



Economic Development

3rd Quarter 2015

Report to JEDO



3rd Quarter 2015

GO Topeka staff worked in the third quarter of 2015 to achieve the annual goals set and to ensure continued economic development success for Topeka and Shawnee County.

The New Business Attraction program during the third quarter met with 34 site location consultants and corporate real estate professionals in face to face meetings. During the second quarter, staff worked with 7 new prospects resulting in 2 formal incentive proposals. The current portfolio of New Business Attraction projects, at the end of the third quarter includes 29 projects, capturing potential for 6,093 new direct jobs and \$1,217,000,000 in new capital investment. Leads and prospects are being developed on an ongoing daily basis.

The Existing Business and Retention program made 45 visits in the third quarter of 2015 and is currently working on 6 active projects; which, based upon data received to date, represents \$5,000,000 in new capital investment, and 45 direct new and retained jobs. One annual audit verification was completed with 2 additional audit verifications in progress. Projects Point, Storm and Dogwood were completed with up to 88 new jobs and up to \$100 million invested. Efforts continue toward meeting and educating local businesses of resources available within the community through the Financial Services Summit and the Manufacturing & Distribution Roundtable.

Workforce Development initiatives and efforts remain strong. Efforts to assist in workforce training for non-profit organizations and small businesses continue with the addition of the Lean Six Sigma Scholarship program through Washburn's Center for Organizational Excellence. The JEDO scholarship program with Washburn Tech for the 2015-2016 academic year has begun and initial awarding will occur in the 4th quarter for reporting. Manufacturers in the Classroom presentations were done at 7 area high schools, reaching over 550 students and leading up to the National Manufacturing Day activities at Washburn Tech. Other efforts in the workforce development area include assistance with the veterans lounge at Washburn and veterans efforts Washburn Tech, coordination with the Workforce Center regarding WorkKeys testing, partnership with local employers in hiring events and the reintegration of previously incarcerated individuals.

GO Topeka's EMBD continues to work with partners, both local and state, to create an environment conducive to the growth and development of small businesses. Supportive platforms such as counseling, workshops, training programs, loan programs, a bid room and small business conferences offer immediate access to cutting edge ideas and introduction to new business techniques.

The Sixth Annual EMBD Conference was extremely successful. It offered individuals access to information and resources that were be immediately applicable to the day to day operations of their business. Through these efforts, EMBD has made contact with 588 individuals, businesses, or potential business owners this quarter. Social media has been an integral part of promoting and marketing the EMBD programs. The social media report indicates that EMBD is reaching a broader audience. Year to day, the Topeka Entrepreneur's social media accounts have reached 18,297 people. EMBD also shares information on the GO Topeka social media accounts (68,206). Consequently, EMBDs average view and response rate equals 9611 per month. We are currently tracking business starts and job creations and will make an end of year report in December.

Another tool that could be a definite aid in the growth of our local businesses is access to federal contracting opportunities. Having a representative in our region consistently promoting the value of doing business with the federal government would be an asset. Preliminary discussion has begun to determine the validity of a Procurement and Technical Assistance Center (PTAC) being housed in Topeka.

The following report gives much more detail as to all of the accomplishments and results of GO Topeka staff for the third quarter 2015.

New Business Attraction
Team Leader: Molly Howey

GOAL 1: Create substantial prospect activity through suspect lead generation and servicing new qualified projects that have a high level of interest in Topeka/Shawnee County.

Goal 1.1: Development of 40 new prospects (viable project generation, sites/buildings proposal submitted)

Progress 1st Quarter

- 6 new prospects

Progress 2nd Quarter

- 10 new prospects

Progress 3rd Quarter

- 7 new prospects

Goal 1.2: 12 new qualified projects (formal incentive proposals and/or prospect visits)

Progress 1st Quarter

- 1 prospect visit with formal incentive proposal

Progress 2nd Quarter

- 2 formal proposals
- 2 in-community site visits

Progress 3rd Quarter

- 2 formal proposals

Goal 1.3: 235 personal contacts with Site Consultants and National Corporate Realtors over course of year (face to face meetings)

Progress 1st Quarter

- Face to face meetings with 51 site location consultants and national corporate realtors at Team Kansas events, SelectUSA, Southern Economic Development Council, Mid-America Economic Development Council and one-on-one meetings.

Progress 2nd Quarter

- Face to face meetings with 77 site location consultants and national corporate realtors at Team Kansas events, Business Facilities LiveXchange, Industry Week Roundtable, Industrial Asset Management Council Council and one-on-one meetings.

Progress 3rd Quarter

- Face to face meetings with 34 site location consultants and national corporate realtors at KCADC events, Industry Week Roundtable and one-on-one meetings.

GOAL 2: Generate new community and individual wealth and prosperity through new capital investments and new/retained primary jobs that pay the average wage or higher for Shawnee County and provide health insurance for the employees.

Goal 2.1: Attract new capital investment (new and expanding primary employers)

Progress 1st Quarter

- As of March 31, 2015 Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:
34 Projects
\$1,147,000,000 Potential capital investment
- As of March 31, 2015 Current GO Topeka Portfolio of Existing Business Prospects/Projects includes:
8 Projects
\$30,200,000 Potential capital investment

Progress 2nd Quarter

- As of June 30, 2015 Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:
24 Projects
\$1,127,000,000 Potential capital investment
- As of June 30, 2015 Current GO Topeka Portfolio of Existing Business Prospects/Projects includes:
9 Projects
\$125,000,000 Potential capital investment

****FHLB – approximately \$23.5M in capital investment**

Progress 3rd Quarter

- As of September 30, 2015 Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:
29 Projects
\$1,217,000,000 Potential Capital Investment
- As of September 30, 2015 Current GO Topeka Portfolio of Existing Business Prospects/Projects includes:
6 Projects
\$5,000,000

*****Koch & Co. – \$3M investment**

*****Mars – \$100M investment**

Goal 2.2: Attract new primary jobs (new and expanding primary employers)

Progress 1st Quarter

- Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:
5,438 potential direct jobs
- Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:
120 potential direct jobs

Progress 2nd Quarter

- Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:
5,243 potential direct jobs
- Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:
135 potential direct jobs

**** R&R Pallet Inc. – 17 new jobs**

****FHLB – 17 new jobs over the next five years**

Progress 3rd Quarter

- Current GO Topeka Portfolio of New Business Attraction Prospects/Projects includes:
6093 potential direct jobs
- Current GO Topeka Portfolio of Existing Business Expansion Prospects/Projects Includes:
45 potential direct jobs

*****Mars – 70 new jobs**

*****Koch & Co. – 50 new jobs**

Goal 2.3: Increase the per capita income in Shawnee County over time by adding new jobs to the community that pay at least the Shawnee County average or their specific industry average wage.

Current average: \$42,484 (2015 First quarter, most recent available
Source: Kansas Department of Labor, Bureau of Labor Statistics)

Progress 1st Quarter

- Current GO Topeka Portfolio of New Business Attraction and Existing Business Expansion Prospects/Projects includes:
Average projected wage of \$41,923 based on data received from Prospects/Projects to date

Progress 2nd Quarter

- Current GO Topeka Portfolio of New Business Attraction and Existing Business Expansion Prospects/Projects includes:
Average projected wage of \$42,970 based on data received from Prospects/Projects to date

Progress 3rd Quarter

- Current GO Topeka Portfolio of New Business Attraction and Existing Business Expansion Prospects/Projects includes:
Average projected wage of \$38,186 based on data received from Prospects/Projects to date

Additional Attraction Actions Implemented in 1st Quarter 2015

- Staff attended the Kansas Economic Development Alliance Legislative Day to hear about relevant topics being discussed in the 2015 session.
- Selection of the new marketing agency for GO Topeka's marketing materials.
- Selection of the agency for the development of a new and improved website for GO Topeka.
- Completed Target Industry Study and revised targets for attraction efforts.
- Met with consultants at Mid-America Economic Development Council.
- Co-hosted consultant event in Kansas City for area consultants.
- Attended the SelectUSA conference to meet with international site consultants.
- Co-hosted consultant event in Atlanta for area consultants.

Additional Attraction Actions Implemented in 2nd Quarter 2015

- Staff co-hosted a private meeting with five national site consultants along with the Kansas Department of Commerce while at the IAMC conference.
- Met individually with 9 site consultants at Industry Week Roundtable.
- Met with 13 site consultants individually at Business Facilities LiveXchange.
- Continued work on the new organization website and marketing collateral.
- Worked with new small business to locate in Topeka in the Topeka Regional Business Center.

Additional Attraction Actions Implemented in 3rd Quarter 2015

- Staff attended KCADC networking event with area corporate real estate brokers.
- Met with 11 site consultants individually at Industry Week Roundtable.
- Continued work on new website and marketing material.
- Met with national site selection publication to educate about Topeka.
- All staff attended Lean Six Sigma White Belt Training/Certification.
- Coordinated meetings with Mid America Investors for potential projects.

Existing Business and Workforce Development

Team Leader: Barbara Stapleton

Goal 3: Increase contact with existing businesses and top employers and provide support for primary employers to retain and/or add jobs. Provide education and training for workforce to support existing business, with an emphasis on primary employers that will enhance their operations and sustainability in Topeka/Shawnee County.

Goal 3.1: At Least 120 business visits including top 40 employers (mandatory to qualify). Visit inputs will be recorded on a consistent format and reported to the CEO and VP on a quarterly basis.

Progress 1st Quarter

- 16 business visits were conducted in the first quarter of 2015. Of those visits, 8 consisted of major employers.

Progress 2nd Quarter

- 43 business visits were conducted in the second quarter of 2015. Of those visits, 22 consisted of major employers.

Progress 3rd Quarter

- 45 business visits were conducted in the third quarter of 2015. Of those visits, 29 consisted of major employers.

Goal 3.2: Provided assistance to companies needing help. Assistance includes providing resources, referrals, problem solving, and expansion assistance.

Progress 1st Quarter

- Staff is currently working to assist 8 companies, of which 1 was opened in the first quarter of 2015.

Progress 2nd Quarter

- Staff is currently working to assist 9 companies, of which 5 projects were opened in the second quarter of 2015 and 2 closed as wins. (FHLB & R&R Railroad Pallet Inc.)

Progress 3rd Quarter

- Staff is currently working to assist 6 companies.

Goal 3.3: Aid Topeka/Shawnee County residents in acquiring workforce training that improves their skill set and meets local company job demands. This assistance must involve organizational assistance, funding, planning, or marketing the program.

Progress 1st Quarter

- WorkKeys testing has been completed for 2014-2015 school year. Testing scores are being compiled and will be presented to each school district in late May at the post WorkKeys Counselor Meeting.

- The Washburn Institute of Technology scholarship program awarded 14 awards for the spring semester.

Progress 2nd Quarter

- Provided assistance in marketing the new railroad diesel tech program which has 19 students enrolled.

Progress 3rd Quarter

- Over 550 students attended 10 presentations of Manufacturers in the Classroom at 7 schools.

Additional Existing Business and Workforce Development Activities Implemented in 1st Quarter 2015:

Existing Business:

- Meetings continue for the planning of the Financial Services Summit, tentatively scheduled for September 23.

Workforce Development:

- Moving forward with Manufacturers in the Classroom development, will have updated presentation in the schools by the beginning of the fall semester
- The M-TECH program is now targeted within the Certified Production Technician (CPT) training, which is eligible for the Excel in Career Technical Education Initiative (SB155).
- Initial meeting conducted with Washburn University and Washburn Institute of Technology for the development of the Veteran's program

Additional Existing Business and Workforce Development Activities Implemented in 2nd Quarter 2015:

Existing Business:

- Meetings and coordination continue for the Financial Services Summit, scheduled for September 23.
- Planning has begun for the Manufacturers and Distribution Roundtable for General Managers, Plant Managers and HR/Talent Managers, scheduled for September 29
- Staff continues to attend monthly Sales & Management Executives of Topeka meetings to maintain current knowledge of the local business environment.

Workforce Development:

- Manufacturers in the Classroom development continues, the updated presentation is complete. Have met with USD 437 and USD 501 to schedule presentations during the fall semester.
- Have begun development of emPOWER your Future, a similar presentation for high school students which showcases energy/power employers in the community.
- Meetings continue with Washburn University and Washburn Institute of Technology for the development of the Veteran's program.

- Attended meetings with the Topeka Workforce Center and the Netreach Task Force to address unemployment and poverty issues within the community.

Additional Existing Business and Workforce Development Activities Implemented in 3rd Quarter 2015:

Existing Business:

- The Financial Services Summit: Grow your Market was well attended, with over 70 attendees. Sessions addressed the regulatory environment, workforce and community assets.
- The Manufacturers and Distribution Roundtable for plant & general managers and human resources managers had over 20 attendees. Discussion included legislative concerns, workforce, talent pipeline management and transportation issues.

Workforce Development:

- Manufacturers in the Classroom presentations were done at 7 area high schools, reaching over 550 students.
- Assistance with the veterans lounge at Washburn University.

Entrepreneurial and Minority Business Development

Team Leader: Glenda Washington

Goal 4: Increase the knowledge and capacity of minority- and women-owned businesses as well as starting or growing Shawnee County entrepreneurs through education, training, development and support services. Entrepreneurial & Minority Business Development (EMBD) and Topeka Shawnee County First Opportunity Fund (TSCFOF) will work to build capital led and educational strategies to fill critical gaps for the underserved entrepreneur, by increasing the number of loans made, providing entrepreneurial education and assisting creation of entrepreneurial jobs.

Goal 4.1 Increase training/educational/entrepreneurial opportunities annually for minority, women-owned businesses, entrepreneurs and small businesses.

Progress 1st Quarter

The first Quarter training consisted of workshops and classes for the new existing business owners. A variety of trainings and presentations in marketing, strategic planning, startup, finance and other outreach areas allowed EMBD to interact, inform and educate more than 206 individuals about the Entrepreneurial and Minority Business Development programs.

- A four week Strategic Planning Series was conducted by Dr. Norma Juma, Professor at Washburn University. The attendees performed a SWOT analysis on the businesses. The course guided the attendees in defining strategic planning as it related to their company, determine how they should be engaged in their company's growth, detailed the difference in the business plan and strategic plan; the course also covered effective marketing, advertising and identified ways to uncover innovation in their individual industries.

- The first Kauffman New Venture class this year began in March. This group of 12 potential entrepreneurs has traditional and nontraditional ideas on creating new small businesses.
- The Breakfast Buzz provided education on Effectively Marketing Your Brand using social media. The information educated the audience on the importance of using the modern day marketing tools. More than 50 small businesses attended this event.
- The EMBD met, collaborated and/or provided education and outreach with several organizations during first quarter – they included the NAACP, US Small Business Administration, KTWU, Hermanitas, Buffalo Soldiers, USD 501, ABWA, and Net Reach (Highcrest).

Progress 2nd Quarter

Listening Sessions

- EMBD held three Listening Sessions with several of Topeka’s minority entrepreneurs. The groups provide insight on real and perceived barriers to growth. They included the following:
- First, access to capital was immediately identified as a significant barrier. Discussion focused on credit requirements and lack of flexibility as it relates to banks and other lenders, including the First Opportunity Loan Fund. Second, generational sharing was identified as a “gap” by one of the participants. Mentors are needed to provide direction and support to these fledgling businesses. The third gap identified by these groups was the fragmentation. The discussion led to individuals emphasizing the critical importance of collaboration amongst minority owned businesses to mutually fortify them when seeking opportunities on a larger scale. Finally, guidance in adopting advanced business strategies and education was identified as being critical to the success of these businesses.

Items to be addressed in the future include:

- Collaboration and Spending within – supporting minority owned businesses and identifying opportunities to collaborate to make a bigger impact.
- Farmers Market/Business – Either organize or join an existing farmers market or expo to increase their client base.
- Effective marketing – identifying ways to appeal to the market outside of their community.
- Gaining TRUST – a major factor causing the lack of growth in the black business community.

Site Visits

- The EMBD staff conducted site visits of several small businesses this quarter. The goals for these visits were to identify concerns, determine how and if they were growing and to identify resources that could support their growth. The visits uncovered a number of needs. It is a true indicator that the economic recovery has

created growth opportunities for these businesses; however, there is concern about the potential rapid rate of growth. As a result, the EMBD will begin hosting growth roundtables to discuss topics specific to growing existing businesses in Topeka.

Small Business Week and Awards

- The role that small business played in boosting our economy was front and center during the national celebration of Small Business. A month long calendar of events celebrated, educated, supported and provided platforms across the County directed to strengthening our small business position.
- In May, Topeka celebrated four outstanding small businesses from various spectrums at the 35th Annual Small Business Awards. The awardees were selected from the following categories: The Emerging Entrepreneur, Nonprofit of Distinction, Minority and Women Owned Business of Distinction and Capital City Business of Distinction.
- Cash Mobs created a buzz during the two week of small business celebrations! The Mobs served business drivers and encouraged the community to spend locally and with small businesses whenever possible. EMBD partnered with the Washburn Small Business Development Center, 712 Innovations, Downtown Topeka, Fast Forward and SCORE to host the Cash Mobs. Workshops and activities conducted by these partners were also incorporated into the calendar of events.

Progress 3rd Quarter

Training/Education/Entrepreneurial Opportunities

- Training is essential the growth and development of the Small Business Community. This quarter, the EMBD offered several training opportunities in the form of workshops, community outreach and informational sessions. The information below provides an outline of the clients participating in these sessions.
 - Breakfast Buzz (53)
 - Ongoing Lunch and Learns (Google) – 66
 - New Venture – 99
 - Community Outreach (the VP also presented in the follow venues)
 - Washburn Law School – 18
 - Bryan University – 16
 - Women and Money Series – 24
 - WIBW Radio Show (shared information about the upcoming conference)
- The EMBD Conference held in September brought a new wave of energy and excitement to Topeka’s entrepreneurs. There were approximately **150** individuals in attendance. The opening session featured Mr. Jeff Gill, a successful entrepreneur, who shared his story of rapid growth and success. He also met privately with 12 small businesses to host a one on one session small business session. The larger group of attendees was treated to four additional workshops and training sessions that covered accounting, insurance, marketing and a panel of professionals explaining how to successfully bid on opportunities. The event culminated with a luncheon speaker, who emphasized the

importance of reaching the target market. The speaker share trade secrets and motivated the attendees to move forward and use the industry secrets to advance their business.

Goal 4.2 Increase the number of applications received by TSCFOF during FY-2014 year.

Progress 1st Quarter

- EMBD presented three loan applications to the TSCFOF this quarter; however, none of the loans were approved. The Loan Committee is made up of bankers and entrepreneurs. This allows for a non bias opinion when viewing the loan packages. In an attempt to grow the pipeline for this fund, outreach for the loan fund is nonstop. The TSCFOF has begun receiving referrals from a few banks in the community as well.

Progress 2nd Quarter

- Access to capital continues to be a critical point of discussion when considering the growth and advancement of Topeka's small businesses. The TSCFOF loan fund serves to fill a portion of the void that the inability to access capital in the traditional market creates. Though it is not the final answer, TSCFOF has seen steady activity in the past few months and has begun disbursing funds to qualified candidates. EMBD has continues to promote the program as an alternative small business funding source in Shawnee County.

Progress 3rd Quarter

- Word of mouth has been a key marketing tool used in getting the word out about the First Opportunity Loan Fund. Individuals who have been successful in securing the loan have been key advocates of the Loan Fund. As a result, the loan fund has a new retail client, resulting in a business start. The retailer a family owned business and has created two new jobs as a result.

Goal 4.3 Collaborate with local and state agencies and corporations to host a Purchasing and Procurement Conference.

Progress 1st Quarter

- In January, GO Topeka's EMBD co hosted a workshop in collaboration with USD 501. The Doing Business with USD 501 workshop was well attended with more than 150 in attendance. This Workshop provided details on the upcoming RFPs for the project, certification and shared a two-year project time for the workshop.

Progress 2nd Quarter

- EMBD and the Department of Commerce hosted a purchasing and procurement forum that afforded small businesses the opportunity to meet buyers from USD 501, GSA, VA, Metro Topeka Transit Authority and Westar Energy. Businesses had the opportunity to learn about the individual certification processes required in order to bid on products, projects and services from these companies.

Progress 3rd Quarter

- EMBD collaborated with a number of organizations and institutions this quarter. Collaboration and outreach included, but is not limited to, The Department of Commerce, the Small Business Administration, Washburn University, Bryan University, City of Topeka, Topeka Public Library, Greater Overland Station, the Small Business Development Center, Berberich and Trahan, Bloomerang, Inc., HCCI (Women and Money Series), NOTO Arts District, Topeka Metro and others. We also invited successful entrepreneurs to the New Venture classes. These individuals shared first-hand knowledge and provided real world experience in the areas of marketing, finance, legal, management, human resources and more. It was evident that the attendees embraced the information shared.
- EMBD has also continued its work with the General Contractors of the USD 501 Projects for TCAL and Jardine Middle School. They have collaborated with McPherson Contractors and created a small plan room to house plans on the USD 501 construction projects. EMBD is working closely Tammy Shaw, Project Assistant, to promote the bid opportunities.