

Questions/Issues from City Commission discussion on proposed formation of the JEDC May 8, 2012 and General
Economic Development FAQs

- What is the JEDC and the purpose for its creation?
 - *The JEDC (Joint Economic Development Council) is a community economic development partnership. The purpose of the partnership is to facilitate primary job creation and retention within Douglas County. The JEDC will review budget requests submitted by the Chamber Board to the City and County for economic development. The JEDC will provide oversight of the funds allocated by the City and County for these activities and will monitor results. The group will also be involved with making recommendations regarding policies for economic development initiatives, promotional strategies, benchmarks and performance measures.*
 - *The group includes the President/CEO of the Chamber, the Chair of the Chamber Board, the Vice Chair of the EcoDevo Committee of the Chamber (ex officio), a Lawrence City Commissioner, the Lawrence City Manager (ex officio), a County Commissioner, the County Administrator (ex officio), the KU Chancellor or designee, the Executive Chair of the Bioscience and Technology Business Center or designee, the City Administrator of Eudora or designee (ex officio), the City Administrator of Baldwin City or designee (ex officio), two representatives from the business community appointed by the Chamber President, two community representatives appointed by the Lawrence City Commission, and two community representatives appointed by the Douglas County Commission. The representatives from the Chamber, City and County will be appointed for three-year terms on a staggered basis. The ex-officio members do not have a formal vote on matters before the JEDC.*

- Will the JEDC have policy-making authority?
 - *The JEDC will regularly evaluate and review economic development policies. From time to time, the JEDC will make recommendations regarding proposed changes to these policies to the City and/or County Commission.*

- What is the rationale behind the proposed membership of the JEDC?
 - *The JEDC membership includes representation from the Chamber, City of Lawrence, County, Eudora, Baldwin City, the Bioscience and Technology Business Center (BTBC), KU, the business community, and the community at-large. This group reflects a broad base of stakeholders in local economic development activities.*

- Is the JEDC more than just an advisory group? Can it take action in areas where the governing bodies would normally make the decisions?
 - *The JEDC is not a policy-making committee. It is only advisory.*

- Will the meetings of the JEDC be open meetings? Will public comment be allowed?
 - *As a board created by a governmental entity, the JEDC will be subject to the Kansas Open Meetings Act. Comment will be allowed at the prerogative of the Chair of the JEDC.*

- What is JEDC's approach to retail or commercial development?
 - *As a general view, the local governing bodies believe that retail and other commercial development follows growth in any community, large or small. The private sector development community in Lawrence and Douglas County will continue to take the lead in the attraction of new, quality retail development to the marketplace.*

- What will be the specific responsibilities of the JEDC?
 - *The JEDC will be involved in budget oversight, including approval of budget requests sent to the Chamber Board of Directors, the City Commission and the County Commission, and any others. The JEDC will also be involved in recommending policies for economic development.*

- What are the advantages and disadvantages of the creation of the JEDC?
 - *Advantages include developing a more formalized partnership structure, increased oversight on the economic development funds, and increased transparency. There appear to be no disadvantages to the creation of the JEDC.*

- How will the JEDC be funded and from what sources?
 - *Attached is the [2013 budget request](#) from the Chamber of Commerce for economic development activities. This document provides a good outline of sources utilized to fund economic development activities.*

- Can the JEDC spend tax money? Would this have authorization from our elected officials? If so, what provision would be made for public input?
 - *The JEDC will only have public money for economic development that has previously been authorized by either the City or County and will only have the authority to authorize economic*

development expenditures that have been allocated to the JEDC by governing bodies for that purpose. Expenditures will be limited to economic development activities. Expenditures and results from expenditures will be publicly reported.

- What other economic development activities are government funded?
 - *The City of Lawrence and Douglas County help fund the Bioscience and Technology Business Center (BTBC) operations and capital. \$200,000 annually from each the City of Lawrence and Douglas County goes to the BTBC for operations. \$75,000 annually from each government organization is committed over a ten-year period as the City and County contributions toward the capital expenses for the existing facility. The City and County have also made a commitment to help fund the next phase of the BTBC expansion. The City and Douglas County jointly own the BTBC expansion facility, located near the intersection of Bob Billings Parkway and Wakarusa Drive. This facility is operated by the BTBC. The City contributes \$20,000 annually to the [Small Business Development Center](#), as does Douglas County.*

- What have been the results of local economic development efforts?
 - *[The 2011 joint economic development report](#) provides an overview of the results of recent economic development efforts. Of particular mention are the local retention and expansion projects highlighted in the report. These successes include the construction of a new 600,000 square foot warehouse facility for Berry Plastics, bringing 11 new jobs, \$20 million in investment and positioning Berry Plastics for growth and additional manufacturing at the production facility. Plastikon, a manufacturer of plastic vials for the health care industry, expanded its operations from California to a location in the East Hills Business Park, creating 50 new jobs. Grandstand Sportswear and Glassware, a locally-grown screen-printing and specialty glassware manufacturer expanded to an existing building in the East Hills Business Park, positioning itself for future growth opportunities.*
 - *The former-Farmland nitrogen plant was acquired by the City of Lawrence and is now being master-planned to bring over 200 new acres of industrial development opportunity to the community, adding jobs and tax base.*
 - *Annually, the City provides a tax abatement and incentive performance report to the Public Incentive Review Committee and the City Commission.*
 - *The BTBC is now the largest business incubator program in the State of Kansas, consisting of 70,000 square feet and four facilities (<http://www.btbcu.com/>).*

- Will the Public Incentive Review Committee still exist and what will their role be?
 - *The Public Incentive Review Committee (PIRC) will still exist and its role will continue to be providing recommendations to the City Commission on economic development incentives, and*

policies related to economic development activities. Also, PIRC will continue its review of the annual economic development report, including the review of outstanding tax abatements.

- How will confidentiality be addressed for businesses?
 - *Issues of confidentiality will be addressed by City, County and Chamber staff working cooperatively. As Kansas law allows, local governing bodies can enter into executive sessions for certain matters.*

- Will the Economic Development Board currently established in City code still exist?
 - *The Economic Development Board currently established in the City code is proposed to be deleted from the code.*

- Why do government agencies get involved in funding economic development activities?
 - *Most cities and counties across the country and in Kansas are involved in funding economic development efforts in their communities because they desire to grow jobs and tax base. Many Kansas communities have dedicated sales taxes or other revenues for these purposes. Economic development is highly competitive as jobs and capital investment are in great demand. Many communities also have private sector investment in economic development activities, as well, which is the case in Lawrence with the FocusED private fund campaign for economic development.*

- What are primary jobs?
 - *Primary jobs are those jobs for which a majority of the products or services are ultimately exported to regional, stateside, national or international markets, infusing new dollars into the local economy. Examples of jobs created in this type of business enterprise include, but are not limited to: manufacturing, transportation and warehousing, financial services, scientific research and development, and corporate headquarters.*

- Can the JEDC enter into contracts and under what circumstances?
 - *The JEDC will not be entering into any contracts. The governing bodies of the partnership may enter into contracts.*

- What are other communities doing for economic development?

- *Structures for economic development activities differ from community to community. In some communities, economic development is entirely a governmental function. In other communities, it is entirely a private sector function. In many communities, it is a public/private effort.*

The following are examples of structures in other nearby communities.

In Topeka, the GO Topeka Economic Partnership, the economic development arm of the Greater Topeka Chamber of Commerce, implements economic development programs and markets the community nationally and internationally. A county-wide half-cent sales tax, of which \$5 million annually is dedicated to economic development, helps fund economic development initiatives and incentives for projects meeting certain job creation, wage and investment targets. The Joint Economic Development Organization (JEDO), made up of the three county commissioners, the Topeka Mayor and three city council members, oversees the expenditure of the sales tax dollars and contracts with GO Topeka annually to deliver a comprehensive economic development program for the city and county through new capital investment, business creation and recruitment of “primary” jobs as well as retention and expansion of existing businesses. GO Topeka has developed a unique array of partnerships between the city, county, private businesses, the entrepreneurial and minority communities and educational institutions.

Many communities in Johnson County also have public-private partnerships that are Chamber-led but involve City participation and funding. Johnson County also has a county-wide one-eighth cent sales tax that funds the Johnson County Research Triangle. This effort generates approximately \$15 million annually to support education-related activities within Johnson County, including support for the KU Edwards Campus, the KU Center for Research, and the K-State Innovation Center as well as other endeavors.

The City of Wichita has both in-house economic development staff and participates in a partnership with the Greater Wichita Economic Development Coalition.

The City of Manhattan receives a portion of a county-wide half-cent sales tax to support its economic development efforts. This source generates a little over \$2 million annually for economic development. The sales tax sunsets in 2012 and will be up for renewal consideration by the voters in November 2012. Manhattan has a partnership with the Manhattan Area Chamber of Commerce for economic development activities.