

## **AGREEMENT FOR THE USE OF CITY GENERAL FUNDS**

This Agreement is entered into between **the City of Lawrence, Kansas**, a municipal corporation (hereafter "City") and **Lawrence Chamber of Commerce, Inc.** (hereafter "The Chamber"), on this \_\_\_\_\_ day of \_\_\_\_\_ 2017, for the purpose of establishing certain conditions on the receipt, expenditure and use of City funds received by The Chamber.

### **I. Use of City Funds and Scope of Work**

As a condition of the receipt of City funds amounting to **\$220,000** during City budget year 2018, The Chamber hereby agrees to use and expend all such funds pursuant to:

- A) All applicable federal, state, and local laws; and
- B) The application for funds, as approved and amended by the City Commission, which states:
  - 1. **\$20,000** will be used to support the KU Small Business Development Center (KUSBDC.)
  - 2. **\$200,000** will be used for the Douglas County Economic Development Program.
  - 3. The funds will only be used to perform the scope of work as outlined in the economic development strategic plan, attached to this agreement as Exhibit A and incorporated by reference and to support the work of the KU Small Business Development Center (KUSBDC). The City reserves the right to direct revision of the scope of work at the City's discretion.

### **II. Creation of Economic Development Fund**

The Chamber shall create a separate fund or account known as the Economic Development Fund ("Fund") and The Chamber shall place all compensation provided in Section I in the Fund. The Chamber shall budget and account for funds as follows:

- A) Cash carryover and all reserves shall be budgeted.
- B) The budget of the Fund shall be balanced, meaning that total anticipated revenues must equal total expenditures.
- C) In order to build a minimum cash balance in the Fund, a cash reserve expense line-item shall be budgeted. This line item shall remain an un-appropriated expense line item.
- D) The Chamber may comingle the funds provided by the City in its general checking account, provided that the Fund is treated as a separate line item. At no time may the cash balance of the Fund be in a deficit position, regardless of the amount of cash in the checking account.

### **III. Coordination and Roles and Responsibilities between the City and Chamber**

#### **A. Responsibilities of The Chamber:**

- 1) Meet obligations outlined in this agreement.
- 2) Take the lead in responding to requests for information.
- 3) Maintain website and marketing materials.
- 4) Provide accountability and results through reports.
- 5) Draft and finalize economic development strategic plans as requested by either party. These plans are reviewed annually.
- 6) Coordinate with economic development partners, including the City, Douglas County, and other agencies, as needed.

- B. Responsibilities of the City:
- 1) Assistance with responses to requests for information about sites, workforce, etc.
  - 2) Produce analytical reports related to incentive requests.
  - 3) Take the lead in handling incentive requests from businesses.

IV. Independent Contractor

The Chamber further agrees that it is an independent contractor of the City, and that the employees, agents, and vendors of the Organization are not employees of the City.

V. Disbursement of Funds

- A) Requests for disbursements shall be made by The Chamber in writing, on the official letterhead of the agency;
- B) The Chamber shall request disbursement of funds as follows:
1. A request for fifty percent (50%) of the Chamber's allocation shall be submitted **on or after March 1, 2017.**
  2. A request for the remaining fifty percent (50%) of the allocation shall be submitted **on or after September 1, 2017.**

VI. Reporting Requirements

The Chamber shall provide written reports to the City as follows:

- A) A cumulative progress report that describes the progress made toward meeting the goals and outcomes described in The Chamber's Application for Funding and the strategic plan shall be due February 15, 2019.
1. The Chamber of Commerce President shall review and monitor the status of the Fund's revenues and expenditures monthly. The President shall produce and provide to the City upon request a financial statement which includes actual year-to-date expenditures and revenues.
- B) **If not submitted with an application for funding for the following calendar year**, the following documents shall be on file with the City within nine months of the end of the agency's last fiscal year:
1. The Chamber's current IRS Form 990 (i.e. copy of Federal Tax Return) as well as a copy of the current corporate annual report filed with the Kansas Secretary of State – FORM NP (not-for-profit) filing.
  2. A copy of The Chamber's current financial audit. It is suggested that the agency adopt SFAS No. 117. This standard has been adopted by the Financial Accounting Standards Board as a preferred accounting method for non-profit corporations.
  3. A copy of The Chamber's Annual Report that includes a summary of how the funds were used, to include an assessment of the organization's annual accomplishments and outcomes.
- C) The Chamber agrees to comply with K.S.A. 45-240, which requires not-for-profit entities receiving public funds to document and make available the receipt and expenditures of such funds.

VII. Retention and Access to Records

The Chamber will give the City, the City Auditor, or any authorized representatives of the City access to and the right to examine all records related to the expenditure of City funds.

The Chamber shall keep financial records and all other records pertaining to this project being funded for a minimum of three (3) years. The City may, at its sole option, conduct an audit related to this funding agreement. The Chamber shall, upon City's request, make its records and employees available promptly.

VIII. Term and Termination

The term of this agreement shall be for one year, beginning on January 1, 2018 through December 31, 2018, unless terminated earlier in accordance with this Agreement. Upon termination on December 31, 2018, The Chamber shall return any remaining funds to the City, unless the Chamber and the City have entered into a similar agreement for 2019. If the parties do so, any remaining funds shall be cash carryover for the Fund in 2019.

With six (6) months written notice, the City may withhold, or reduce, the payment of any and all monthly installment(s) due hereunder for any reason, including if the City, in its sole discretion, determines that such funds are needed to fulfill other City functions, including increasing the City reserves. In such event, the City or the Chamber may terminate this Agreement with written notice to the other party. The City shall compensate the Chamber for any Services completed before the date that notice of termination or nonpayment was received, and the Chamber shall return to the City any compensation remaining after the Chamber has been paid for completed Services.

The City shall retain the authority to withhold any and all payments to The Chamber if, in the sole judgment of the City, the proposed or continued use of the funds violates the terms of this Agreement, any applicable law, or is contrary to the appropriate use of public funds.

IX. Non-Discrimination

The Chamber must follow all applicable federal, state, and local laws regarding protected classes and may not refuse service to any persons based on race, sex, religion, color, national origin, age, ancestry, familial status, sexual orientation, gender identity, or a real or perceived disability.

**THE UNDERSIGNED, DULY REPRESENTING LAWRENCE CHAMBER OF COMMERCE, INC., THE ORGANIZATION OF THIS AGREEMENT, HEREBY AGREES TO THE CONDITIONS OF THIS AGREEMENT FOR THE RECEIPT, EXPENDITURE AND USE OF CITY FUNDS:**

Signature: \_\_\_\_\_

Print Name and Title: \_\_\_\_\_

STATE OF KANSAS     )  
COUNTY OF DOUGLAS )

The foregoing Agreement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by \_\_\_\_\_, representing \_\_\_\_\_ as the Organization of this Agreement. In testimony whereof, I have hereunto set my hand and affixed my official seal on the day and year last above written.

\_\_\_\_\_  
Notary Public

My appointment expires: \_\_\_\_\_

**THE UNDERSIGNED FOR THE CITY OF LAWRENCE, KANSAS:**

Signature: \_\_\_\_\_

Print Name and Title: Thomas M. Markus, City Manager

STATE OF KANSAS     )  
COUNTY OF DOUGLAS )

The foregoing Agreement was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016 by Casey Toomay, representing the City of Lawrence, Kansas. In testimony whereof, I have hereunto set my hand and affixed my official seal on the day and year last above written.

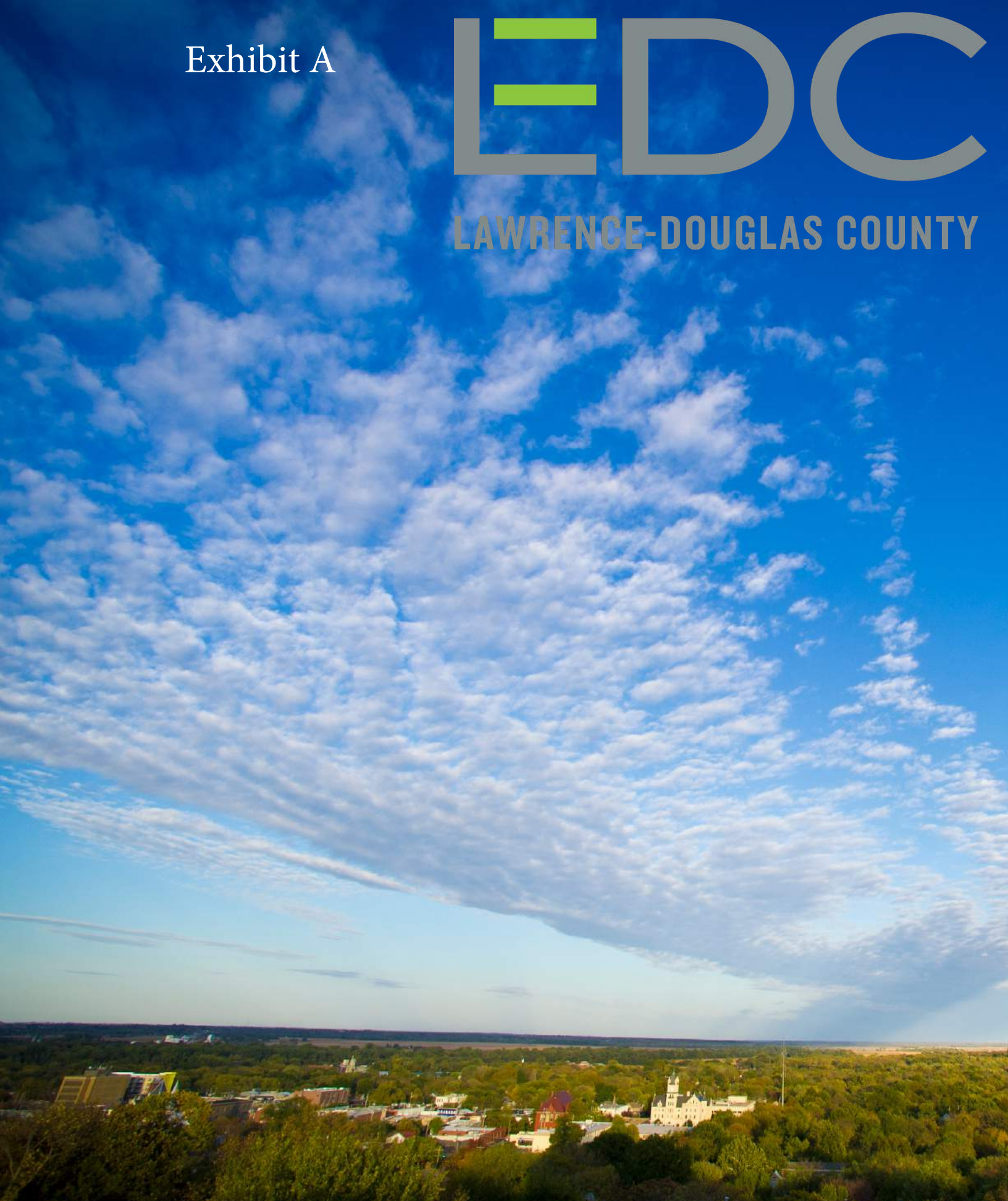
\_\_\_\_\_  
Notary Public

My appointment expires: \_\_\_\_\_

Exhibit A

# EDDC

## LAWRENCE-DOUGLAS COUNTY



Economic Development Strategic Plan  
2017-2018



LAWRENCE-DOUGLAS COUNTY

## 2017 - 2018 Strategic Plan

*This plan focuses on the first two years of Growing Forward, our five-year strategic plan. To see the full plan, visit [edclawrence.com/growingforward](http://edclawrence.com/growingforward).*

### 1 BUSINESS RETENTION & EXPANSION

#### **Strategy #1: Develop programs for businesses to interact and create opportunities for growth.**

Action Steps:

- Leverage Network Kansas partnership to implement programs for small business growth:
  - Ice House Entrepreneurship Program
  - Growing Rural Business Program
  - Economic Gardening Program
  - Destination Business Bootcamp
  - Metropolitan Entrepreneurial Community Revolving Loan Fund
- Reform East Hills Business Park Consortium Board of Trustees with local representation
- Reestablish Manufacturers Council and similar roundtable groups

#### **Strategy #2: Develop relationships to better assist existing businesses with their future needs.**

Action Steps:

- Conduct regular visits and tours of existing facilities
- Regularly poll local industry leaders on current and future challenges, as well as potential growth opportunities
- Familiarize industry leaders with the suite of support services available through The Chamber and EDC, as well as local and state resources (incentives, import/export assistance, etc.)

#### **Strategy #3: Serve as the BRE liaison between government, business, and education.**

Action Steps:

- Acquire customer relationship management (CRM) software to house and aggregate relevant community data
- Create a baseline data set of critical economic development metrics by which to measure growth
- Utilize business analysis software to assess industry health and identify trends, challenges, and potential growth sectors within our region
- Conduct monthly facility tours of major community employers in conjunction with City, County, and educational officials and elected leaders

#### **Key Measurements:**

- Number of company visits per year
- Number of jobs and businesses retained
- Number of companies who receive assistance
- Impact of Network Kansas E-Community Programs
  - Number and value of revolving loans issued
  - Number of jobs and investment created through loan participants
  - Number of businesses participating in board certified programs
- New job growth and capital investment stemming from expansion projects
- Number of ribbon cuttings held for existing businesses



LAWRENCE-DOUGLAS COUNTY

## 2017 - 2018 Strategic Plan

### 2 WORKFORCE DEVELOPMENT

#### **Strategy #1: Implement systems and staffing to ensure the long-term viability of Peaslee Tech.**

##### Action Steps:

- Create a \$1.5 million funding partnership to reduce debt and further renovate and expand technical training facilities and programming at Peaslee Tech
- Fund a contract grant writer for Peaslee Tech to pursue state, federal, and foundation funds available for workforce development initiatives
- Hire a program manager for Peaslee Tech to work with industry leaders and develop custom training, connect with community colleges to develop credit programming, and meet with community stakeholders to create non-credit programming
- Consistently communicate the customized training capabilities of Peaslee Tech to existing employers and prospective business relocation clients

#### **Strategy #2: Develop workforce training programming that fulfills the stated needs of local employers and creates a competitive edge in business recruitment opportunities.**

##### Action Steps:

- Collaborate with community partners in the ongoing renovation of Peaslee Tech to create spaces for expanded programming and enhanced customized training abilities
- Maintain a presence of the Kansas Local Area Workforce Development Board of Directors and the Peaslee Tech Board of Directors to ensure that workforce training interests are aligned with the Lawrence and Douglas County business community
- Through BRE efforts, assess the workforce needs of existing employers to develop relevant workforce training programs at Peaslee Tech

#### **Key Measurements:**

- Customized training programs offered at Peaslee Tech
- Enrollment numbers at Peaslee Tech
- Number of graduates from Peaslee Tech
- Number of attendees for customized training courses

### **3** BUSINESS RECRUITMENT AND MARKETING

#### **Strategy #1: Develop and implement an in-depth strategic economic development marketing plan.**

##### Action Steps:

- Provide accurate, up to date, and comprehensive research on demographics, regional data, and other information typically requested by site selectors
- Utilize business analytics software, BRE data, and strategic partner resources to assess regional strengths, weaknesses, opportunities, and threats
- Enhance the understanding of the EDC initiatives and services within the business community and among the citizens of the areas it serves
- Direct marketing toward the recruitment of businesses operating within targeted industries
- Develop and/or update marketing materials promoting the area and our assets both nationally and internationally

#### **Strategy #2: Leverage established relationships with existing employers, and community and regional partners (BTBC, KUIC, KCADC, KDOC, KUSBDC, etc.) to identify potential business recruitment opportunities.**

##### Action Steps:

- Convene City, County, Chamber, EDC, and University officials monthly to discuss pertinent efforts and potential economic development projects
- Work closely with BTBC partners on tech and bioscience-related recruitment and expansion efforts
- Maintain consistent visibility and involvement with strategic partner organizations and industry-related events (Kansas Research Nexus, KC Animal Health Corridor, KCADC, Network Kansas, KDOC, etc.)
- Reestablish communication and engagement with other community economic development partners in Baldwin, Eudora, and Lecompton

#### **Strategy #3: Capitalize on the assets and resources of the University of Kansas and other educational institutions.**

##### Action Steps:

- Maintain an active and vocal presence on the Bioscience & Technology Business Center and KU Center for Research boards of directors
- Work with the KU Alumni Association to design and distribute a targeted survey to KU alumni assessing the key deciding factors in business relocation decisions
- Maintain a sponsored presence at KU Alumni Association events held in strategic out-of-state markets throughout the year
- Identify targeted industry overlap with key research and educational programming at KU

#### **Key Measurements:**

- New job growth and capital investment stemming from attraction projects
- Identification of target industries
- Increase in tax revenue resulting from attraction projects
- Number of ribbon cuttings held for new businesses



## 4 ENTREPRENEURSHIP AND STARTUPS

### **Strategy #1: Support existing entities, organizations, and programs that foster an entrepreneurial ecosystem within Lawrence and Douglas County.**

#### Action Steps:

- Promote and support collaborations between industry and local universities for innovation
- Provided financial and administrative support to the KU Small Business Development Center to ensure assistance with product development, business plan creation, and marketing strategy implementation
- Provide business research support to the local library
- Work with youth education partners to encourage business and entrepreneurial programming
- Maintain consistent presence within local entrepreneurial development circles (1 Million Cups, BTBC Tech Tuesdays, KU tech community, etc.)
- Explore out-of-market tech-related marketing opportunities via event attendance and/or sponsorships (South by Southwest, LaunchKC, KCADC events, etc.)
- Support a network of business mentors for entrepreneurs

### **Strategy #2: Accelerate local enterprises through the implementation of a range of resources, education, and funding support.**

#### Action Steps:

- Leverage Network Kansas partnership to implement programs for small business growth:
  - Ice House Entrepreneurship Program
  - Growing Rural Business Program
  - Economic Gardening Program
  - Destination Business Bootcamp
  - Metropolitan Entrepreneurial Community Revolving Loan Fund
- Develop relationships with existing venture capital resources through which to connect local entrepreneurs
- Survey entrepreneur-led and startup businesses to gain knowledge about their market, employment, workforce needs, and growth potential

### **Key Measurements:**

- New job growth and capital investment resulting from entrepreneurial ventures
- Number of entrepreneur-led companies started
- Impact of Network Kansas E-Community Programs
  - Number and value of revolving loans issued
  - Number of jobs and investment created through loan participants
  - Number of businesses participating in board certified programs

## 5 SITE AND INFRASTRUCTURE CAPACITY

### **Strategy #1: Partner with the City of Lawrence and Douglas County to encourage development of additional site and building inventory.**

#### Action Steps:

- Explore public infrastructure funding opportunities
- Work with City leadership to develop a streamlined permitting and incentive process to spur private investment in Lawrence VenturePark and East Hills

### **Strategy #2: Develop a long-term site and building inventory plan.**

#### Action Steps:

- Explore site certification programs for existing industrial sites
- Complete an industrial site assessment and continue future site planning
- Maintain an up-to-date database of existing sites and buildings located throughout Douglas County and ensure its accessibility to developers, site selectors, and existing business leaders

### **Strategy #3: Enhance existing infrastructure at Lawrence VenturePark.**

#### Action Steps:

- Conduct an in-depth cost analysis of existing rail retrofit and new rail construction
- Evaluate structural stability and renovation costs of existing 120,000 square foot warehouse
- Commission conceptual renderings of transload facility (parking, loading docks, street infrastructure)
- Pursue local and state funding opportunities to offset development costs
- Conduct national outreach to preferred transload operators to seek private facility investment, development, and operation

### **Key Measurements:**

- Availability of shovel ready sites (number of sites, acreage)
- Availability of industrial buildings (number of buildings, square footage)
- Status of development plans