

JEDO BOARD
Joint Economic Development Organization
Thursday, September 19, 2003
4:00 p.m.

The JEDO Board met in the Chamber of Commerce Board Room with the following present: Mayor Butch Felker, Chair; Councilmembers Lisa Stubbs, Harold Lane; Duane Pomeroy; Clark Duffy; John Alcala; and Bill Haynes; County Commissioners Vic Miller, Ted Ensley and Marice Kane; Senator David Jackson; Paul Hirsch, Madison Govt. Affairs, Inc.; Brad Own, Jim Haines, April Mason, Linda Ramirez Gonzalez; Carl Koupal, Mark Wittenburg, Vince Frye, Neil Fisher, Doug Kinsinger, Christy Caldwell, Kathy Moellenberndt, Jack Porteous, John Myers, Richard Forster, Trinket Harding, Rich Eckert, Alicia Henrikson, Henry McClure; Jenny Herrick, Dean Ferrell, Richard Ridley, Bill Richards, Shannon McCormic, Doris Williams, John Love, Grant Glenn, Henry McClure, Ed Hughes, Shirley Bradley, Word Ackward, Larry Scroggins, David Stremming, Tony Augusto, Lucky DeFries, Ken Schmanke, Rev. Christopher Wallace, Rev. Jeanette James-Wallace; Dawn Kirton, Robin Warren and Chris Marbin.

Agenda #1. Update on VA Health Revenue Service Center. Matt Kelley, Director, reported that the Center has changed from a Human Resource role to a Revenue role which will include gathering revenue and assisting veterans with their health benefits. It will become a major call center taking billing calls from veterans. Benefits will also be moved to Topeka after May, 2004. New job descriptions and new titles will result in approximately 94 employees having higher grade potential.

Agenda #2. A motion was made by Marice Kane to approve the minutes of the March 12th, 2003, meeting. Motion seconded by Lisa Stubbs and carried unanimously.

Agenda #3. Financials. Doug Kinsinger reported that not all funds have been expended to date. Brad Owen reviewed the GoOTOpeka Financial Statements and Accountants' Compilation Report dated August 31, 2003. (Copy attached to the original of these minutes) **A motion was made by Lisa Stubbs to accept. Marice Kane seconded and motion carried unanimously.**

Agenda #4. GO Topeka Audit. Karen Keehn distributed copies of the Audit for years ended December 32, 2002 and 2001 and reported no difficulties encountered in performing the audit. **Duane Pomeroy made a motion to receive.**

Marice Kane seconded and motion carried unanimously. (Copy of audit attached to the original of these minutes)

Agenda #5. SBC Grant Approval. A \$25,000 Competitive Excelerated Grant for computer upgrades was presented to the Mayor and Doug Kinsinger by Barb Schmidtlein, SBC.

Agenda #6. Fundraising Campaign Update. Carl Koupal reported that a committee of Howard Fricke, Mark Wittenburg, Stephen Douglas and Lt. Gov. John Moore along with 20 business leaders have raised \$2,156,000. Their goal was \$2 Million. (Copy of the list attached to the original of these minutes)

Agenda #7. Marketing Activities – Website; Advertising and Public Relations. Vince Frye talked about the new web site and passed around a poster board showing the different ads that have been produced. A video is available through the Chamber. The web site is: topekachamber.org Topeka children were used in the tv commercials. There is no advertising on the web site therefore no revenue. Clark Duffy asked if the ads were working toward each of the 6 targeted industries. Three are being targeted currently: Office, mission critical technology and light manufacturing.

April Mason, Development Counsellors International, discussed their 5 goals: (1) Bring Trade Journalists to Topeka; (2) Generate Positive Media Coverage; (3) Place 4+ Positive Articles about Topeka; (4) Arrange Media Tours to Major Markets; (5) Ongoing Media Relations Capitalizing on News Events.

Agenda #8. Site Development. Kathy Moellenberndt described the 2 maps of Commerce Park showing streets/access; how to develop north of the Target area; preliminary concepts that continue to be refined. They are also looking at the north end of the park; looking at covenants and restrictions. She talked about some of the recent inquiries during the last quarter: a California company food process (fast track) found an existing location in Iowa; manufacturing facilities; medical products (somewhere in the Midwest); refurbish equipment (decision fairly soon); warehouse distribution; 5 or 6 current inquiries are looking at 50 to 100 acres.

Doug Kinsinger stated the options to 49th expire February 1st. There is a need for authority to close in October or November. A 12" gas main needs to be re-located at an estimated cost of \$300,000 to \$350,000. Brad Owen discussed the Cash Flow Analysis charts (p.12 and 13 copy attached to original of these

minutes). **Vic Miller moved that GO Topeka be authorized to go up to the \$1,716,000 level total expenditure. Lisa Stubbs seconded and motion carried.**

Clark Duffy asked a question about showing of sites. Doug Kinsinger responded that all five sites are shown. Their purpose is to create jobs – it makes no difference which site is selected by the developer. A similar report on the other sites was then asked for. Lisa Stubbs requested that the strategies be prioritized in the document.

Agenda #9. Submittal of Federal Funding Requests. Paul Hirsch reported that both Senators Roberts and Brownback and Rep. Jim Ryun along with the City, County, Chamber and GO Topeka have worked very effective together. The projects are:

Topeka Bridge - \$8 Million - Senate FY04 Transportation Appropriation

Commerce Park – Request for \$1.75 Million for infrastructure

Ryun - \$120,000 House FY04 VA HUD Appropriation Bill

Great Overland Station - \$1.8 Million Riverfront Park

\$500,000 Senate FY04 VA-HUD – for construction costs

\$275,000 House for land acquisition/facilities improvement/pedestrian trails

190th Air Refueling - \$13.4 Wing Operation and Training building – not funded

Forbes Field Taxiway X (Bravo) – Request \$1 Million – In House Committee on Appropriations

Vic Miller commented that he was very pleased with the work of Paul Hirsch and his firm.

Agenda #10. Assistance in funding portion of salary for economic development position at the City. Lisa Stubbs moved that the request be approved to fund \$12,000 of the economic development specialist position from the sales tax. Duane Pomeroy seconded and motion carried.

Agenda #11. Approval of Goodyear Incentives. Doug Kinsinger reviewed the 3-year contract between Goodyear and GO Topeka. **Ted Ensley moved that the contract be approved. Marice Kane seconded and motion carried unanimously.** (Copy of contract attached to the original of these minutes).

Agenda # 12. Prospect performance requirement. Kathy Moellenberndt reviewed the chart dated September, 2003. There are 5 measurements. Bill Richards questioned No. 5 about 10% of the funds being dedicated to economic development for racial minorities... He stated there is no account available dedicated to that purpose. (Copy of the chart attached to the original of these minutes)

Agenda #13. JEDO Contract. Update and status; discussion of constitutionality of language within contract and presentation by Doris Williams, Concerned Black Business Owners and Non-profits. Rich Eckert began the discussion by stating his client is the County Commission but that counsel hired by GO Topeka has determined that the phrase in the contract about public monies being set aside based on race as written and applied is unconstitutional. Gwynne Harris Birzer is the outside legal counsel. Rick stated the options would be to delete or modify the current language. Bill Richards commented that no procedures had been set up and more flexibility for minority businesses was needed along with various levels of detailed training to help ensure their success.

Doris Williams then made a presentation on an advertising proposal for 50 existing businesses for 1 year. She reviewed 3 documents that had the language in them: (1) The Economic Development Plan for Topeka and Shawnee County; (2) Interlocal Agreement; and (3) JEDO Contract with GO Topeka. She also pointed out Resolution No. 7279 which states on or before November 1st of each year, the City and County shall meet for the purpose of considering the economic development priorities for the coming year.

Jenny Herrick, New Business Development, Topeka Capital-Journal then continued with the proposal regarding "Profiles in Business". (Copy of proposal attached to the original of these minutes).

John Alcalá questioned why the proposal was only for African-American businesses and not Latino. Doris Williams responded it was not a problem – there was money for both.

There was discussion on where the set aside monies showed up in the financial report. Are ALL jobs to be included such as those at VA as an example? Clark Duffy said the wording was developed after the strategy plan. Glenda Overstreet said they were not asked about the 1 stop shop. Jeanette Wallace stated advertising is good but they need to be consulted with what helps them. They need

a voice – need to find new language that is legal. Duane Pomeroy asked if there was a proposal on how to address it? Vic Miller stated the added language “shall” occur was done with good intent but he later learned from Elias Garcia, Human Relations Commission, that set asides are patently illegal and unconstitutional. It raised expectations beyond delivery.

Vic Miller made a motion to remove the language in its current form in all contracts and resolutions. Ted Ensley seconded. Further discussion – Bill Richards stated he feels deceived as a taxpayer when he voted to support the sales tax.

The phrase “socially and economically disadvantaged” – persons or business defined was discussed. **Duane Pomeroy moved that a substitute motion use the foregoing phrase that was presented by Tony Augusto. No second.**

Further discussion – Lisa Stubbs asked for more detail on current investments. She said she would speak against the substitute motion. Vic Miller requested the City, County and Gwynne Harris all cooperate on forming new language.

The question was called. Motion carried 5-1 (Pomeroy).

Vic Miller moved that the item be scheduled for the next JEDO meeting and anyone who has suggested language should submit it to the Chair. Ted Ensley seconded and motion carried 6-1. The next JEDO meeting is Wednesday, October 22nd, 2003, at 4:00 P.M. Chamber Board Room.

Discussion continued on the proposal for advertising: Those with facilities outside the home should be looked at first and then home based businesses that fit the criteria. Vic Miller stated the proposal should be made to GO Topeka as they are the group that spends the money. Lisa Stubbs stated there is no information on the businesses that would be supported. Jeanette Wallace stated the proposal would also benefit up and coming minority businesses. She asked which committee earmarks the funds?

Ted Ensley moved that the proposal be referred to GO Topeka and they report back to this body at its next meeting. Vic Miller seconded and motion carried 5-0. The GO Topeka Board meets on October 3rd.

New Business: A request was made that the Chair review and make a recommendation on non-voting members who may or may not make motions.

The meeting was adjourned at 7:10 p.m.

Donna Freel, Mayor's Office