

MANHATTAN
ECONOMIC DEVELOPMENT

ANNUAL
REPORT

2020

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CONSENSUS

Through the work in recent years by the Greater Manhattan Project, the City of Manhattan, Region Reimagined, and the Knowledge Based Economic Development (KBED) partnership, consensus has emerged relative to building a more dynamic community and regional economy. This consensus has in turn highlighted the need not only for integrated strategies, but also for unified reporting regarding progress made.

ONE REPORT

Until now City, Chamber, and University leaders have had little sense of how, or if, various community economic development programming is aligned, and effectively no clear sense of aggregate progress made annually or over time. This document is designed to be the first integrated look at the vision, strategies, and results of all prosperity building programming in our community.

The COVID-19 pandemic has created unexpected challenges and new opportunities for Manhattan's future economic recovery and prosperity. This report seeks to outline the vision, strategies, and progress that our community's economic development partners have acknowledged and are pursuing in a single, unified format.

VISION

To be clear, any economic growth vision that is focused on the few rather than on the many will ultimately fail. It is incumbent on us to assure that our vision is focused on the many. For Manhattan to prosper it must create jobs with sufficient pay upon which a family may be raised. It is these jobs that matter and these jobs that underpin the personal, business, and public financial and social health of a community.

STRATEGIES



Recovery

Over the past several months through loans, grants, and technical assistance an effective collaboration of the City of Manhattan, Riley County, Pottawatomie County, and the Manhattan Area Chamber of Commerce has endeavored to stabilize locally owned small businesses. The community must now develop and expand programming to support and rebuild economic capacity impacted by COVID 19. As efforts shift from direct response to long-term recovery, strategies that create economic diversification and job growth by leveraging community strengths will be vital to success.



Jobs

The strategy includes a community focus on economic diversification through attraction of high value businesses in specific targeted sectors and the prioritization of growth in existing Manhattan businesses. Job growth is vital to the community as it facilitates increased sales and property tax collection, retail and service industry growth, and other factors that drive economic vitality.



Talent

Manhattan attracts the smartest and most skilled individuals to pursue education that leads to prosperous careers. The plan prioritizes retaining these students as well as Fort Riley veterans while also assisting local businesses in recruiting key staff from around the globe. Talent attraction and retention will support economic diversification and job growth while making Manhattan a more desirable place for a diverse population.



Entrepreneurship

The plan prioritizes start-ups as a high value proposition for job creation, recognizing that many of Manhattan's key private employers began as entrepreneurial ventures. Developing the community's entrepreneurial ecosystem will attract talented, entrepreneurial-minded individuals and enable multi-stage, long-term growth in Manhattan.



Innovation

Manhattan must leverage innovation from Kansas State University and the expected expansion of corporate partnerships and research surrounding NBAF to generate new job opportunities. Strong relationships between the University, NBAF and Economic Development entities provides the foundation for collaboration. Innovation-based companies will create job opportunities and attract talent to Manhattan.

Highlights:

Chamber, City Develop Program for Quick Response to Pandemic Challenges

Manhattan’s local businesses began struggling early in the COVID-19 pandemic crisis. Without federal or state assistance in the early stages of the mandatory closings, the Manhattan Area Chamber of Commerce and City of Manhattan worked quickly to develop and implement an emergency loan program.

The program was described as a “bridge” to get businesses through a difficult period, until such time that other resources were available. In most cases, these recipients were able to move forward with larger assistance grants through either the SBA or the Payroll Protection Program.

In all some 84 businesses were assisted through loans of up to \$5,000 totaling over \$372,000. These loans are repayable over three years at 0% interest.

CARES Funds Dedicated to Assist Small Business

Riley County dedicated \$2.5 million of its CARES allocation to assist small businesses that suffered because of the COVID-19 pandemic and related business restrictions.

The idea for direct aid to businesses came from the partnership between KSU Innovation Partners, the City of Manhattan and the Manhattan Area Chamber of Commerce.

“In our regular conversations, it became clear that while a number of excellent ideas were being presented to Riley County Commissioners, none included assistance for small business,” said Jason Smith, President and CEO of the Manhattan Area Chamber of Commerce.

Smith said after discussions with the economic development team, the Chamber presented a program to help Manhattan businesses. The Riley County Commission reacted swiftly by approving \$2.5 million in direct aid to small, locally owned businesses. Additionally, Pottawatomie County commissioners worked with the Pottawatomie County EDC to develop a similar program

Over 250 businesses received direct financial assistance from the partnership between KSU Innovation Partners, the City of Manhattan and the Manhattan Area Chamber of Commerce.



STRATEGIES

- Accelerate the flow of federal and state grant and other funding into the community
Create grants for small locally-owned businesses facing financial exigencies related to the pandemic
Provide programming focused on recovery, pivoting, future planning and risk mitigation
Reestablish the university as an economic driver in the community
Secure long-term economic development funding for recovery and growth initiatives, especially focused on entrepreneurship and small business development

that was made available to Manhattan businesses located in that county. The funding provided by these counties made all the difference.

The program provided up to \$15,000 for qualified expenses with certain disadvantaged businesses receiving up to \$16,500.

Additional Pandemic Actions:

The Manhattan Area Chamber of Commerce created a resource page that listed programs, relayed county orders and allowed local businesses to promote adjusted operating policies. In all, over 4,000 people viewed the resource page.

Manhattan Area Chamber of Commerce staff made personal contacts and aided over 1,000 businesses during the initial stages of the pandemic. The most prevalent assistance calls related to providing information on the Payroll Protection Plan and the SBA disaster fund. MACC staff became familiar with the elements of the program and were able to provide a variety of information on these and other programs.

It’s been a difficult few months for our entire team. There have been struggles... but more importantly, there has been a shared conviction that we will all get through this together and move on to a bigger and better future.

Evan Grier, President, One Egg Group

The Manhattan Area Chamber of Commerce provided several programs that assisted businesses both in the initial shutdowns as well as through their ultimate reopening. In the initial stages, MACC worked with its METL partners to bring informative sessions with state leadership from the Department of Commerce, the Department of Labor and the Department of Health. One of the most attended events was a MACC exclusive session with the Chair of the Kansas Board of Cosmetology, David Yocum. This session was held as operators were beginning to reopen and had well over 100 local vendors participate.

The City of Manhattan led significant efforts to distribute PPE to local business. In all, the city was able to distribute a large quantity of masks to businesses to help during the reopening. As one of the city’s partners, the Chamber distributed over 1,700 masks during the pandemic.

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Economic Development Sales Tax:

In 2018 leaders from around the community convened to discuss a path forward for job creation and overall economic prosperity for the Manhattan Region. The convening of the community's stakeholders was partially a response to stagnant job growth in the region. This stagnation created challenges for both the private and public sectors across the board, and ultimately Manhattan residents were beginning to feel the impacts as well.

The Greater Manhattan Project was launched. The project had individuals representing government, education, business and non-profits gather over the period of year to develop a strategic plan. What resulted was an economic development plan called Region Reimagined. The strategies from the plan fall into five categories:

- Jobs
- Talent
- Entrepreneurship
- Innovation
- Recovery

Recovery was added in response to issues caused by the COVID-19 pandemic and the recognition by community leaders of the need to work on economic recovery.

As progress continued on Region Reimagined, it became clear that securing long-term community support and resources to fully implement the five strategic initiatives was vital to Manhattan's future economic prosperity. Community and business leaders came together and potential solutions were vetted. Ultimately a special question was placed on the 2020 election ballot by

the City of Manhattan proposing a 0.5% sales tax to be levied within the entire city limits of Manhattan, including those portions of the City within Pottawatomie County.

On November 3, 2020, Manhattan voters passed the ballot measure by a 61% to 39% margin to adopt a 0.5% Economic Recovery and Relief sales tax. The tax will take effect in 2023 and run through 2033. Current estimates project the tax will generate \$6.5 million each year.

The Chamber actively supported the sales tax initiative and efforts to raise funds in support of the successful "Vote Yes" campaign.

Based on language in the special question approved on the November 3rd ballot, the sales tax proceeds will:

- Reduce the ad valorem property tax burden on City taxpayers
- Stimulate the economic recovery from the COVID-19 pandemic
- Pay for public infrastructure projects related to quality of life and economic development
- Create economic development initiatives intended to recruit, retain and grow jobs
- Begin workforce housing initiatives

The question also defined how the tax revenues would be spent, with 70% dedicated to pay for outstanding city debt and the costs related to public infrastructure, 20% to pay for job creation, recruitment and retention initiatives, and 10% to pay for workforce housing initiatives.

USE OF SALES TAX FUNDS

70%

Debt & Infrastructure

\$45 million generated over 10 years would be dedicated toward debt and infrastructure (\$4.5 million annually). Using sales tax revenue for this purpose is equivalent to 7.677 mills in property taxes each year. Infrastructure projects and improvements would be focused on areas to help the community prosper.

20%

Economic Development

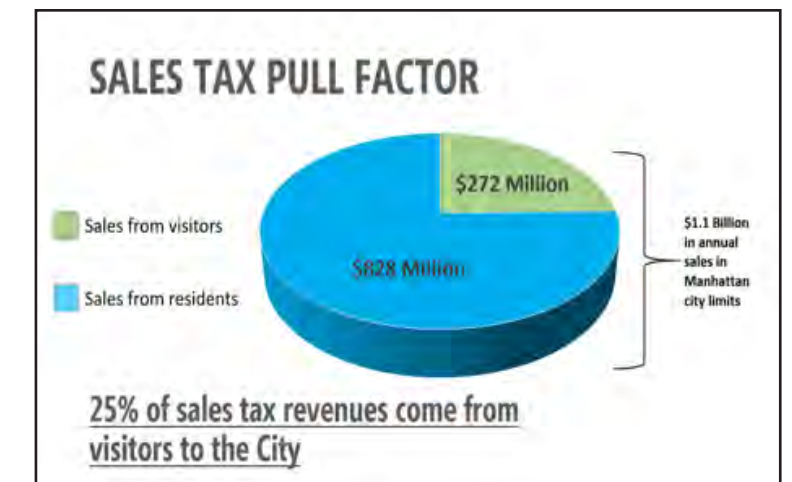
\$14 million over 10 years would be dedicated to job creation. This would include recruitment, retention and expansion of businesses in Manhattan. The Manhattan Area Chamber of Commerce is leading an economic development strategy based on jobs, talent, entrepreneurship, innovation and recovery.

10%

Workforce Housing

\$6.5 million would be generated over 10 years and be dedicated toward workforce housing initiatives to help recruit and retain talent for new and existing businesses. With the sale tax passed, Manhattan has the opportunity to develop a workforce housing plan to identify the needs of homeowners and renters.

On November 3, 2020, Manhattan voters passed the sales tax ballot measure by a 61% to 39% margin



S T R A T E G I E S

- *Support & facilitate the retention and expansion of existing regional businesses*
- *Advance strategies to help businesses generate new revenues from outside the region*
- *Build external awareness of the Manhattan region's assets among prospective employers, investors & corporate relocation professionals*
- *Attract investment and provide sufficient supply of economic growth enabling infrastructure*
- *Leverage innovation-based assets and infrastructure to create economic diversification that will attract companies and high-wage jobs*

The City Commission voted to approve an economic development agreement with Bev-Hub that includes a job incentives grant for \$240,500 for the anticipated 37 full-time jobs they'll bring to Manhattan.

Highlights:

Bev-Hub, Grain-Craft, Corteva Agriscience all choose our region.

A new bottling company chose Manhattan



as its newest location in 2020. The Manhattan Area Chamber of Commerce and City of Manhattan worked with Topeka-based Bev-Hub to locate its newest facility in an existing facility at the Manhattan Business Park.

The City Commission voted to approve an economic development agreement with Bev-Hub that includes a job incentives grant for \$240,500 for the anticipated 37 full-time jobs they'll bring to Manhattan. Additionally, Bev-Hub will be eligible to apply for a 10-year tax abatement and sales tax exemption with the issuance of Industrial Revenue Bonds (IRBs) on their proposed roughly \$900,000 expansion. It is estimated the tax abatement annually will be around \$35,000 - \$40,000.

IRBs are a financing tool that allows local governments to issue bonds on behalf of a private business for a specific project and the private business then receives the proceeds. When granting IRBs, the Commission must determine the project will promote, stimulate, and develop the general economic welfare and prosperity of the city, and thereby further promote, stimulate, and develop the general economic welfare and prosperity of the State of Kansas. Included in their IRBs, property taxes are exempt only on the expansion for a 10-year period as allowed for by State Statute. Bev-Hub will continue to pay taxes on the existing \$2.4 million building and plans to invest over \$20 million in the facility with equipment, reconditioning and expanding the facility.

"The advancements made by our economic development team exceed any single year I have experienced in my 25 years in this work."

Jason Smith,
President and
CEO, Manhattan
Area Chamber of
Commerce

The company currently produces and packages beverages (water, cold brew, juices, and teas) for national and international clients. Recently, Bev-Hub purchased the former Tallgrass Brewing Company building in the City's Business Park near the Airport and they've begun renovations to the existing floor to handle their anticipated equipment and expansion.

The regional cost/benefit analysis for this project is favorable. Based on the City's economic development return on investment model, the total benefits of the project to the City are estimated at \$597,748.88, or net benefits of \$250,843.00. The net benefits to the other taxing jurisdictions are also positive: Riley County (\$257,991.89), USD 383 (\$312,925.91), and State of Kansas (\$2,889,508.50).

The project fits extremely well within the Chamber's economic development strategy:

- **Jobs**—New job creation (37 jobs over the first 3 years of operation with opportunity for future growth)
- **Talent**—Opportunities for K-State graduates and transitioning military personnel. Additionally, specialized training is required for multiple positions.
- **Entrepreneurship**—The company founder and investors are from Kansas and the project in Manhattan facilitates current and future growth in our community.
- **Innovation**—The company is working with K-State, including the Value-Added Foods Lab and engagement to develop a talent pipeline.

Construction is underway on the Bev-Hub facility adjacent to the Manhattan Regional Airport.



Based on the City's economic development return on investment model, the total benefits of the project to the City are estimated at \$597,748.88.

Grain Craft

On Sept. 10 Grain Craft announced plans to relocate its corporate laboratory

to the Kansas Wheat Innovation Center in Manhattan, Kansas. The new laboratory is expected to open in 2021. The laboratory will be housed in newly finished space within the Innovation



Center, which is located on the Kansas State University Campus in the Edge Collaboration District. The company is also engaged with K-State to support their talent and innovation needs.

Grain Craft, the third largest flour miller in the United States, is a family-owned milling company offering premium bulk and bagged flours for the baking, food service, pizza and tortilla industries.

<https://www.graincraft.com/news/grain-craft-announces-new-lab/>

Grain Craft has a long history of engaging with K-State to support its talent and innovation needs.



Partnership Keeps Corteva in MHK Region.

The Greater Manhattan Economic Partnership (GMEP)

hosted a location announcement for Corteva Agriscience at the Columbian Theatre in Wamego in January. Corteva Agriscience is a major American agricultural chemical and seed company and was the agricultural unit of DowDuPont prior to being spun off as an independent public company in June of 2019.



CORTEVA
agriscience

Corteva initially reached out to the Manhattan Area Chamber of Commerce for assistance in finding a location that would fit their needs. When it was determined that Manhattan didn't have a location to meet the needs of the growing company, the Wamego Industrial Park was determined to be the right fit, and a 22,000 square foot building was built. "One phone call set the ball in motion and I'm happy to say that this is our first success story, not only for the city of Wamego, but for our region as a whole." Greater Manhattan Economic Partnership, chair, Nancy Burton said. "The Manhattan team was concerned that Corteva would move its operation to another of its global locations and outside of the region. This move secured a long-term solution locally for the company."

"Kansas is an agrarian society, an agrarian community, and it just makes sense...good sense that we would be a part of that." Corteva Agriscience, senior manager with government and industry affairs, Warren Mayberry says. Corteva officially opened their Wamego location with sixteen full time employees at this time. Corteva is the biggest stand-alone agricultural organization in the world.

Chamber Gives MHK a New Look in 2020

The Manhattan Area Chamber of Commerce gave its economic development program a completely new look in 2020. The changes were based upon the marketing strategy outlined by both Region Reimagined and a subsequent report from Austin based Avalanche consulting.



GREATER MANHATTAN
Economic Partnership

"It is important that we represent the community to the highest degree possible," said MACC Economic Development Committee Chairman Matt Crocker. "In today's highly competitive landscape, you may only get one quick look to make an impression on decision makers. Our team took the Avalanche recommendations and implemented the key elements. In my opinion, we now have the look in our materials worthy of our first-class standing among university cities."

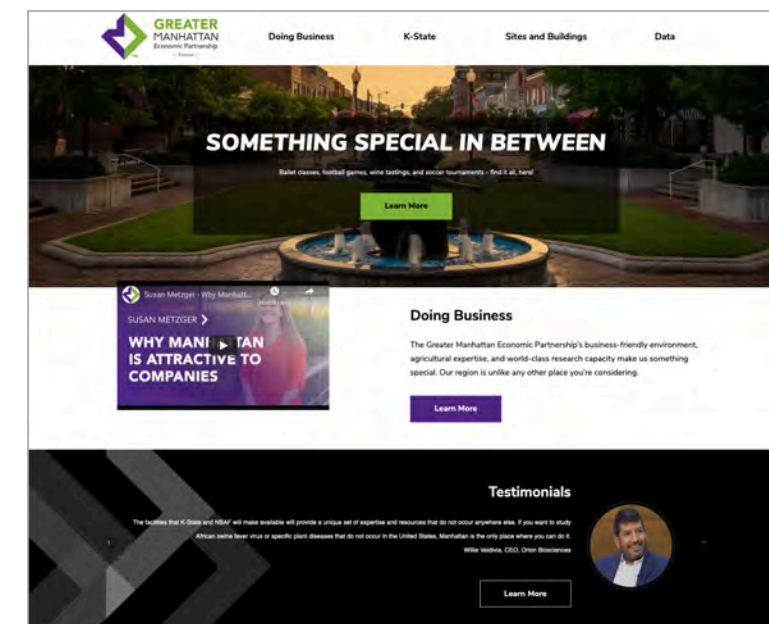
The update followed the creation of the Greater Manhattan Economic Development Partnership, a collaboration of the Chamber and Pottawatomie County Economic Development Corporation.

Among the changes in 2020 included:

- A new website at www.greatermanhattan.org that highlights reasons to be in the MHK region
- A new building and site database that syncs with the state's database
- A new demographic database that incorporates hundreds of datapoints on the region. The site is integrated with the new website
- New materials used to respond to requests from potential new companies and site selectors
- Specific target industry reports outlining the key reasons to locate animal health, biosecurity and grain science industries in the region

"In today's highly competitive landscape, you may only get one quick look to make an impression on decision makers.,

Matt Crocker,
Chair, Greater Manhattan Economic Partnership,



A new website marketing the region is now live. This window to the area economic development options is now open for the world to see.

Bio-Security Campaign Launched

Manhattan was recognized as being a world leader in the prevention of future pandemics.

This was because of the ground-breaking research at Kansas State University as well as the expected impact of the National Bio and Agro-Defense Facility being constructed on the K-State Campus.

The Greater Manhattan Economic Partnership with support from Knowledge Based Economic Development is working with New Boston Creative Group on a strategy to build on this recognition and encourage the location of new businesses and talented individuals.

This content-marketing campaign will build local, national and international awareness of the Greater Manhattan Region's expertise in biosecurity research (specifically zoonotic diseases), especially where it overlaps with prevention of future pandemics and protection of global food systems.

This campaign will supplement collateral material for GMEP currently in production. There has already been a series of national articles published featuring Manhattan in this role:

<https://thehill.com/opinion/national-security/489617-future-pandemic-battles-depend-on-manhattan-kansas>

<https://www.forbes.com/sites/stephengavazzi/2020/05/20/innovation-and-prosperity-amidst-the-covid-19-pandemic-universities-and-our-economic-future/#3b2a0f5055d1>



NBAF moves closer to being an operational facility.



NBAF Hiring Begins:

About two years ago, the U.S. Department of Agriculture hired the first National Bio and Agro-Defense Facility (NBAF) employees. In October, close to 80% of NBAF's operational workforce had been hired (217/275 personnel). As of the end of August, the DHS Science & Technology Directorate reports they've spent about 91% of the \$1.25 billion budget. In 2020, NBAF has participated in nearly 100 outreach activities and continues to get requests for more.

- *Net New Jobs: 70*
- *Active Prospect Pipeline: 28*
- *Industries of Companies:*
 - *Animal Health: 5*
 - *Bio: 3*
 - *Agriculture & Food: 4*
 - *Manufacturing: 7*
 - *Aerospace: 2*
 - *Office/Professional Services: 6*
 - *Logistics: 1*

Number of Company Visits: 7

Business Retention & Expansion Program

The Chamber/GMEP began its survey process in June and has completed 54 meetings with major employers to date. The input and data collected will be summarized in a Business Conditions Report that will be released in early 2021 spotlighting the Greater Manhattan area business climate.

Trends/themes include:

- Develop innovation culture and drive entrepreneurship
- Increase talent pool for manufacturing, healthcare, IT, social worker, and construction jobs
- Partner on programs with educational institutions to train students
- Connect veterans and military spouses with job opportunities
- Improve local government cooperation to help drive economic growth
- Create more affordable housing and childcare options



Our Economic Development team is currently collaborating with five businesses on expansion projects in the Greater Manhattan area.

Economic diversification is key to Manhattan's growth and prosperity

Our Economic Development team is currently collaborating with five businesses on expansion projects in the Greater Manhattan area. In the Business Retention and Expansion interviews, many businesses indicated they are having issues with talent attraction/retention. We are working with these companies to provide workforce development resources and support.

Business interviews completed:

SPS Companies, The Trust Company, Manhattan Area Technical College, NBAF, CivicPlus, Pepsi-Cola of Manhattan, Ultra-ICE, Evergy, Varney & Associates, Manko Window Systems, Olsson Associates, Kansas Farm Bureau, Caterpillar (CAT), Dymax, Bayer Construction, KSU Foundation, Flint Hills Beverage, Sink, Gordon & Associates, BHS Construction, KSU-HCS, Manhattan Surgical Center, Continental Mills, Kansas Dept. of Agriculture, Custom Wood Products, Parker Hannifin, Ascension Via Christi Hospital, Fort Riley, Champion Teamwear, McCall Pattern, Corteva Agriscience, Florence Corporation, Center for Grain and Animal Health Research, Pawnee Mental Health, K-State Student Union, Meadowlark Hills, Bank of the Flint Hills, KS State Bank, Briggs Auto, City of Manhattan, McCown Gordon Construction, Via Christi Village, Hi-Tech Interiors, Capitol Federal, Manhattan Christian College, Little Apple Auto Group, Deibel Labs, USD 383, Blueville Nursery, Big Lakes Developmental Center, WTC, Covetrus, Alfred Benesch and Company, Central National Bank, and Manhattan Town Center.



STRATEGIES

- Enhance the capacity of pre-k to 20 educational institutions
- Increase the number of recent graduates and Fort Riley soldiers choosing to remain in Manhattan
- Partner on efforts to improve health outcomes and develop medical education capacity
- Improve the attraction of talent
- Construct and rehabilitate diverse, high-quality and suitable housing
- Provide quality of place environments and amenities that enhance community, attract talent across all economic sectors and enhance tourism

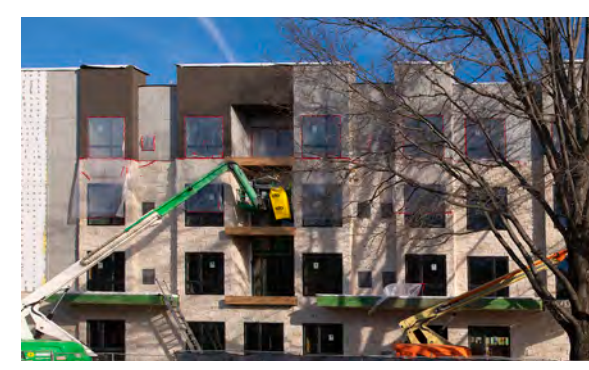
Kansas State University's Physician Assistant Program will graduate health care providers who provide excellence in medical care and serve the local communities and beyond.

Highlights:

A wealth of initiatives are underway to enhance and improve the livability of the Manhattan regional area. Below are projects which will add to the economic base of our community through attraction/retention of talent.

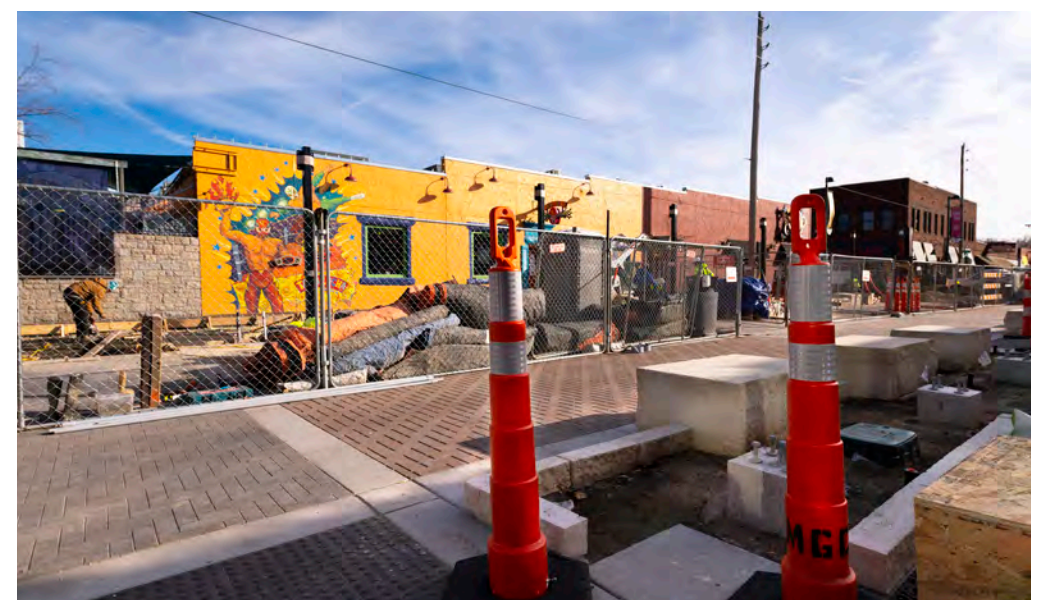
USD 383/MATC Career Academy Concept

Manhattan-Ogden USD 383 and Manhattan Area Technical College are advancing a Career Academy concept that will strengthen capacity for USD 383 and MATC to provide college- and career-ready preparation and work-based learning in support of regional economic development.



Workforce Housing

On November 3, Manhattan voters passed a ballot measure to adopt a 0.5% Economic Recovery and Relief sales tax. The tax is expected to generate a total of \$65 million over 10 years. Ten percent of the spending will be dedicated to workforce housing, to include a comprehensive strategy to recruit, retain and create housing options for a growing workforce in Manhattan.



The Aggieville business district is undergoing major enhancements that will make for a more inviting dining, shopping and entertainment experience.

Stormont Vail Health

Stormont Vail/K-State Physician Assistant Program Partnership:

Stormont Vail signed an agreement with Kansas State University to form an academic partnership in the College of Health and Human Sciences' Physician Assistant Program. Stormont Vail will also develop the Cotton O'Neil Manhattan Medical Campus. A 55,000-square-foot medical office building to be completed fall 2022 in the K-State Research Park will increase public access to medical professionals in the Manhattan region. Kansas State University's Physician Assistant Program, with its inaugural class starting Spring 2021, will graduate health care providers who provide excellence in medical care and serve the local communities and beyond.



Medical Personnel Recruitment

The Chamber is working with area health care institutions and providers to bolster the region's ability to attract talent in health care fields. The solutions being developed are directly tailored to the needs of the community's providers.



In September, the Chamber hired a Talent Strategies Coordinator to drive progress in talent-related strategies. Initiatives include:



Nearly 1,800 military personnel transition out of service at Fort Riley each year.

Promotion of Manhattan Jobs and Internships

The Chamber has begun engagement with over 20 colleges and universities in a four-state area to participate in career fairs and communicate with students about job and internship opportunities in Manhattan. Promotion of Manhattan as a great place to work and live will further support the growth and talent attraction efforts of local businesses.



Aggieville Infrastructure

The City of Manhattan is leading an initiative to implement a community-wide vision for the future development of Aggieville as a vibrant, historic, pedestrian-orientated urban district that offers diverse shopping, dining, entertainment, and residential opportunities to students, visitors and the broader community. In May 2020, the City Commission approved the new design for 12th street north of Moro street. Construction began in May 2020 and will be completed in early 2021. In May 2020 the City Commission discussed final design options for the parking garage south of Rally House as well as improvements to the streetscape surrounding the garage and a new alley running between the garage and Rally House. Construction is expected to begin in Fall 2020 and will be completed in about a year. Multiple private developments are underway in the district as well.



Construction of the Aggieville parking garage broke ground on December 11, 2020

Connectivity to Fort Riley

Nearly 1,800 military personnel transition out of service at Fort Riley each year. Working with transition support resources on-post is the first step to connecting transitioning soldiers to job opportunities that will keep them in the region after their service.

STRATEGIES

- Create and expand entrepreneurial support systems
- Formalize pipeline from k-20
- Optimize Kansas State University's entrepreneurship programs
- Create a K-State-affiliated and community "center of gravity" offering support mechanisms to assess, coach and fund entrepreneurial growth
- Create and support community-based coworking, incubator and event spaces
- Create minority and black-owned business fund and assistance programs

Highlights:

In July the Chamber approved and entered into an agreement with The Spark, Inc.

Entrepreneurial Ecosystem Development—Following a competitive RFP process, in July the Chamber approved and entered into an agreement with The Spark, Inc., a local not-for-profit corporation, to provide entrepreneurial ecosystem development services and implementation of the Manhattan entrepreneurship strategy. Deliverables outlined in the agreement include:

- Build organization's structure and sustainability for the Manhattan Entrepreneurial Ecosystem
- Centralize resources for entrepreneurs
- Connect entrepreneurs to resources
- Communicate availability of local services and entrepreneurial successes
- Identify, track and report metrics for the Manhattan Entrepreneurial Ecosystem

KEY ONGOING SPARK ACTIVITIES INCLUDE:

Entrepreneurial Ecosystem Mapping to identify assets, partners, resources, and stakeholders in the region as well as roles and functions of all involved. Over 100 meetings with individuals and groups representing local, state, and regional entrepreneurial resource partners have facilitated this process. The development of a resource database for local entrepreneurs will be one of the outcomes of the mapping process.

Program research into entrepreneurship community-based stakeholders, including Wichita-based CLM Collaborative and NXTUS, Zeal Center/StartUp Sioux Falls, and KC-based Whiteboard2Boardroom and Midwest Angels, in order to build regional partnerships and learn best practices.

Research and development of minority business resources, programming and funding sources. Also developing women in entrepreneurship networking and educational programming. Planning additional entrepreneurship networking and educational programming will begin in early 2021.

Entrepreneurial Ecosystem Design Activities:

One of the steps to aid in building the region's entrepreneurial ecosystem, was participation in the University Economic Development Association's (UEDA) 2020 Digital Summit. UEDA's Summit provided a unique opportunity to bring together 20 key stakeholders in order to explore everyone's role in the entrepreneurial ecosystem, develop a robust network, and identify gaps and solutions within the ecosystem. This highly collaborative effort kicked off with the UEDA Summit in September, when stakeholders in the ecosystem joined to identify the entrepreneurial ecosystem, its opportunities, and challenges. Then the resources within the ecosystem were defined and categorized to identify the strengths and gaps that exist. After the Summit, a group reconvened to participate in a design-thinking workshop to further dive into the gaps in the ecosystem and identify solutions. The work will continue as solutions are prioritized and deployed in the future.

As an entrepreneurial ecosystem driver, Spark's role will be to identify key resources that support innovation in the area, connect these resources to one another, reduce barriers to entry for entrepreneurs and innovators and identify gaps that require the development of new programming and services.

All the while, we will be tracking our success and telling the stories of entrepreneurship successes in the region."

Sarah Siders,
Executive Director,
SPARK, Inc.

K-State Technology-Based Entrepreneurship

K-State Innovation Partners has a track record of commercializing technologies that emerge from the University. Many incremental advancements with an established market channel go down the licensure path. However, there are technologies that emerge, not for singular science advancement and that address a large enough market, where building a startup becomes the best option. K-State Innovation Partners has re-launched its efforts to assist in this process. Engagement to identify these potential technologies viable to create a startup is now a focus, done both passively and actively. Passive engagement includes mining the disclosures that are being processed through K-State Innovation Partners. Active engagement involves

KANSAS STATE UNIVERSITY

searching out targeted areas to find potential technology startups. The targeted areas will align with the goals of the community, including animal health and science, biosecurity and food safety, computer science & information technology, crop, grain science and milling, and metal fabrication machinery and equipment.

HitchPin: Manhattan-based start-up company,

HitchPin, has experienced exponential growth since their late 2018 launch. HitchPin is an app-based technology that connects farmers who have excess capacity in products or machinery to other farmers who need it. The company's user basis has been growing exponentially month after month. They serve an extensive addressable market worth billions of dollars with the current categories offered on the app. HitchPin places a high priority on being located in the heart of ag country, where the world's food, fuel, and fiber is produced. The company started in Manhattan and is growing here, hiring students and alumni from K-State, currently with 9.5 FTE.



STRATEGIES

- *Align with and integrate –State’s global food and biosecurity science economic prosperity strategies to grow and diversify the innovation ecosystem throughout the region*
- *Align with Kansas Board of Regents Pillar3 Economic Prosperity Initiative*
- *Leverage research and talent assets to attract outside investment, including company attraction*
- *Evolve real estate strategies adjacent to the K-State campus*
- *Continue to expand the capacity and impact of existing K-State and affiliated research and commercialization*



Kansas State University Research and Commercialization

In FY 20, K-State had another record year of accomplishment in the pursuit and receipt of extramural support for the many innovative programs that contribute to the local, regional and global knowledge and innovation ecosystem. Total extramural support increased by more than 15% or more than \$26.6 million over FY 19. This reflects a remarkable year of achievement for K-State, especially in light of nationwide funding and work environment instabilities. Over the last five years, Kansas State University has seen an 80% increase in its number of industry-funded research projects.

Under its stated vision to become a Top-50 public research university by 2025, K-State has implemented an array of initiatives to achieve this objective, and a big part of that has been focused on building strategic partnerships with industry. Several strategies and keys to its success in attracting more corporate research funding include

offering flexibility with Master Research Agreements, training faculty through tailored workshops, making industry-focused changes and enhancements to its website, and hosting Research Showcase events. Thanks to these targeted efforts and outreach programs, Kansas State now operates as an effective matchmaker between university faculty and industry professionals.

The newly merged and renamed, K-State Innovation Partners, facilitated 72 new invention disclosures and signed 33 new license or option agreements for university-developed technologies generating \$640,000 in license fees, royalties and legal reimbursements and a total of \$2.8M in total annual licensing revenue.

Over the last five years, Kansas State University has seen an 80% increase in its number of industry-funded research projects.

Highlights:

Long-term projects and aspirations continue to move forward.



The Edge Collaboration District is where industry, K-State research and the creation of workforce talent come together to produce meaningful innovations.

North Campus Corridor/EDGE Collaboration District

The North Campus Corridor project involves city and Kansas State University resources to enhance the north campus area for future economic development. Significant infrastructure construction progress has been made along College Ave. and at the intersection of College and Kimball Avenues with streetscape, landscape, and lighting improvements. Additional phases on Kimball Ave. will continue in 2021.

In August 2020, Kansas State University and the KSU Foundation announced a rebranding of the Corridor to the Edge Collaboration District at K-State. This rebranding reflects the strategic move beyond a geographical name to encompass a growing community of diversified corporate, technical and research partners. The Edge Collaboration District is where industry, K-State research and the creation of workforce talent come together to produce meaningful innovations and real outcomes for Kansas and beyond, inspired by the university’s land-grant mission. The KSU Foundation continues to develop real estate within the district to support collocation and collaboration.

KBED Partnership Activities

In order to create a pipeline of economic development prospects and university partners, Knowledge Based Economic Partnership (KBED) hosts and attends industry and K-State faculty events. While many of these efforts were forced online, the KBED staff were still able to attend the Plug and Play Launch, present to multiple stakeholder groups, participate in the Kansas Agricultural Summit, exhibit at Petfood Forum Connect, host a Researcher Academy, as well as facilitate numerous industry and faculty collaborations. Although COVID-19 has impacted economic development activities (visits, relocations, expansions, etc.), the KBED has advanced numerous prospective relationships and currently has 12 companies in its pipeline. Many of these projects are on hold due to travel restrictions or economic challenges, but are anticipated to reengage in the future. A list of projects can be found in Appendix D.



PARTNERS AND PARTNERSHIPS

Manhattan's economic development ecosystem is highly collaborative, as evidenced by the existence of multiple partnerships designed to advance economic prosperity in the area. This section aims to clarify the roles and purposes of the various organizations and partnerships.



**GREATER
MANHATTAN**
Economic Partnership



MANHATTAN
KNOWLEDGE BASED ECONOMIC DEVELOPMENT

Partnerships:

Greater Manhattan Economic Partnership (GMEP): GMEP is a regional partnership between the Manhattan Area Chamber of Commerce and the Pottawatomie County Economic Development Corporation (PCEDC). GMEP serves as the lead marketing cooperative for the region.

Knowledge Based Economic Development (KBED): KBED leads the efforts related to University-based company attraction & expansion. KBED's mission is to attract, grow, and retain knowledge-based businesses through partnership, education, outreach, and ecosystem development. KBED was conceptualized in May 2008 and the partnership now plays an instrumental role in defining the knowledge-based economic development strategy for the Manhattan region. Members include: the Manhattan Area Chamber of Commerce, Kansas State University, K-State Innovation Partners, KSU Foundation, the City of Manhattan, North Central Regional Planning Commission (NCRPC), and Pottawatomie County Economic Development Corporation (PCEDC).



Partners:

Manhattan Area Chamber of Commerce: The Manhattan Chamber is the community's lead Manhattan economic development agency. In addition to strategies implemented through various economic development partnerships, the Chamber leads all non-university-based company attraction, retention and expansion and collaborates with the Kansas Department of Commerce to respond to leads generated by the State. The Chamber also leads entrepreneurial ecosystem development strategies and advances talent attraction and retention efforts. It also secures and facilitates private sector support for economic development initiatives.

City of Manhattan: The City provides economic development incentives, develops infrastructure that enables economic growth and determines zoning and other regulations that impact development.

K-State Family: Multiple University and University-affiliated organizations support economic development in the community. K-State Innovation Partners advances university-based corporate engagement, technology commercialization, technology-based entrepreneurship, economic development. The KSU Foundation supports the university's real estate strategy to establish facilities for collocation and collaboration. Academic units support these efforts through research, teaching and service activities.

Pottawatomie County Economic Development Corporation (PCEDC): Similar to the Manhattan Chamber's role in the City of Manhattan, the PCEDC leads parallel efforts in Pottawatomie County.

Kansas Department of Commerce: As the state's lead economic development agency, the Kansas Department of Commerce strives to empower individuals, businesses and communities to achieve prosperity in Kansas by developing relationships with corporations, site location consultants and stakeholders in Kansas and nationwide. This helps create an environment for existing Kansas businesses to grow and foster an innovative competitive landscape for new businesses.

Riley County: The County provides economic development funding support, develops infrastructure that enables economic growth and determines zoning and other regulations that impact development.

Kansas Small Business Development Center (SBDC): The Kansas SBDC serves as the state advising resource for small business owners. SBDC provides clients with quality, professional, and personal care in a confidential setting, ultimately increasing economic prosperity in Kansas by helping entrepreneurs and small business owners start and grow their business.

SPARK: Spark is a nonprofit organization with a vision to connect, resource, and successfully launch entrepreneurs and promote a dynamic culture of entrepreneurship through programming and networks designed to connect entrepreneurs, startups and small business owners to each other and the larger ecosystem in the greater Manhattan area.

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MANHATTAN
ECONOMIC DEVELOPMENT

ANNUAL
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APPENDIX A: HISTORICAL INFORMATION



The Manhattan community has a rich history of activities to advance economic development and grow the region. Included is background information on the history of economic development initiatives in the community.

CITY OF MANHATTAN:

The City of Manhattan has catalyzed economic development through both infrastructure development and the administration of economic development sales tax funds. The Medofab division of the economic development fund was supported by a .5% city sales tax that was approved on November 8, 1994 and sunset on December 31, 1998. The revenue was used to create self-sustaining programs and job creation. The RicoEd 2002 was supported by the city's portion of a countywide .5% sales tax that was approved in November 2002.

In November 2012, the voters of Riley County renewed the half cent sales tax for Roads and Jobs. Through Resolution 082112-E, the City Commission has committed that 65% of the proceeds will be available to continue the economic development investment strategy through traditional incentives as well as infrastructure projects and 35% for property tax relief through debt reduction. These dollars are essential for capitalizing on local strengths including Kansas State University, NBAF and the Animal Health Corridor. The cash balance of the Economic Development Fund (including MEDOFAB and RICOED 2002 and 2012) is approximately \$9 million as of July 31, 2020, and adequate balances have been set aside to meet all the current contractual obligations.

Since the inception of the agreements outlined for the companies presented in the City's economic development report, 1,459 net jobs have been created. For every \$1 invested in economic development initiatives since 1995, approximately \$8.89 was leveraged in private sector and other investments. More importantly, since the economic development process was significantly modified in 2002, proceeds from the Roads and Jobs sales tax have leveraged outside investments at a ratio of approximately 1:9. If the full anticipated federal government investment of \$1.25 billion is factored in, this amount jumps to \$56.92. These figures include the City's \$5 million commitment for NBAF, of which approximately \$3.4 million has been expensed to-date. Over 20 infrastructure projects have been funded through the Economic Development Fund. These projects include necessary infrastructure improvements to accommodate the NBAF facility, as well as improvements to the Manhattan Regional Airport, North Campus Corridor, N. Manhattan Avenue, and other various roadways.

The City maintains annual services contracts with the Manhattan Area Chamber of Commerce for economic development.

MANHATTAN AREA CHAMBER OF COMMERCE:

The Manhattan Area Chamber of Commerce serves as the community's lead economic development agency, including the City of Manhattan and Riley County. In addition, the Chamber has also garnered private sector resources to support economic development efforts.

Since 2002, private Advantage Manhattan funding has enabled the economic development efforts of the Manhattan Area Chamber of Commerce. The 2012 Advantage Manhattan "Fuel the Momentum" campaign initiatives played a significant role cultivating the Manhattan community. For example, the Existing Business program has led to: 300-plus visits to existing businesses to provide an opportunity for candid dialogue and any needed intervention to support the stability and growth of our existing businesses; four existing business expansions (CivicPlus, Continental Mills, Florence Manufacturing, and Tallgrass Brewing Company) receiving city or state economic development assistance totaling over \$7.3 million and resulting in capital investment of \$24.85 million; six new companies (LiveWatch, MediVet Biologics, Neon, US Engineering, Vets First Choice, and Xpanxion) locating in Manhattan; creation of an E-Community program with a funded \$150,000 revolving loan; and an angel investor group to provide capital to start-ups and early stage companies.

Most recently, in 2017, the Chamber led a private fundraising campaign to sustain their economic development strategies. The Manhattan Area Chamber of Commerce's fourth Advantage Manhattan campaign, "Power Our Potential," is an aggressive, economic development business expansion and attraction program. Advantage Manhattan has input and support from the private and public sectors within the Manhattan area. The Chamber's Advantage Manhattan "Power Our Potential" initiative was designed to raise necessary funds to develop and implement the Chamber's increased economic development initiatives for the next five years. Over \$650,000 in annual private investment to support economic development resulted from this campaign.

In 2018, Manhattan and the Pottawatomie County Economic Development Corporation (PCEDC) announced the creation of the Greater Manhattan Economic Partnership (GMEP). This regional economic development partnership facilitates the cooperation of many stakeholders— private, public and nonprofit – in the Greater Manhattan, Kansas, area to promote the region's assets in the U.S. and abroad.

In late 2019, the Manhattan City Commission approved an Extended Service Scope of Work and expanded public funding for economic development to support initiatives focused within three strategies grown from the Greater Manhattan Project / Region Reimagined - Economic Diversification, Talent Sustainability and Entrepreneurial Dynamism.



APPENDIX A: HISTORICAL INFORMATION



KANSAS STATE UNIVERSITY & AFFILIATES:

As the first public land-grant institution, K-State has a long history of supporting economic prosperity. Economic engagement is now an established priority for the university as evidenced by its designation as a major theme (Theme 4) in the K-State Strategic Plan: Vision 2025. Moreover, engagement is vital to achieving our goal to be recognized as a top 50 public research university by 2025. Theme 4 focuses on engagement, extension, outreach and service. For continuous fulfillment of our land-grant mission, the university has been recognized by the Carnegie Foundation as engaged locally, statewide and globally with industry and other organizations to stimulate economic growth and prosperity. Many K-State units focus on external engagement to create economic growth. In addition, outreach and economic engagement are infused throughout the institution within college, department, center and programmatic activities.

K-State's impact can be seen in the results of an economic impact study they completed for the region. In FY 2015, \$882 million in economic impact was generated by the university in the three-county region comprising Riley, Geary, and Pottawatomie counties. In addition, \$25.2 million in tax revenue to state and local governments was attributed to K-State, and K-State employee compensation and expenditures support an additional 1,713 jobs in the region.

K-State renewed its commitment to promoting innovation and economic prosperity by seeking and receiving the Association of Public and Land-Grant Universities (APLU) Commission on Economic and Community Engagement (CECE)'s Innovation and Economic Prosperity (IEP) Universities Designation and Awards. This program was created to recognize universities that are leaders in spurring and promoting regional economic development. In August 2016, K-State President Richard Myers and Vice President for Research Peter Dorhout submitted K-State's letter of intent to participate in the IEP designation process. K-State submitted a proposal on May 3, 2017, and K-State received notification that the proposal was successful in July 2017.

Founded in 1942, K-State Innovation Partners

(formerly K-State Institute for Commercialization and KSU Research Foundation) is committed to collaborating with university, industry and communities to deliver a streamlined mission of corporate engagement, technology commercialization and economic development. Driven by innovation, this nationally unique organizational structure serves K-State, community partners and industry in one comprehensive unit. This allows for efficient intellectual property protection, economic opportunities and a consistent experience for partners. According to the Association of University Technology Managers (AUTM), Innovation Partners ranks 24th in public universities for license revenue per active license and ranks 35th for total license revenue. The organization's client companies have created 587 jobs with an average salary of \$56,614, generating \$33.2M in annual payroll.

The KSU Foundation leads the university's master-planned, commercial office and research developments adjacent to K-State's main campus in Manhattan, Kansas. The K-State Office Park, K-State Research Park, and the proposed K-Labs provide state-of-the-art commercial real estate for partners who enhance academics and research on campus, contribute industry expertise, promote regional and international collaborations, access student talent, and align with the university's land-grant mission.

In May 2008, the Manhattan Area Chamber of Commerce and K-State Innovation Partners conceptualized a new economic development partnership and engaged additional university and community stakeholders to formalize the partnership. Knowledge Based Economic Development (KBED) is a unique partnership of civic, academic and private sector entities working together to support new and growing companies in the Manhattan community and the surrounding region. Original



Since the original Advantage Manhattan campaign in 2002, Manhattan economic development results include:

- Over 2,300 jobs at an average wage over \$48,000
- \$1.4 Billion of Capital Investment
- Payroll of \$120 Million per year

Total Economic Impact of over \$9 Million annually to local government entities (school districts, counties and the City of Manhattan)

Annual impacts of these results include over \$36 Million in retail sales and \$525,000 in new local sales tax revenues. Total property taxes received (City, counties and USD 383) total over \$6.6 Million. Additionally, since 2002 there have been over 1,100 new homes built in the area.

The annual economic return to the City of Manhattan breaks out as follows:

- Direct impact to City = \$2.65 Million
- Indirect impact to City = \$1.85 Million

Total Annual Economic Impact to City = \$4.5 Million

voting members included K-State Ventures, the Manhattan Area Chamber of Commerce and K-State Innovation Partners. K-State and the City of Manhattan were established as non-voting members per state statute. Soon after, the K-State Foundation and the North Central Kansas Community Network were added as members. The Pottawatomie County Economic Development Corporation was the latest member, joining as an Associate. K-State Ventures and the Manhattan Area Chamber of Commerce have dedicated staff members to execute the initiatives and the Board meets bi-monthly. This integrated community economic development program seeks to attract companies by leveraging the talent, innovation and training capabilities, and infrastructure available at K-State. KBED's efforts help increase the number of high-paying jobs, generate new discoveries through university-industry collaborations, and boost the infrastructure of the region. This initiative is supported by a diverse group of successful regional partner organizations. The KBED partnership plays an instrumental role in defining the economic development strategy for the Manhattan community. Those strategies include the facilitation of robust private sector/university collaborations, attraction and creation of knowledge-based businesses, as well as the development of infrastructure necessary to accommodate a knowledge-based economy.



B

APPENDIX

APPENDIX B: 2020 ED OVERVIEW



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2020 ED Overview

The Manhattan Area Chamber of Commerce has had a very eventful 2020 in economic development.

The year began with the addition of new programming, new staff and the full integration of the Region Reimagined strategy for Manhattan. The COVID pandemic changed course for the organization somewhat, moving into a role of assisting existing businesses try and navigate the variety of programs and opportunities available to maintain operation continuity.

At the same time, the organizational staff maintained a strategic focus, making significant progress in the key strategies outlined by its investors and the City Commission for job creation.

A highlight of some of the key activities of the organization in 2020 include:

- Development, facilitation and administration of programs that generated over \$2.5 million in grants and \$350,000 in emergency loans to local busines to assist with pandemic expenses.
- Development of educational and informational sessions to assist businesses through pandemic issues including sessions with state and local officials.
- Financial and personnel support of a sales tax extension that will provide \$65 million for infrastructure, economic development and housing for Manhattan over 10 years.
- Development of new materials to market the community to potential prospects including industry specific items. The development followed the recommendations of Market Street and Avalanche Consulting, two national experts in business attraction strategy development.
- The development of a formal business visitation program and survey of over 50 businesses in a six-month period. These surveys will be used to provide a business conditions report and provided the opportunity for identification of business assistance needs for local operations.
- Assisted with the location of Bev-Hub, a new bottling company that purchased an existing building and will create up to 40 jobs over the next three years.
- Increased the pipeline of open projects with companies considering Manhattan locations from 1 in Jan. of 2020 to 8 in December of 2020.
- Developed and coordinated an agreement with a local non-profit to enhance the entrepreneurial ecosystem in Manhattan. This along with an existing agreement with SBDC, provides significant resources and opportunities for local entrepreneurs.
- Built a new talent strategy focused on outreach to university and college career centers in a four-state area.
- The Manhattan Area Chamber of Commerce has two agreements with the City of Manhattan for specific activities. Attached is a status report on both agreements.

In the case of Appendix A, the Chamber has completed the initial stages of the outlined projects. In nearly all cases, these initiatives are current and ongoing. A summary of the items is as follows:

Completed & Ongoing

- Develop relationships with primary businesses to determine development needs, opportunities, or challenges.
- Foster local business growth by providing connections and knowledge gained through participation in local, state and national forums.
- Assist in infrastructure development planning to strengthen critical services allowing for primary employer growth
- Participate in community development planning and implementation to advocate for development that enhances opportunity for business growth and success.
- Partner in workforce solutions, advocacy and outreach, regionalism, business recruitment, and entrepreneurship initiatives to enhance existing business sustainability and growth.
- Serve as a liaison between government, business and education.
- Engage employers in workforce programming decisions through workshops and focus groups.
- Optimize relationships with all area educational providers to further develop, recruit and retain the next generation of employees.
- Link workforce needs of existing business, targeted businesses to be recruited with secondary and postsecondary education.
- Advocate job readiness/preparation for students entering local workforce from high school.
- Work with MATC to ensure workforce development will be responsive to community economic development and local employer needs (customized skills training).
- Connect graduates from area institutes of higher learning with job opportunities.
- Coordinate advocacy efforts to influence desired outcomes on both state and federal policies and legislation that affects the interests of Manhattan area businesses.
- Develop a legislative committee that focuses on local policies impacting Manhattan area businesses.
- Primarily serve as the advocate for pro-business and quality of life issues of importance to the Manhattan area.



Exhibit A Report



Exhibit A Report continued

- Develop close working relationships with all of Kansas' elected officials, members of their staff, the legislative leadership, and state agency directors in order to promote economic development efforts and other interests of the Manhattan area.
- Provide regular updates to the Chamber Board and general membership on proposed local, state and federal legislation and policies that have an effect on business community.
- Participate in a regional tri-county economic development effort that focuses on asset development, workforce solutions, and Fort Riley retention.
- Participate in state economic development opportunities including the Kansas Economic Development Alliance and Team Kansas.
- Strengthen the Kansas Research Nexus, an economic development partnership between the Lawrence, Topeka and Manhattan Chambers of Commerce.
- Maintain a presence in the Animal Health Corridor through membership in the Kansas City Area Development Council.
- Champion the K-State community economic development partnership known as Knowledge Based Economic Development.
- Work with regional partners to include Pottawatomie County and the Pottawatomie County Economic Development Corporation in the Greater Manhattan Economic Partnership.
- Package and market all aspects of the area including business climate, accessibility, transportation, educational opportunities, culture, cost of living and cost of doing business.
- Maintain and continuously improve the economic development section of Chamber's website (site selector's first impression).
- Identify and cultivate relationships with site selectors and respond to their requests. This includes active promotion of the Manhattan Business Park.
- Support entrepreneurial activity through education, training, development, and other services such as the annual Youth Entrepreneurship Challenge.
- Sustain funding sources for entrepreneurial activities through the E-community and Angel investment initiatives.
- Explore acquisition and development of a new business park.

Exhibit B were items outlined in the Region Reimagined/Greater Manhattan Project economic development strategy. Many of these initiatives are economic development specific items led by the Chamber. However, in many cases, some of these initiatives are led by other entities including the City of Manhattan staff, Kansas State University, USD 383 and MATC, among others. The Chamber is reporting progress based upon the best information currently available.

Economic Diversification

- Build External Awareness of Regional Assets
 - (Ongoing) Continue attracting top companies from adjacent regions
 - (Ongoing) Identify & pursue additional opportunities to recruit government facilities and research centers
 - (Ongoing) Develop competitive marketing & communication program
 - (To Be Completed) Conduct inbound marketing for site selectors & corporate relocation professionals
 - (In Process) Leverage regional meetings/conferences as marketing opportunities
 - (Ongoing) Invest in robust public relations
 - (Ongoing) Cultivate networks of K-State researchers and alumni to inform external marketing efforts
 - (Ongoing) Research high-value strategies to pursue foreign direct investment
- Support & Facilitate the Retention & Expansion of Existing Businesses
 - (Completed and Ongoing) Formalize and expand business retention & expansion program
 - (Ongoing) Continue to work on enhancing passenger air accessibility
 - (To Be Completed) Develop locally designed and managed economic gardening program
- Provide Sufficient Supply of Economic Growth Supportive Infrastructure
 - (Ongoing) Leverage ongoing comprehensive and land use planning to direct infrastructure development
 - (Ongoing) Make broadband and cellular connectivity available for data-intensive businesses and users
 - (Ongoing) Prepare shovel-ready sites

Talent Sustainability

- Enhance the Capacity of the Region's Pre-K to 20 Educational Institutions
 - (Ongoing) Work to enhance existing programs & facilities & develop critical new capacity
 - (To Be Completed) Provide early childhood programming for all eligible local students
 - (Ongoing) Optimize the Chamber's pilot Classroom-to-Career Partnership Program
 - (To Be Completed) Create a regional STEM Academy open to high school students from multiple local districts
 - (To Be Completed) Empanel a regional talent council



Exhibit B Report



Exhibit B Report continued

- Increase the Number of Recent Graduates Choosing to Remain in the Region to Live and Work
 - (Ongoing) Better embed college students in the community
 - (Ongoing) Improve connections between college students and the regional economy
- Work to Ensure that Fort Riley Soldiers and Their Families Become Permanent Residents within the Region upon Leaving the Military
 - (Ongoing) Continue enhancing efforts to involve & integrate Fort Riley/National Guard soldiers in the community
 - (Ongoing) Foster linkages between current and past soldiers and their spouses with employers
- Develop Medical Capacity in the Region
 - (To Be Completed) Identify funding to support development of local medical residency programs
 - (To Be Completed) Work with K-20 institutions to create stackable curriculum to ensure the regional medical community is adequately staffed.
- Improve the Attraction of Talent to the Region
 - (Ongoing) Work with K-State to determine how local partners can support student recruitment efforts
 - (Ongoing) Develop a targeted talent recruitment program
 - (Ongoing) Continue providing concierge talent relocation services to local employers
 - (Ongoing) Recruit talent prospects at career fairs and scheduled events at Kansas universities and those in adjacent states
 - (Ongoing) Partner with tourism marketers to customize a segmented campaign focused on talent

Entrepreneurial Dynamism

- Grow and Diversify the Innovation Ecosystem
 - (Ongoing) Evolve the North Campus Corridor Master Plan
 - (Ongoing) Leverage North Campus Corridor research assets to attract outside investment to the innovation district
- Enhance Entrepreneurs of All Ages
 - (Ongoing) Formalize pipeline from K-20
 - (Ongoing) Expand entrepreneurial support throughout the region
 - (Ongoing) Optimize Kansas State University's entrepreneurship

Finally, As part of the reporting process, the Manhattan Area Chamber of Commerce under Exhibit B is to provide certain economic metrics. The staff took the baseline year based upon the numbers used in the Market Street report from 2018 and compared to the most current year available. Below is a summary of those metrics:



Metrics

Metric	Most Current Year	Value	Baseline Year	Value	Net Change
Employment	2019	46,124	2016	45,435	689
Population - Metro Area	2019	98,615	2016	98,777	-162
Population - City of Manhattan	2019	54,604	2016	54,983	-379
% of Pop Ages 18-24	2019	27%	2015	25%	2%
% of Pop Ages 25-34	2019	24%	2015	23%	1%
Total Population Change	2009-2019	8,705 (9.6%)	2006-2016	12,003 (12%)	-3,298
Net Migration	2018	-1,422	2014	-3,271	1,849
Poverty Rate - Total	2018	17.3%	2015	17.3%	0%
Poverty Rate - Youth	2018	11.5%	2015	16.1%	-4.6%
Per Capita Income	2018	\$46,008	2015	\$42,331	\$3,677
Per Capita Regional GDP	2018	\$34,028	2016	\$33,104	\$924
Median Home Value	2019	\$224,900	2016	\$178,387	\$46,513
High School Graduation Rate	2019	23%	2015	23.6%	-0.6%
% of Adult Pop with Bachelor's Degree or Higher	2019	37%	2015	35.5%	1.5%
Physicians Per Capita - only current year available, will track moving forward	2019	40.3	NA	NA	NA
Venture Capital Investments	2020	\$0	2008 - 1 deal 2010 - 1 deal 2012 - 1 deal	\$5,720,000 (TOTAL)	



Company Incentives Balance Sheet

as of December 31, 2019

Company	Funds Expended	Total Funds Committed	Balance of Commitment (Total Funds Committed less Funds Expensed)	% of total
MEDOFAB				
2Linc.	\$200,000	\$200,000	-	0.4%
Abbott Aluminum	\$150,000	\$150,000	-	0.3%
Alltel (Western Wireless)	\$250,000	\$250,000	-	0.5%
ASHA Distribution	\$135,000	\$135,000	-	0.2%
Continental Mills	\$149,500	\$223,000	\$73,500	0.4%
CORE (Community Online Resource Exchange)	\$128,000	\$128,000	-	0.2%
Farrar Corporation	\$1,100,000	\$1,100,000	-	2.0%
Grain Industry Alliance	\$125,000	\$125,000	-	0.2%
GTM Sportswear	\$800,000	\$800,000	-	1.5%
KanGolf	\$100,000	\$100,000	-	0.2%
Kansas Entrepreneurial Center	\$554,784	\$670,000	\$115,216	1.2%
KSU Physics	\$112,500	\$112,500	-	0.2%
Light Solutions	\$300,000	\$300,000	-	0.6%
Manhattan Holdings	\$600,000	\$600,000	-	1.1%
Manko Windows	\$931,861	\$931,861	-	1.7%
Mercy Community Health Foundation	\$1,000,000	\$1,000,000	-	1.8%
National Guard Armory	\$1,026,806	\$1,026,806	-	1.9%
NGML (Natural Gas Machinery Laboratory)	\$100,000	\$100,000	-	0.2%
Paragon Technology	\$300,000	\$300,000	-	0.6%
Sykes (Alorica)	\$3,085,000	\$3,085,000	-	5.7%
TDM (Transportation Design & Manufacturing)	\$1,943,000	\$1,943,000	-	3.6%
TOTAL MEDOFAB	\$13,091,451	\$13,280,167	\$188,716	24%
RICOED 2002-2012				
Aggieville Business Association ²	\$60,000	\$60,000	-	0.1%
Airport/Tech Park Property	\$184,814	\$184,814	-	0.3%
Allegiant Air	\$27,200	\$27,200	-	0.1%
CivicPlus	\$750,000	\$750,000	-	1.4%
CMS	\$502,938	\$502,938	-	0.9%
Downtown Conference Center	\$1,500,000	\$1,500,000	-	2.8%
Downtown Manhattan, Inc. ²	\$135,000	\$135,000	-	0.2%
Flint Hills Beverage	\$170,815	\$188,950	18,135	0.3%
Florence Corporation	\$785,048	\$823,492	38,445	1.5%
K-18, Wildcat Creek Rd. & Shuss Rd.	\$594,583	\$594,583	-	1.1%
KSU Foundation - Equicenter Study	\$20,000	\$20,000	-	0.0%
Manhattan Area Technical College	\$666,500	\$666,500	-	1.2%
Manhattan/K-State Innovation Center	\$8,131,803	\$8,131,803	-	15.0%
Meadowlark Hills	\$753,649	\$753,649	-	1.4%
National Bio & Agro-defense Facility	\$3,364,558	\$5,000,000	1,635,442	9.2%
NISTAC ¹	\$500,000.00	\$500,000	-	0.9%
Regional Jet Service	\$915,000	\$915,000	-	1.7%
TOTAL RICOED 2002-2012	\$19,061,907	\$20,753,929	\$1,692,022	38%

Please note that the above chart is not a complete list of expenditures for each sales tax. It is meant to highlight companies that have received funding as well as infrastructure projects.

¹ NISTAC changed its name to KSU-IC

² Allocated annually at the discretion of the governing body



Company Incentives Balance Sheet

as of December 31, 2019

Company	Funds Expensed	Total Funds Committed	Balance of Commitment (Total Funds Committed less Funds Expensed)	% of total
RICOED 2012-Present				
Aggieville Business Association	\$45,000	\$45,000	-	0.1%
Manhattan Area Chamber of Commerce ³	\$1,103,391	\$2,557,562	\$1,454,171	4.7%
Downtown Conference Center ³	\$646,666	\$1,681,836	\$1,035,170	3.1%
Downtown Manhattan, Inc.	\$90,000	\$90,000	-	0.2%
KSU Foundation	\$800,000	\$800,000	\$0	1.5%
Tallgrass Brewing Company	\$320,423	\$432,923	\$112,500	0.8%
Program Administration	\$663,655	\$2,108,181	\$1,444,526	3.9%
Wolf House Museum	\$10,000	\$10,000	\$0	0.0%
TOTAL RICOED 2012-Present	\$3,679,134	\$7,725,501	\$1,557,026	6%
INFRASTRUCTURE				
Airport General Aviation Site Improvements	\$467,855	\$470,543	\$2,688	0.9%
Airport Military Entrance	\$248,798	\$318,297	\$69,499	0.6%
Airport Terminal Design	\$87,400	\$87,400	-	0.2%
Arbor Dr. Benefit District - City At-Large Portion	\$15,197	\$15,197	-	0.0%
Claffin & Seth Child/K-113	\$65,211	\$65,211	-	0.1%
Corporate Technology Park Special Assessments	\$489,045	\$673,562	\$184,517	1.2%
Eureka Business Park City-at-Large Portion	\$193,113	\$193,113	\$0	0.4%
K-18 Local Match	\$870,625	\$1,243,000	\$372,375	2.3%
Kimball Avenue & Candlewood Drive	\$30,900	\$30,900	-	0.1%
Manhattan Urban Area Comprehensive Plan	\$205,000	\$205,000	-	0.4%
Marlatt & Denison Avenue Roadway Expansion Design	\$0	\$80,000	\$80,000	0.1%
North Campus Corridor Plan	\$114,500	\$114,500	-	0.2%
North Manhattan Avenue Corridor Design	\$94,470	\$94,470	-	0.2%
North Manhattan Expansion Phase I & II Construction	\$299,470	\$2,436,882	\$2,137,413	4.5%
North Manhattan Corridor (Research to Bakers Way)	\$0	\$2,100,000	\$2,100,000	3.9%
North Manhattan Corridor (Bakers Way to Claffin)	\$0	\$2,100,000	\$2,100,000	3.9%
North Manhattan Corridor (Kimball/College)	\$0	\$2,000,000	\$2,000,000	3.7%
Shuss Road Improvements	\$57,156	\$57,156	\$0	0.1%
South Airport Road	\$160,253	\$176,092	\$15,839	0.3%
US-24 & US-24 (East Poyntz) (Mall Entrance)	\$775	\$775	-	0.0%
US 24 Highway and McCall Road Intersection	\$1,158	\$1,158	-	0.0%
TOTAL INFRASTRUCTURE	\$3,400,925	\$12,463,256	\$9,062,331	13%
Total MEDOFAB	\$13,091,451	\$13,280,167	\$188,716	24%
Total RICOED 2002-2012	\$19,061,907	\$20,753,929	\$1,692,022	38%
Total RICOED 2012 - Present	\$3,679,134	\$7,725,501	\$1,557,026	6%
Total Infrastructure	\$3,400,925	\$12,463,256	\$9,062,331	13%
TOTAL FOR ALL SALES TAX	\$39,233,418	\$54,222,853	\$12,500,095	100%

Please note that the above chart is not a complete list of expenditures for each sales tax. It is meant to highlight companies that have received funding as well as infrastructure projects.

¹ NISTAC changed its name to KSU-IC

² Allocated annually at the discretion of the governing body

³ Annual allocation based on discretion of the City Commission. Forecasted years are reflected, but only current year is committed

ECONOMIC DEVELOPMENT FUND

TOTAL COMBINED FUND AVAILABILITY					
	2020	2022	2025	2030	2032
Projected Starting Cash	\$8,818,998	\$6,531,952	\$4,243,912	\$4,004,497	\$3,722,414
Projected Revenues	\$ 2,172,480	\$2,267,917	\$457,917	\$557,917	\$ --
Projected Expenditure	\$ 4,499,102	\$4,072,034	\$626,750	\$420,000	\$210,000
Projected Total Available	\$ 6,492,376	\$4,727,835	\$4,075,079	\$4,142,414	\$3,512,414

HISTORY	FUND AVAILABILITY MEDOFAB
MEDOFAB	Starting 2020 Cash Balance
The Medofab division of the economic development fund was supported by a .5% city sales tax that was approved on November 8, 1994 and sunset on December 31, 1998. The revenue was used to create self sustaining programs and job creation.	\$854,741
	Projected Revenue 2020-2023
	\$ 4,079
	*Projected Expenditure 2020-2023
	\$ 0
	**Total Committed
	\$ 0
	Total Available
	\$858,820
	*PROJECTED EXPENDITURES 2020-2023
	There are no current projected expenditures
	**TOTAL COMMITTED
	No current projects with committed dollars

RICOED 2002	FUND AVAILABILITY RICOED 2002
The RicoEd 2002 was supported by the city's portion of a countywide .5% sales tax that was approved in November 2002.	Starting 2020 Cash Balance
	\$2,753,922
	Projected Revenue 2020-2030
	\$5,360,346
	*Projected Expenditure 2020-2030
	\$ 539,970
	**Total Committed
	\$1,635,442
	Total Available
	\$5,938,856
	*PROJECTED EXPENDITURES 2020-2023
	Unexpended Program Budget
	\$ 500,000
	Assessment Fee - Florence Corp of Kansas
	\$ 32,300
	Assessment Fee - Flint Hills Beverage
	\$ 7,670
	Total Projected Expenditures
	\$ 539,970
	**TOTAL COMMITTED
	NBAF
	\$1,635,442



APPENDIX

HISTORY

RICOED 2012

The RicoEd 2012 was a renewal for an additional ten years of the RICOED 2002 sales tax supported by the city's portion of a countywide .5% sales tax.

FUND AVAILABILITY RICOED 2012

Starting 2020 Cash Balance	\$5,210,335
Projected Revenue 2020-2032	\$6,331,476
*Projected Expenditure 2020-2032	\$4,095,132
**Total Committed 2021-2032	\$10,731,941
Total Available	\$(3,285,262)

*PROJECTED EXPENDITURES 2020-2032

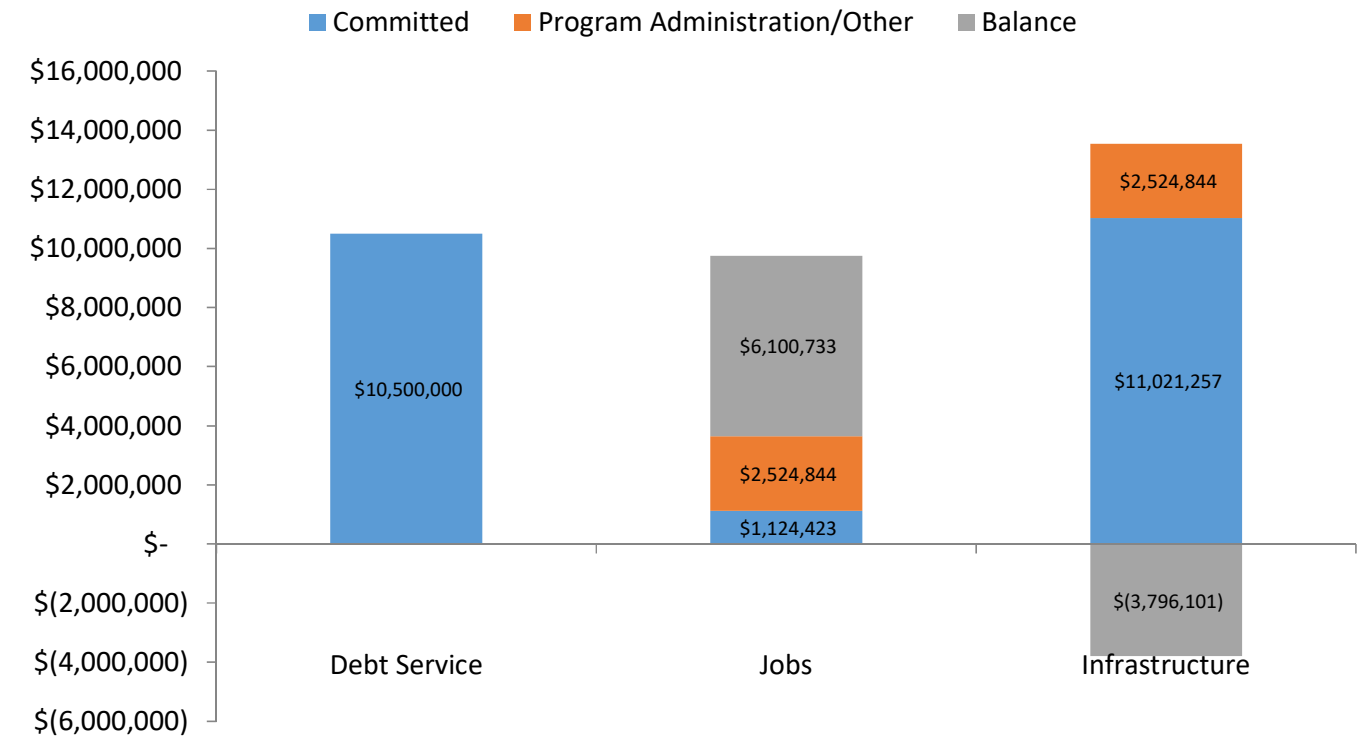
Chamber of Commerce	2020	\$533,080
K-18 Local Match	2020	\$124,125
Flinthills Area Transportation	2020	\$129,882
North MHK Kimball/Research	2020	\$208,750
Conference Ctr Payment	2020	\$517,585
Conference Ctr Debt Buydown	2020	\$500,000
Miller Parkway/Scenic Drive	2020	\$147,250
Tech Park	2020	\$86,708
MHK Airport Public Bldg Ph II	2020	\$308,828
Airport Military Entrance	2020	\$75,469
North MHK Kimball/College	2020	\$500,000
Operating & Maintenance Equipment	2020	\$40,000
2020 CIP Items	2020	\$79,375
Dues & Memberships	2020-2023	\$44,080
Transfer to General Fund	2020-2023	\$800,000
Total Projected Expenditures		\$4,095,132

**TOTAL COMMITTED 2021-2032

PROJECT	ANNUAL OBLIGATION	YEARS	TOTAL OBLIGATION
Community House	\$500,000	2021	\$500,000
Chamber of Commerce	\$538,000	2021-2022	\$1,076,000
K-18 Local Match	\$124,125	2021-2023	\$372,375
Flinthills Area Transportation	\$129,882	2021-2023	\$389,646
North MHK Kimball/Research	\$210,000	2021-2028	\$1,658,750
Conference Ctr Payment	\$517,585	2021-2022	\$1,035,170
North MHK Research/Baker's	\$210,000	2022-2031	\$2,100,000
North MHK Baker/Clafin	\$210,000	2023-2032	\$2,100,000
North MHK Kimball/College	\$500,000	2021-2023	\$1,500,000
Total Committed			\$10,731,941

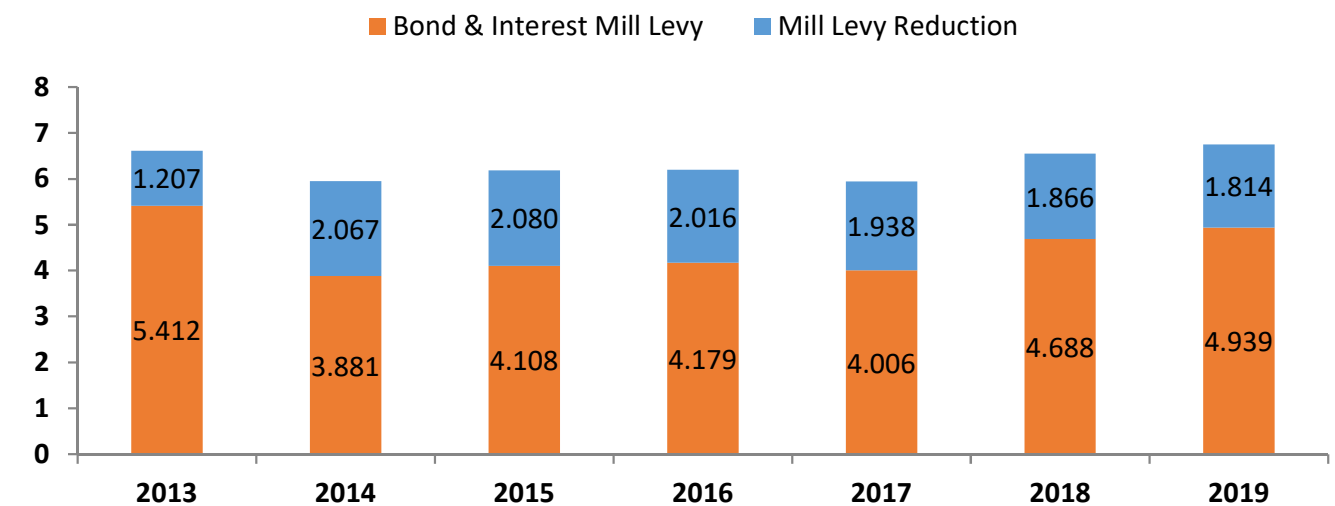
Forecast Economic Development Funds

as of August 31, 2020



Annually, the City transfers 35% of sales tax dollars collected for the 2012 Economic Development half cent sales tax to the Bond and Interest Fund to reduce the mill levy impact. The chart below reflects those transfers. For 2019, the 35% debt service transfer amounted to \$1,043,552 for a 1.814 mill reduction.

	2013	2014	2015	2016	2017	2018	2019
35% Transfer to Bond & Interest Fund	559,886.66	1,002,582.01	1,041,414.11	1,049,675.11	1,043,147.17	1,045,156.06	1,043,551.82
Mill Levy Reduction	1.207	2.067	2.080	2.016	1.938	1.866	1.814
Actual Bond and Interest Mill Levy	5.412	3.881	4.108	4.179	4.006	4.605	4.939



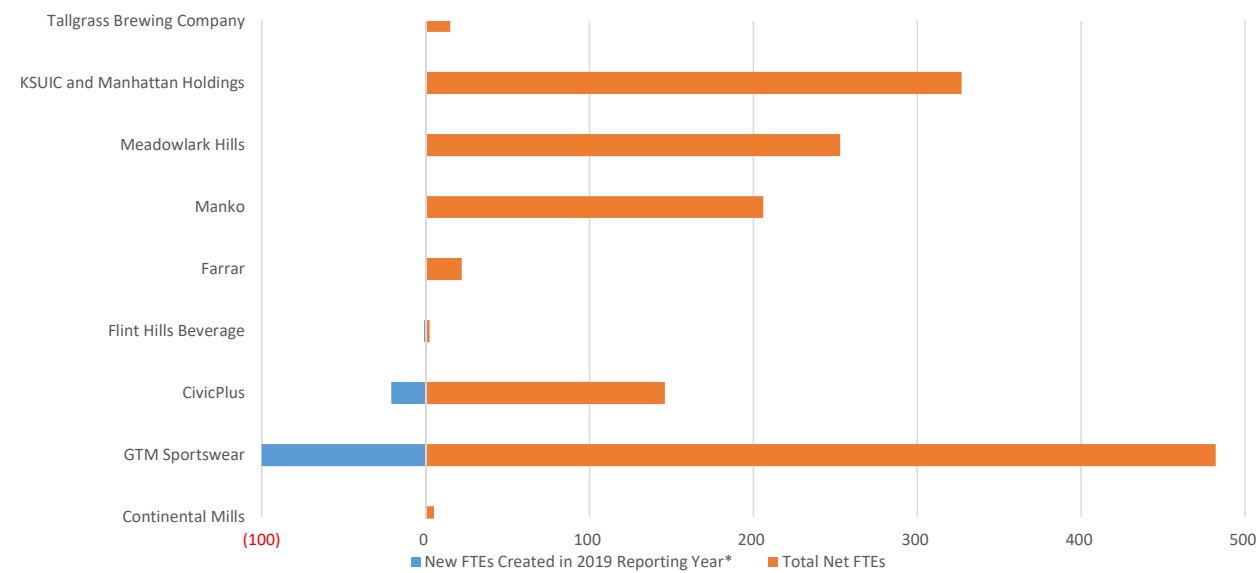


APPENDIX

Net Job Creation by Monitored Companies

Applicant	New FTEs Created in 2019 Reporting Year*	Total Net FTEs	Jobs Projected		% of Jobs Created Over Projection
			Total Projected	by Year	
Currently Reporting Businesses					
Continental Mills	0	5	12	06/30/19	-58%
GTM Sportswear	(111)	482	641	12/31/19	-25%
CivicPlus	(21)	146	176	12/31/19	-17%
Flint Hills Beverage	(1)	2.5	5	12/31/19	-50%
Archive					
Farrar	-	22	52	12/31/16	-58%
Manko	-	206	108	12/31/14	91%
Meadowlark Hills	-	253	245	12/31/17	3%
KSUIC and Manhattan Holdings	-	327	213	06/30/18	54%
Defunct					
Tallgrass Brewing Company	-	15	16	12/31/16	-6%
Totals	(133)	1,459	1,468.25	---	-1%

*New FTEs are calculated by comparing the current reporting year's new FTEs compared to previous year's new FTEs. Number shown here reflects net new FTEs for current reporting year.



Public vs. Private Investment

Results of City Economic Development Investment

This chart does not include certain direct benefits, such as payroll, or indirect spinoff benefits.

Company	City Economic Development Fund Investments (or Commitments)	Approximate Private or Other Capital Investments ¹	Total Public + Private
Active Companies			
MEDOFAB			
Continental Mills	\$223,000	\$3,487,321	\$3,710,321
GTM Sportswear	\$800,000	\$23,205,041	\$24,005,041
Kansas Entrepreneurial Center	\$670,000	\$958,286	\$1,628,286
Manhattan Holdings	\$600,000	\$1,670,000	\$2,270,000
TOTAL: MEDOFAB	\$2,293,000	\$29,487,355	\$31,613,648
RICOED OLD (2002-2012)			
CivicPlus	\$750,000	\$11,234,105	\$11,984,105
Downtown Conference Center	\$2,146,666	\$13,000,000	\$15,146,666
Flint Hills Beverage	\$188,950	\$3,058,197	\$3,247,147
Manhattan Area Technical College	\$666,500	\$528,214	\$1,194,714
NBAF ²	\$5,000,000	\$75,000,000	\$80,000,000
TOTAL: RICOED OLD	\$8,752,116	\$102,820,516	\$111,572,632
RICOED NEW (2012-2022)			
TOTAL: RICOED NEW	\$0	\$0	\$0
Inactive Companies (as of last reporting period)			
Downtown Manhattan, Inc.	\$225,000	\$257,553	\$482,553
Farrar Corporation	\$1,100,000	\$4,000,000	\$5,100,000
Florence Corporation of Kansas	\$823,492	\$22,107,149	\$22,930,641
Regional Jet Service	\$915,000	\$3,349,000	\$4,264,000
Manhattan/K-State Innovation Center	\$8,131,803	\$2,731,000	\$10,862,803
Meadowlark Hills	\$753,649	\$45,709,154	\$46,462,803
TOTAL: INACTIVE COMPANIES	\$11,948,944	\$78,402,411	\$90,102,800
Defunct Companies (as of last reporting period)			
Tallgrass Brewing Company	\$432,923	\$5,952,710	\$6,385,633

¹ As of the most recent information available

² The \$75 million federal government investment is a highly conservative estimate



Ratio of Public to Private Dollars



Ratio of Public to Private Dollars with full \$1.25 billion federal investment for NBAF

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