



powered



annual report: 2016-2017

edc
ECONOMIC DEVELOPMENT CORPORATION

for the future.



Corrigan Station, Downtown Kansas City. Central Business District, Downtown Kansas City. 18th and Vine, Kansas City's Historic Jazz District.

message from the chair and president

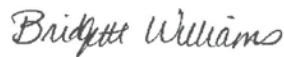
We are proud to present the FY2017 Annual Report of the EDC. This report covers the period of May 2016 through April 2017. It has been another productive year at the EDC, one in which we continued to gain momentum. Increased capital investment, growing business opportunities and new land development projects continued to elevate Kansas City as a destination city.

Kansas City, Missouri, continues to grow in all areas of the city and is stronger than it has ever been. This past year was an important year for urban renewal and expansion, with projects like the Blue River Valley Corridor, 18th & Vine and East side proactive TIF initiatives.

This year also saw an increase in business development opportunities that added jobs and provided educational opportunities for our talented workforce. This included initiatives that built on our position as a hub for technology companies.

To our many partners and supporters, we thank you for your efforts and look forward to an equally productive FY2018 as current projects and initiatives grow and new ones are developed.

Thank you again for your support.



Bridgette Williams
Chair



Bob Langenkamp
President

edc board of directors

Our partners at the City of Kansas City, Missouri, and EDC's board of directors are dedicated to helping Kansas City thrive. Our board is a voice for Kansas City business, addressing those issues and areas for development that are important to the community. By continuing to focus on bringing new business to the city and supporting the success and expansion of those already here, the EDC looks forward to growing its relationships with public and private stakeholders and working together to see Kansas City reach its full potential.

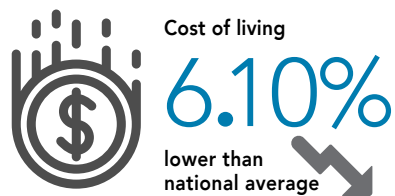
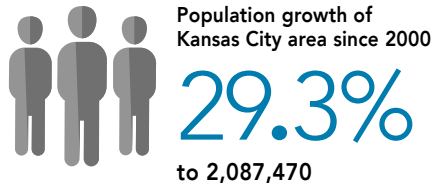
- Chair** Bridgette Williams, *Heavy Constructors Association*
- Vice Chair** Spencer Fields, *Willis Towers Watson*
- Treasurer** Madeline Romious, *AT&T*
- Ed Ford, *Ford & Cooper, P.C*
- Jeff Krum, *Boulevard Brewing Co.*
- Rosana Privitera-Biondo, *Mark One Electric Co.*
- Troy Schulte, *City Manager, Kansas City, Missouri*
- Scott Taylor, *Chair of City Planning, Zoning & ED Committee, Councilman*
- Sly James, *Mayor, Kansas City, Missouri*



CenterPoint Intermodal Center (CIC), South Kansas City. 12th and Main Street, Downtown Kansas City. The Village at Briarcliff, Kansas City North.

about kansas city

Kansas City, Missouri, boasts a growing local economy, low cost of living, access to talented employees and a location that is right in the heart of the country. Headquarters, technology companies, entrepreneurs, freight-based companies and shared service centers select Kansas City, Missouri, for its access to a strong support network of public and private programs, civic-minded entrepreneurs and competitive incentives. The launch of our streetcar has spurred more than **100 new projects** along its route and continues to be popular with residents and visitors alike. Since May 2016, nearly **2.4 million** streetcar rides have been completed averaging **5,700 daily riders** and City Council approved the purchase of two additional streetcar vehicles for the existing downtown route.



about edc

The Economic Development Corporation of Kansas City (EDC) is the City of Kansas City, Missouri's economic development team. As the economic development arm for the City of Kansas City, Missouri, the EDC team provides financial and informational assistance, workforce resources and customized research to ensure strategic economic development for local business.

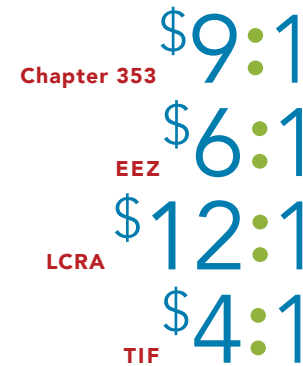
This past year, the EDC made several significant upgrades in technology and infrastructure to improve operational efficiency and quality. A new cloud-based customer relationship management (CRM) system has enabled better data collection and management and analysis of customer interactions which has led to improved business relationships. In addition, an upgraded phone system provided enhanced functionality and mobility, and a cloud-based storage system improved information usability, bandwidth and accessibility.

The EDC's mission is to increase development within the City of Kansas City, Missouri.

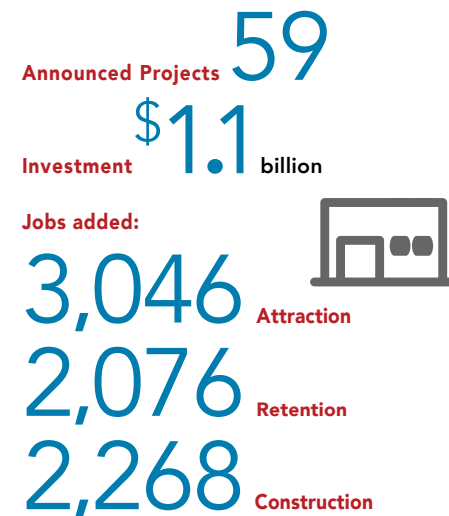
edc fy2017 in review

The EDC enjoyed record achievements in FY2017, announcing **59 projects** and generating **\$1.1 billion** in investment. We have seen renovation and modernization of buildings as well as new construction across our entire territory from south Kansas City, to the east, downtown and north, in order to accommodate our growing business community.

In addition, the organization realized strong results in the **private** versus **public** ratios:



FY2017 Growth in Kansas City, Missouri





Alpha Energy and Electric's world headquarters. Downtown Kansas City's skyline.

business & job development

With new jobs created at the highest level in a decade, the business and job development team recorded **36 successful retention, expansion and recruitment projects** which created and retained more than **5,000 jobs**. This year's highlights include the construction of a **CVS Pharmacy Distribution Center**, **Virgin Mobile's** decision to base its headquarters in downtown Kansas City, **AutoAlert's headquarters** relocation to Kansas City and the expansion of **Alpha Energy and Electric's** world headquarters.

\$283,772,885

in investment from job-based projects



5,122

new and retained jobs FY2017

New Jobs: 3,046

Retained Jobs: 2,076

36 Announced Projects Broken Down by:

Expansion **17** Attraction **14**

Retention **3** Startup **2**

Projects by Industry:

8 Information Technology 

7 Supply Chain Management 

6 Other 

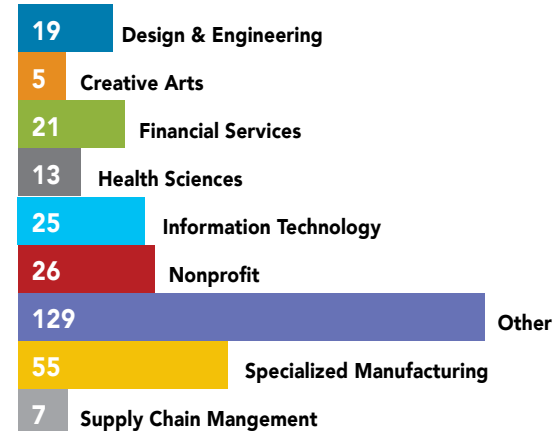
5 Design & Engineering 

5 Financial Services 

5 Specialized Manufacturing 

In addition, EDC staff visited **300** businesses in FY2017 to inform businesses of resources available, make sure needs are being met and survey businesses on trends, challenges, workforce needs and opportunities for expansion.

Visits Sector





Virgin Mobile, USA Headquarters, Downtown Kansas City. Construction of CVS Distribution Center in Kansas City's northland. ALERE eSCREEN, headquarters, South Kansas City.

Virgin Mobile Selects Downtown KC for USA Headquarters

In 2017, downtown Kansas City officially became the home for Virgin Mobile **USA's headquarters**. When renovation of an **11,000 square-foot** office space on Main Street is complete, the company plans to hire up to 100 new employees. Virgin Mobile USA received a benefit through the State's Missouri Works program.

According to Dow Draper, CEO of Virgin Mobile, the company chose Kansas City for its reputation as a start-up and tech hub, its favorable costs and access to an educated workforce.

"Kansas City is a national hub of entrepreneurial spirit and start-ups, making it the perfect backdrop for our new office as we evolve the Virgin Mobile brand," said Draper. "In addition to the dense cluster of inventive companies located downtown, the cost of commercial real estate and salaries are more attractive in Kansas City relative to both coasts. Plus, Kansas City is home to a high-end talent pool and ranks high on national lists for places to live and work, which helps attract, hire and retain employees."

"The EDC was instrumental in introducing us to downtown, suggesting potential office locations and connecting us with the Missouri Works program to receive the incentives. The EDC is a great partner to have as we plan for our company's growth in Kansas City."

– Dow Draper, CEO of Virgin Mobile

* Virgin Mobile USA was a 2017 Cornerstone Award winner.

Kansas City Northland Chosen for First Missouri CVS Pharmacy Distribution Center

CVS Pharmacy, the nation's leading retail pharmacy chain, is building a **\$110 million, 762,000 square-foot** distribution center near the KCI Airport. The center is expected to create more than 400 jobs between new positions and work outsourced to local businesses. This is the first CVS distribution center located in Missouri.

"This new distribution center is an integral part of CVS Pharmacy's continued growth," said Kevin Hourican, executive vice president, Pharmacy Services & Supply Chain, CVS Health. "The combination of a high-quality workforce and a centralized location will allow us to better serve the growing needs of our customers throughout the Midwest and beyond. As a result of our new Midwest distribution center, our delivery drivers will drive fewer miles each year, significantly reducing carbon emissions and improving highway safety."

"On behalf of CVS Pharmacy, we are thrilled to grow our presence in the Kansas City business community. This new location will help us enhance support for our expanding distribution needs in the Midwestern market."

– Ron Link, Senior Vice President of Logistics at CVS Pharmacy

Alere eScreen Moves Headquarters and Over 200 Employees to South Kansas City

Alere eScreen, Inc. moved its headquarters to 8140 Ward Parkway in south Kansas City, bringing a \$6.8 million investment to the City. Alere eScreen provides next-generation employment screening applications allowing employers to hire and maintain healthy and drug-free workforces. It is the only instrumented point-of-collection test which delivers negative urine test results within 15 minutes and controlled from a secure, paperless web platform and offers a wide range of innovative products and services providing companies with a cutting-edge and flexible employee screening solution.

"The new facility will allow us to rapidly scale the organization. The attractive location and progressive office design will further support our company culture and our endeavor in building a world class team in Kansas City."

– Christopher Tarpey, general manager of Alere eScreen



The International team met with Durracorn. Power & Light Apartments at 1320 Baltimore. Columbus Park Lofts, Columbus Park Neighborhood.

business & job development *continued*

international business development

The international affairs team provides assistance and resources to local and international companies interested in expanding or locating to Kansas City. Additionally, they identify and assist with import and export opportunities, host international dignitaries and help attract foreign direct investment (FDI) initiatives with the mission to increase cultural and trade ties, capital investment and job creation.

EDC's international team attends tradeshows (in partnership with the state of Missouri), goes on trade missions, hosts diplomat visits and more. Highlights from the past year include **hosting the Saudi Arabian Eastern Province Mayoral Delegation** and **attending the Smart City Summit & Expo in Taipei, Taiwan.**

land development

Our land development team enjoyed a banner year as well, facilitating **33 new development projects** totaling more than **\$804 million** in capital investment. The year's project highlights include the renovation of the Power and Light building into luxury apartments and the construction of the Columbus Park Lofts, which provides affordable housing and is the first phase of a land development project in the Columbus Park neighborhood.

Another highlight of the year was winning **\$350,000 in U.S. Economic Development Administration grants**. The grants are being used to develop a strategy to restore the Blue River Valley Corridor, returning jobs and investment to this historic employment center, and repair failed water infrastructure in the footprint of the former Armco Steel Co.

Land Development Totals:

2,268 Total CONSTRUCTION Jobs
Total Investment \$804,606,835
Total Incentives Granted \$141,010,367

Land Development Projects by Investment Type:

\$156,589,922 Commercial & Office
\$ 72,700,000 Hotel
\$128,782,030 Mixed-Use
\$446,534,883 Residential

Land Development Projects by Construction Type:

21 Rehab/Expansion
12 New Construction



Columbus Park Lofts, Columbus Park Neighborhood. 63 Brookside, between Brookside and Troost. 2016 LaunchKC grant winners.

New Lofts Transform Historic River Market Neighborhood

Columbus Park Lofts (CP Lofts) is the first phase of a **\$70 million land development project** focused on transforming Kansas City's historic Columbus Park neighborhood. With **108 residential units** completed and **100 percent occupied**, the lofts include a gallery, cafe, community work spaces and a conference area, and it already has a wait list for future residents. Half of the units are available at below market rate to offer housing options for those who want to live downtown but can't afford luxury apartments.

With the EDC's assistance in funding infrastructure improvements and providing tax abatements, the Columbus Park Lofts project has reinvigorated a historic part of the city.

"The EDC was great to work with and has always been there for us. It's hard to believe this beautiful project is sitting here now where vacant office buildings and warehouses were sitting two years ago."

– Kelly Hrabe, owner of Prairie Fire Development Group

\$70,000,000
land development project

100% occupied



63rd Street Makeover Revitalizes East Side

Local developers are breathing new life into 63rd Street between Brookside and Troost, an area that is gaining momentum, as revitalization is well underway for both the commercial and housing markets. Commercial buildings that once had a seventy to eighty-five percent vacancy rate are now **100 percent full** and home to thriving retail and community space.

In addition, living options are becoming available to attract residents, including multi-family and luxury townhome residences. UC-B Properties and architecture firm HOK are building a three-story apartment building, **63 Brookside, the first new apartment building in the area in more than 40 years.** Located at the Holmes intersection, the property includes one- and two-bedroom units, each with a balcony and secured surface parking. The exterior of the contemporary building is made of brick and metal, while interiors feature all electric appliances, quartz countertops and tiled baths.

UC-B Properties also is partnering with Blackbird Design Studio on the design of 63 Oak, **five 1,950-square-foot luxury townhomes** in the Brookside neighborhood. Each townhome boasts three levels with three bedrooms and three-and-a-half baths, and tenants can enjoy a two-car garage and private outdoor spaces.

"We always enjoy working with the EDC leadership and staff and without them, our projects wouldn't be built. The short-term incentive provided bridges the gap for the common long-term vision of the neighborhoods we work in."

– Lance Carlton, UC-B Properties

LaunchKC

LaunchKC, a civic collaboration jointly managed by the EDC and the Downtown Council of Kansas City, was established in 2015 to attract tech entrepreneurs from around the world to Kansas City. Since launching in 2015, LaunchKC has awarded **\$1 million** in cash grants to **20 start-up businesses.** LaunchKC has added a total of **44 new jobs** and is accountable for **\$5.4 million** in total investment to Kansas City, Missouri.

(continued on next page)

2016 LaunchKC grant award winners received:

\$50,000 grants
\$500,000 awarded in total

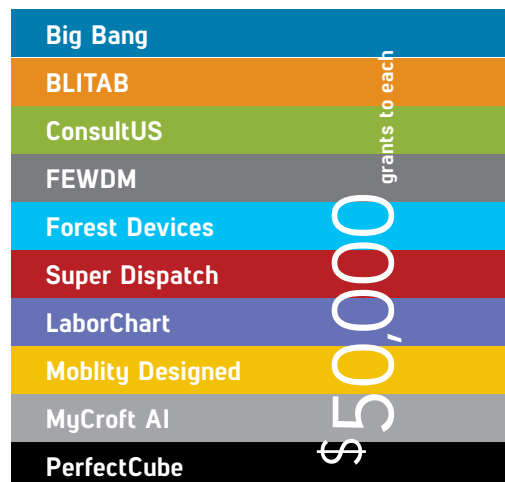


Kauffman Foundation's President and CEO, Wendy Gullies, helps kickoff Techweek 2016. MyCroft lands strategic partnership with Jaguar Land Rover. Cornerstone Awards.

LaunchKC continued

Recipients of the 2016 LaunchKC grants were announced during Kansas City's second annual hosting of Techweek, the nation's largest technology conference and festival, which attracted more than **5,000** registered attendees from around the world.

Techweek's partnership with Kansas City enhances the local technology and entrepreneurial community by bringing influential tech companies and leaders, startups and investors together for an open exchange of ideas and conversation.



LaunchKC Propels Local Voice-Activated Device Creator onto National Scene

Voice-activated technology like Siri and Amazon's Echo are well-known, but there is an alternative open-source device that is quickly making its mark. After receiving one of the ten LaunchKC grants awarded in 2016, **MyCroft AI, Inc. was selected to represent Kansas City in the Techweek National Launch Competition finals in Miami.** It walked away with the \$50,000 grand prize.

"We're already **shipping to 56 countries and 39 states** and we see continued expansion into places like China, Australia, Japan, Korea and the Russian Federation over the next year," said Joshua Montgomery, CEO of MyCroft AI, Inc. "We have a strong future ahead of us as a global technology company based in Kansas City."

"Strong support locally is an indicator that people who know the founder and company best have determined the founder and company should be supported and will be successful. It takes strong support from the local economy and this is where the EDC has been very helpful."

– *Joshua Montgomery, CEO of MyCroft AI, Inc.*

2016 Cornerstone Winners:

63rd Street Revitalization,
Oak to Troost
Boulevard Brewing
Company Tours
Burns & McDonnell
Headquarters Expansion
Corrigan Station
Fishtech
MMC Contractors
MULTIVAC, Inc.
Oak Point Duplexes
Power & Light Apartments
Virgin Mobile USA

Innovation Winners:

K12itc
PayIt, LLC
Pinsight Media
Startland News
The Grooming Project

"Made in Kansas City" Winners:

Kansas City Sausage Co.
Sandlot Goods
Tom's Town Distilling Co.

Lifetime Achievement Winner:

Barnett and Shirley Helzberg

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Commerce Bank
Enterprise Bank & Trust



EDC STAFF

Photos shown, left to right, top to bottom

Robert Langenkamp, *President & CEO*

Jill Quinn, *Corporate Secretary & Executive to CEO*



ADMINISTRATION

T'Risa McCord, *Senior Vice President & CAO*

Lee Brown, *Controller*

Aarron Knight, *Accountant*

La'Sherry Banks, *Administrative Coordinator*

Kiah Banks, *Receptionist/Administrative Assistant*



BUSINESS & JOB DEVELOPMENT

Drew Solomon, *Senior Vice President, Business & Job Development
Executive Director, EEZ*

Gary Sage, *Research and Policy Officer*

Carrie Habib, *Administrative Assistant, Community Economic Development*

Kevin Battle, *Business Development Officer*

Jim Erickson, *Business Development Officer*

Cathleen Flournoy, *Business & Development Services Specialist*

Morgan Franklin, *Business Development Officer*

Jamilah Jones, *Business Development Officer*

Steve Rinne, *Business Development Officer*

Narbeli Galindo, *Director of International Affairs*

Alvin Liow, *International Trade Assistant*



LAND DEVELOPMENT

Greg Flisram, *Senior Vice President, Business & Real Estate Development
Executive Director, LCRA*

Dan Moye, *Principal Development Analyst*

Robert Long, *Development Services Specialist*

Heather Brown, *Executive Director, Tax Increment Financing Commission*

Janine Pettitt, *Administrative Coordinator, Tax Increment Financing Commission*

Sandra Rayford, *Contract Compliance Manager*

Susan Tumey, *Administrative Assistant, LCRA*



EDC LOAN CORPORATION

Dawn Kennedy, *Executive Director, EDC Loan Corporation*

Kimberlyn Jones, *Business Development Credit Officer*

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