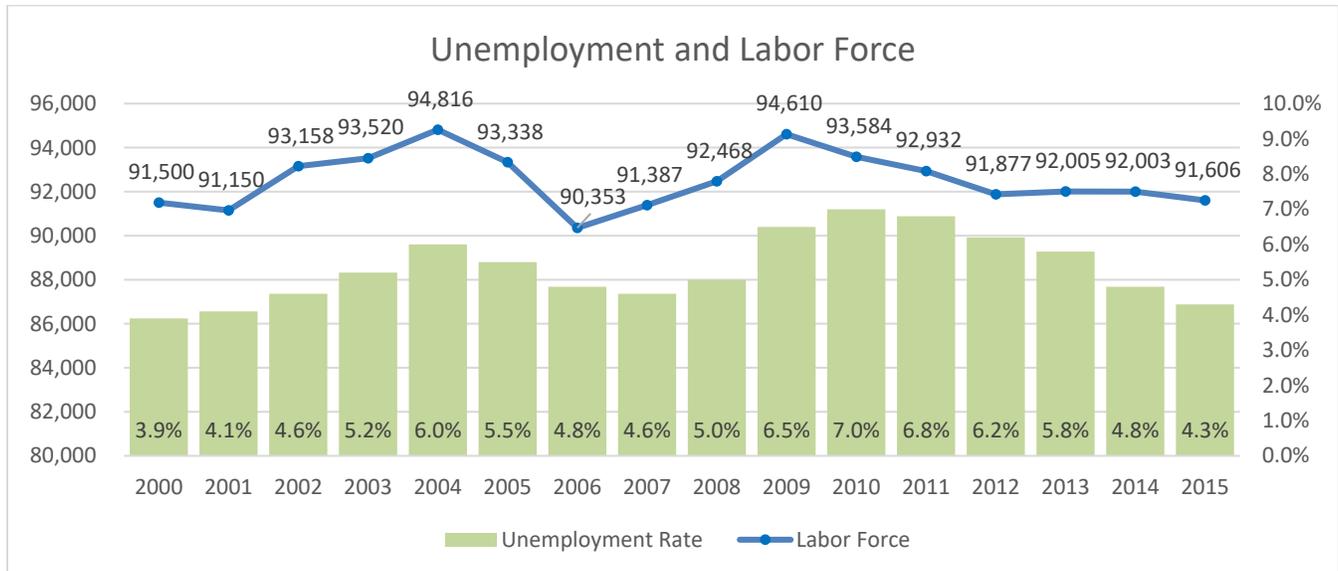




How many workers and jobs are there?

In 2015, Shawnee County's labor force¹ stood at 91,600 workers, similar to what it was in 2000 but lower than its peaks prior to the recession. However, the number of jobs² has steadily increased since 2010, despite a decreasing labor force. This has pushed the unemployment rate³ down to 4.3 percent. The declining labor force is partially explained by the county's aging with the labor participation rate⁴ decreasing from 55 to 51 percent over the past decade. Effort needs to be made to attract new workers to the area to support recent job growth.



Source: Kansas Department of Labor

Education affects the industries that the labor market can support. In 2015, 9 percent of the population had less than a high school diploma while 29 percent had a Bachelor's degree or higher. Within the County, Topeka has lower levels of educational attainment, causing Shawnee County overall to be less educated than Kansas.

However, Shawnee County excluding Topeka tends to be better educated than the state.

In 2015, the county's median household income was \$50,378, compared to \$52,205 for Kansas. This is lower than it was in 1990 and 2000 after accounting for inflation, but it has increased since the recession. The city has lower median incomes than the county. This is partially explained by higher rates of education in the county.

Findings & Conclusions:

1. Shawnee County's labor force has been decreasing since 2009 despite an increase in the number of jobs over that period. This runs counter to population trends as well, which has generally increased.
2. These factors and the County's low unemployment rate may lead to a shortage of qualified workers.
3. People are aging out of the workforce, so the county may need to actively attract younger workers.
4. Lower rates of education in Topeka bring Shawnee County's educational attainment rates lower than the state. As a result, median incomes tend to be lower.
5. Shawnee County's median household income grew slower than inflation.

¹ Labor Force: The population employed (with a job) plus unemployed (jobless, looking for a job, and available for work)

² Job: Full or Part Time Employment

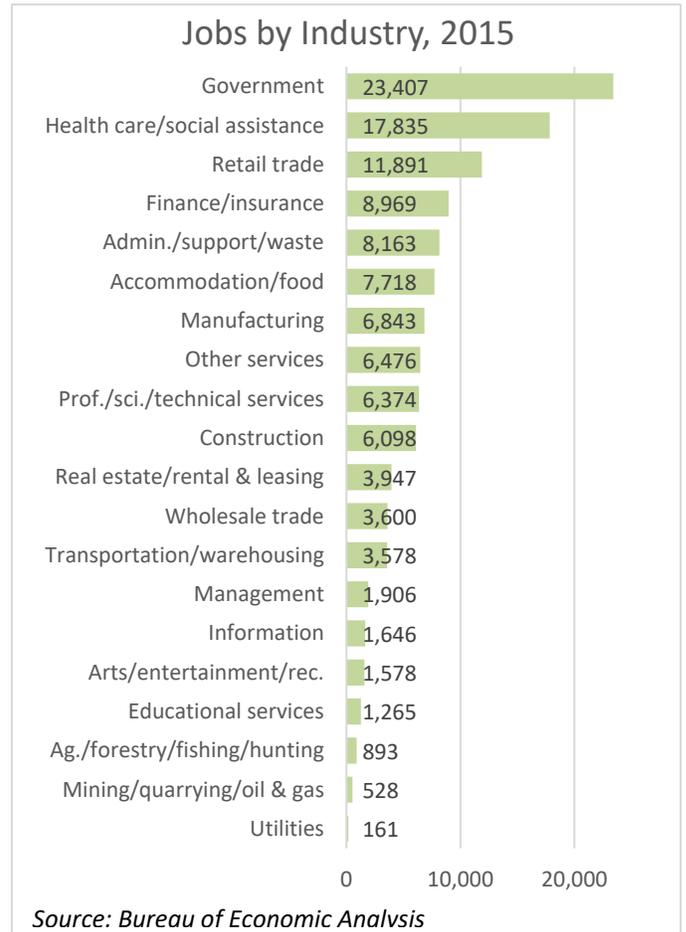
³ Unemployment Rate: The number of unemployed as a percentage of the labor force

⁴ Labor Participation Rate: Labor force as a percentage of the population

What industries are there?

Industries can be measured by the number of employees or businesses. In Shawnee County, businesses employing the most people are public administration, health care and social assistance, and retail trade, collectively providing 43 percent of jobs. About 18 percent of the county's businesses are outside Topeka with agriculture, utilities, and construction being most common in rural areas. Potential sectors for expansion are advanced systems technology, food manufacturing, logistics and distribution, and professional and financial services.

From 2005 to 2015, Shawnee County added 4,712 jobs, a 4 percent growth. Much of this was driven by the finance and administrative industries, though health care, accommodations/ food service and management also increased significantly. In total, these five sectors added nearly 8,800 jobs. Other growing industries included federal and local government, educational services, professional services, real estate, and extractive activities. Industries with major job losses included retail trade, information, and state government, each of which decreased by over 1,000 jobs. Manufacturing and other services also saw relatively large job losses.



Agriculture does not supply as many jobs as may be expected, but it has a large economic impact, supporting manufacturing, wholesale trade, transportation, and warehousing, all of which utilize agricultural products. The Kansas Department of Agriculture estimates the economic impact of agriculture, food, and food processing to be \$2 billion with over 4,500 jobs supported by these industries. It also has more than \$50 million in crop and livestock sales and indirectly contributes to roughly 29% of the county's economy. However, farm employment decreased about 13 percent the last decade.

Findings & Conclusions:

1. Shawnee County's key economic drivers include government, health care, and corporate and service based sectors including retail, finance, insurance, and administration. However, unincorporated Shawnee County tends to have businesses that are tied to agricultural and blue collar activities.
2. Businesses that Shawnee County is well positioned to attract include advanced systems technology, food manufacturing, logistics and distribution, and professional and financial services.
3. Some of Shawnee County's largest sectors have declined the past decade, including Kansas State government. That growth has been made up for by growth in other professional sectors.
4. Agriculture is not a large employer of those in the county, but it has a wide-ranging impact on other related services, including the food and food processing sectors.

Are retail sales significant?

Retail is a major employer in Shawnee County's economy, and the county is also a regional retail center. In 2016, the County's retail sales surpassed \$2.53 billion, about 3.8 percent higher than expected. The fact that supply (actual retail sales) exceeds demand (expected retail sales) means spending is being attracted from other places. However, the County loses some food & drink, home furnishing stores, and gasoline stations spending to other counties. This retail leakage suggests some residents travel elsewhere for those purchases which indicates the potential for new businesses.

Retail power is concentrated in Topeka, including over 87 percent of businesses and 90 percent of County sales. Sales in Topeka are \$720 million higher than expected (46 percent), due to rural residents shopping in Topeka. Shopping within Topeka primarily occurs along the Wanamaker corridor. Downtown Topeka also has commercial catering to downtown employees. Numerous small commercial areas are also scattered throughout Topeka that primarily serve residents living nearby.



Commercial is prevalent along Wanamaker

The remainder of the County generates \$235 million in sales. This includes small commercial centers in Rossville, Silver Lake, and Auburn, in addition to small retail areas such as that north of Topeka on US-75 and in unincorporated town centers such as Dover. If residents living outside Topeka also shopped outside Topeka, the county could accommodate another \$860.7 million in sales, though it would also result in a decline in Topeka's retail sales. This indicates an opportunity to develop retail in unincorporated areas which could reduce travel times for rural shoppers, but it would be at the expense of retail activity within Topeka.



Neighborhood Commercial in Dover

Findings & Conclusions:

1. Shawnee County attracts \$2.53 billion in retail sales, some of which comes from surrounding counties.
2. Sales for food & drink establishments, furnishing stores and gasoline stations are lower than expected, signifying the possibility of business opportunities.
3. Retail power is concentrated in Topeka, but much of the purchasing power is found outside of the City. This suggests there is an opportunity to bring additional retail sales into the rest of the County.



Goals and Policy Recommendations

Goals:

- Train and educate a highly-qualified workforce for new and existing jobs within the county. This includes encouraging entrepreneurship and the development and growth of small businesses.
- Build on the economic strengths of the County using available opportunities. If incentives are used, ensure that they align with benefits while building on the county's strengths.
- Promote tourism using natural, historic, and cultural characteristics and protect resources like sand and limestone for mineral extraction.
- Constantly improve quality of life to attract and retain businesses and workers, including adequate retail activity to serve residents throughout the county.
- Coordinate economic development between all jurisdictions and areas of the county.

Policy Recommendations:

- Cultivate homegrown talent to continually enhance the workforce by connecting individuals in the community to training and employment opportunities for in-demand positions.
- Encourage partnerships between educational institutions and businesses to help fill in the cradle-to-career pipeline that groups like JEDO and GoTopeka have begun to create.
- Strengthen support for entrepreneurs and small businesses, helping increase their likelihood of success and nurturing business development from the ground up.
- Encourage the attraction of jobs related to Shawnee County's strengths, including advanced systems technology, food manufacturing, logistics and distribution, and professional and financial services. Focus on well-paying jobs that can improve the quality of life for Shawnee County residents.
- Support the development of agricultural tourism by providing for uses which help promote and maintain local farming operations and rural heritage and character.
- Evaluate current regulations regarding home-based occupations in unincorporated county to balance the compatibility of land uses, carrying capacity of infrastructure, and economic growth.
- Market natural, historic, and cultural resources as opportunities to develop viable businesses, including focuses on the history of trails, Kansas statehood, civil rights, and environment. This should complement efforts by the Native Stone Scenic Byway and the Oregon Trail Park.
- Focus on improving quality of life, including schools, quality of development, commercial and cultural offers, and other such factors that help attract and retain businesses and workers. As part of this, community pride will grow.
- Find ways to attract employees within Shawnee County to live within the County.
- Encourage the development of neighborhood retail near residents in the county that are not adequately served.
- Work with JEDO, GoTopeka, and other economic development stakeholders to provide a consistent marketing to those living inside and outside of the county.