	\$5,643	\$6,267	\$-	\$-	\$-	\$-	\$-	\$50,000
SW 29th Wanamaker Road - Urish Road	\$-	\$76,956	\$61,049	\$1,101,166	\$1,609,810	\$4,495,460	\$4,136,451	\$-	\$-	\$-	\$-	\$-	\$10,701,916
Total	\$773,917	\$2,657,953	\$4,204,079	\$7,504,720	\$6,033,371	\$6,870,473	\$6,753,305	\$708,426	\$6,147,118	\$7,700,560	\$457,616	\$5,249,972	\$55,074,065

* Projects are not complete; SW 21st City Limits to Urish Rd still has outstanding costs; SW 21st - Indian Hills is based upon original project budget approvals



Agenda Item No. 3:

Resolution – Request for Proposal Economic Development



Memorandum

Larry E. Wolgast, Mayor
215 SE 7th Street, Room 352
Topeka, Kansas 66603
785-368-3895

March 17, 2015

Request for Proposal (RFP) - Economic Development for Topeka/Shawnee County

Attached is the resolution to be considered at the March 25, 2015, JEDO Board Meeting to authorize the issuance of a Request for Proposal (RFP) to solicit proposals from qualified and experienced economic development consultants to conduct an economic development analysis for Topeka/Shawnee County.

The resolution was based on discussion at the February 11, 2015, JEDO Board Meeting as well as the Public Forum held on March 11, 2015, where Board members heard from the public and gathered community input.

The JEDO Board Meeting will be held on Wednesday, March 25, 2015, at 6:00 p.m. in the City Council Chambers, 214 SE 8th Street, 2nd Floor.

If you have any questions or concerns, please contact the City Clerk's office at 785-368-3941 or at cclerk@topeka.org.

1 **Joint Economic Development Organization (JEDO) Resolution 2015-1**

2
3 A Resolution Authorizing Issuance of a Request for Proposal (RFP) for an Economic
4 Development Consultant

5
6 WHEREAS, in November 2014, the voters of Shawnee County, Kansas, approved a half-
7 cent sales tax commencing January 1, 2017, for 15 years; and

8
9 WHEREAS, \$5 million of the sales tax is to be dedicated annually for economic
10 development; and

11
12 WHEREAS, as stewards of the tax dollars for economic development, JEDO is
13 committed to ensuring that those tax dollars are being utilized effectively to achieve
14 the highest economic development return on investment as possible; and

15
16 WHEREAS, an economic development consultant should be retained to advise
17 JEDO on economic development objectives, strategies and expectations for the
18 Topeka/Shawnee County community.

19
20 NOW, THEREFORE, BE IT RESOLVED BY THE JEDO BOARD that an RFP be
21 issued to solicit proposals from qualified and experienced economic development
22 consultants to conduct an economic development analysis for Topeka/Shawnee County
23 that encompasses the following:

24
25 • Vision and mission

26
27 Develop a vision and mission statement for successful economic development goals in
28 Topeka/Shawnee County with respect to Primary Jobs, Retail, Workforce
29 Development, Small Business/Entrepreneurial, Minority Inclusion and Empowerment,
30 and Quality of Life.

31
32 • Strategies

33
34 Identify strategies that would improve the competitiveness and economic growth
35 potential of Topeka/Shawnee County, recognizing the dedicated sales tax for
36 economic development, available assets, and the economic environment of our
37 community.

38
39 • Measurements

40
41 Using "best practice" benchmarks, what industry-wide performance measures should be
42 adopted for Topeka/Shawnee County to measure the effectiveness of our expenditure
43 of public funds for economic development?
44

45 • Incentives

46
47 What are the most innovative and successful incentive strategies being used by
48 communities of similar market size to Topeka/Shawnee County, and how can we
49 optimize our use of incentives?
50

51 • Organization

52
53 What should be the optimal relationship between and among the economic
54 development partners (the citizens, the City/County, the Chamber of Commerce and
55 other private entities, and the JEDO contractor) to best achieve economic growth?
56

57 Are there systemic changes to JEDO that would (1) enhance our ability to compete
58 effectively for economic development opportunities, and (2) inspire greater public
59 confidence in our expenditure of public funds for economic development?
60

61 • Marketing

62
63 Recommend any effective and aggressive marketing strategies to improve the
64 economic development potential of Topeka/Shawnee County.
65

66
67 ADOPTED AND APPROVED BY JEDO ON _____
68
69
70
71
72

73 _____
74 Larry E. Wolgast, JEDO Chairperson
75
76

77 _____
78 Attest
79 Brenda Younger, City Clerk

**Joint Economic Development Organization (JEDO)
Summary of the Public Forum - March 11, 2015**

HERITAGE HALL, Kansas Expocentre, One Expocentre Drive, Topeka, Kansas, Tuesday, 6:00 P.M.

Mayor Larry Wolgast thanked citizens for attending and stated the purpose of the public forum was to allow citizens the opportunity to provide input and express their ideas on economic development for Topeka and Shawnee County. He provided a brief overview of the February 11, 2015, JEDO Board meeting where there was a consensus by the JEDO Board members to move forward with the Request For Proposal (RFP) process for an economic development model. He encouraged citizens to provide their ideas on what they believe should be included in the RFP, what the JEDO Board should be considering from a community standpoint, and what would be the most effective use of Countywide Half-Cent Sales Tax funds.

JEDO Board Members present: City Councilmembers T.J. Brown, Karen Hiller, Nathan Schmidt and Richard Harmon, and Shawnee County Commissioners Shelly Buhler, Kevin Cook and Bob Archer.

The following people appeared to speak at the Public Forum: Joseph Ledbetter, Citizens for Accountability in Government; Maryanna Quilty, President of the Topeka League of Women Voters; Clark Trammell; Mark Ruelle, WeStar Energy Chief Executive Officer; Alan Cobb; Mick Urban; John Campos; Keith Warta, Bartlett & West Engineers President; Lazone Grays; Janet Stanek; Neil Dobler; Scott Griffith, Entrust Bank Marketing President. They listed the following points:

- Incorporate Business Best Practices in the agreement.
- Incorporate accountability standards and mission statements for JEDO and the contractor.
- The need for public discussion on each agenda item.
- The contractor should be a “stand alone” organization.
- The RFP should be handle by JEDO alone not GO Topeka.
- No economic development funding should be used in public elections.
- The carry-forward funds should be turned over to JEDO for management.
- An audit from an outside consultant should be funded by JEDO.
- The JEDO minutes rough draft should be posted 14 days after the meeting and agendas posted 14 days before each meeting.
- The yearly budget should have a public hearing and posted 30 days prior to consideration for the public to review.
- Determine evaluations for economic development effective strategies.
- Hire a contractor that can help Topeka grow to be sustainable.
- Incorporate GO Topeka’s objectives.
- Develop the RFP according to acceptable governmental standards.
- Incorporate a performance evaluation.
- Develop a strong and productive economic development program.
- Focus on growing the local economy and attracting primary jobs.
- Obtain a firm that would look at multifaceted ways to grow the community.

- Review comparable cities and their economic development strategies.
- Post all RFPs received online, what firms are being solicited and their responses which could encourage more public comment.
- Obtain a firm with a proven track record of economic development.
- Express strong support for a relationship between JEDO, GO Topeka and Shawnee County taxpayers.
- Incorporate government oversight on how tax monies are spent.
- Formulate a performance matrix.
- Develop an economic development plan that would allocate more money for schools.
- Address moving from warehouse type jobs to technology jobs.
- Include the necessary tools to employ youth and help improve economic development.
- Change the current philosophy from large business to small business attraction.
- Obtain a nationally qualified expert that can provide the tools necessary to implement future economic development growth for Topeka and works with diverse populations.
- Prepare Topeka's workforce and respective job leaders.
- Define economic development.

Mayor Wolgast thanked everyone for attending the public forum and Kansas Expocentre staff for hosting the location. He stated the speakers provided a good overview with some excellent thoughts and ideas.

Councilmember Harmon thanked the public for attending and voicing their commitment to review economic development strategies for Topeka.

Councilmember Schmidt thanked Councilmember Harmon for suggesting to implement an RFP process and was encouraged by the interest expressed by the public. He noted he looks forward to rebuilding Topeka's vision for more effective economic development to reach all aspects of the community.

Commissioner Buhler stated the discussion regarding economic development would continue with possible action at the March 25, 2015, JEDO Board meeting.

Councilmember Hiller encouraged people to forward articles to the panel that describe other community successes in economic development and thanked the public for their input.

Commissioner Cook stated the panel of City Councilmembers and Shawnee County Commissioners are not economic development experts; therefore, he suggested the public help guide them and provide suggestions on best practices in the community and how to engage the minority population.

Councilmember Archer thanked the public for their participation and input in the process. He encouraged the public to be continually involved in the process as it moves forward.

Councilmember Brown stated he hoped to see a larger public turnout; however, he thanked people for attending the public forum. He encouraged everyone in community to give their input to advance the process forward.

The public forum ended at 7:00 p.m.

Remarks Related to RFP for Performance Evaluation of Economic Development Efforts

Topeka/Shawnee County, March 25, 2015

I am Marge Ahrens, and I reside at 1238 SW Mulvane Street in Topeka. I ask that you consider the following recommendations when requesting proposals to evaluate the performance of the Joint Economic Development Organization and its contractor, "Go Topeka".

1. Transparency or "sunshine" in governance and in the expenditure of public monies. **(Transparency protects the public good by keeping elected officials connected to their voters and less vulnerable to the influence of private money. It should take place at planning, development and execution of economic development activities where possible.)**
2. Precise investment in the needs of the poor of our community who contribute a larger share of their incomes to sales taxes, the source of the economic development funds, than any other economic group and typically have the smallest "voice".
3. Participation of citizens in economic development planning by persons who are not serving in other capacities related to the contractor.
4. Investment in public education and other "quality of life" issues including, code enforcement, the preservation of historic buildings and areas, transportation including air service, and the natural environment which account for major incentives for educated persons to move to or remain in a community.
5. Relating the economic development plan and planning processes to Topeka's Land Use and Growth Plans and to subsequent plans for the community. Relating the economic development plan to adjoining regional plans/economies.
6. Designing JEDO (government) structures to protect against the influence of elected officials/candidates by contractors/potential contractors who have or may want control of the public economic development funds.
7. Consideration of returning all or part of the task of economic development planning and supervision of the expenditure of funds to local governments.
8. Performance evaluation of previous "Go Topeka" efforts using quantifiable results. Design future plans with measurements related to its past economic development work. (See <http://patimes.org/measuring-economic-success-economic-development/>).

Margaret Ahrens Handout

Brenda Younger

From: Joseph Ledbetter <joe@lrlawtopeka.com>
Sent: Tuesday, March 24, 2015 2:44 PM
To: Brenda Younger
Cc: Chad Sublet; lwolgast@cityoftopeka.org
Subject: Ref. JEDO Resolution/ RFP, Proposed for JEDO meeting of March 25th,2015/ Please send this to entire JEDO membership

I have questions for City Attorney, JEDO Chair and entire JEDO membership:
Who drafted the Resolution/RFP?
When was it written?Date? _____

Also, Who is paying for the Consultant?
How will RFP be solicited?

Joseph R. Ledbetter, Attorney at Law

Law Office
1734 SW Van Buren St
Topeka, KS 66612
(785) 232-3700 Phone
(785) 232-3701 Fax

www.josephledbetter.com

CONFIDENTIALITY NOTICE: This e-mail message, including attachments if any, is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any unauthorized review, use, disclosure, or distribution is prohibited. If you are not the intended recipient, please contact the sender by reply e-mail [or call (785)232-3700] and destroy all copies of the original message. If you are the intended recipient of this message but do not wish to receive communications through this medium, please advise the sender immediately.