

## CHAMBER OF COMMERCE - ECONOMIC DEVELOPMENT COUNCIL -

## House Commerce Committee Thursday, January 31, 2013

Chairman Kleeb and Members of the House Commerce Committee:

My name is Beth Johnson, and I am the Senior Vice President of Economic Development for the Overland Park Chamber of Commerce and Economic Development Council. I am speaking to you today regarding the practice of economic development and the factors that companies evaluate when selecting a new or expanded location.

My office is the economic development organization for the City of Overland Park and works on business recruitment, retention and expansion projects. We assist with a wide range of needs. We could be considered a concierge in terms of helping companies navigate a system of finding workforce, training employees, identifying real estate, understanding incentive programs, determining permitting needs and connecting with community resources.

When a company is searching for a new location or is interested in expansion, they consider a wide range of factors. Those factors are weighted differently for every company, as what might be important to one company may not be so for the next. Each year Area Development conducts a study of national site location consultants to obtain feedback on the factors important to companies interested in expanding or relocating. Consistently, highway access and labor costs/availability of workforce have been ranked 1 and 2. Other factors include incentives, tax rates, right-to-work state, union profiles, quality of community, and availability of product. In my experience, we must have product or we will never make it to the next round of elimination as available buildings and sites are imperative for a company's evaluation process.

However, none of the above will matter if a company cannot feel secure in the location decision and therefore, stability becomes a key factor. A company is looking for a location that is not always in the midst of changing policies and procedures. The instability with constant changes will cause a company to rethink the success that they can find in a community or state. They want to know that the promises made a quality seen will hold true in the future.

Our organization has a very successful 2012 in terms of project announcements and look forward to another successful year in 2013. We started the year with a groundbreaking for a

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new retail development, PrairieFire. That development will house a location for the American Museum of Natural History, the first collaboration outside of New York. This could have happened in Chicago, Dallas or the West Coast, but it is happening in Overland Park. That speaks directly to the quality of community we offer.

Please help us in maintaining that high quality that makes Overland Park and the State of Kansas attractive to new companies, expansion of existing companies and new investment.

Thank you.