

Job Creation Fund (JCF)

2024 ANNUAL REPORT

JANUARY 2025



KANSAS
COMMERCE

BY THE NUMBERS

Fiscal Year 2024

6

FUNDED PROJECTS

\$13M

AWARDED

693

NEW JOBS COMMITTED

862

EXISTING JOBS
COMMITTED TO RETAIN

\$353M

COMMITTED CAPITAL
INVESTMENT

\$1 : \$40.97

RETURN ON
INVESTMENT

JOB CREATION FUND (JCF)

The Job Creation Fund (JCF) is the deal-closing fund for the State. For example, if we know Kansas is competing with the State of Illinois for “Company X” and we know Illinois’ incentive offer is close to ours, we use JCF to make an offer to ensure that Kansas wins.

JCF was created in 2011 by combining Investments in Major Projects and Comprehensive Training (IMPACT) and the Kansas Economic Opportunities Initiatives Fund (KEOIF). The intent behind JCF and its predecessors is to give the State of Kansas latitude to recruit out-of-state jobs and businesses and retain companies in our state. The design is intended to be nimble, flexible and adaptable to meet the fast-paced and ever-changing needs of businesses.

Currently, at least 23 states have a similar deal-closing fund. Many of these funds are designed to function in the same sense as JCF, providing discretion to the economic development agency or the Governor to make those decisions.

Job creation funds are awarded to companies with a requirement that the company will create or retain a specific number of jobs, provide training, or be used for other types of economic development. Companies that fail to meet performance standards do not receive JCF funds or are required to pay funds back depending on the structure of the agreement.

JCF funds are an integral tool for allowing Kansas to be competitive regionally, nationally and globally. Because this fund is meant only as a deal-closing fund, only about 2-4% of projects that the Department manages annually receive JCF. The Secretary of Commerce considers the recommendations of business recruitment experts and economists and has final approval authority of all JCF awards.



COMPANY NAME	LOAN STYLE *	ELIGIBILITY CRITERIA **	COUNTY	COMMITTED RETAINED JOBS	COMMITTED NEW JOBS	COMMITTED CAP EX	AWARD AMOUNT
Honeywell International, Inc.	M	1	JO	515	156	\$84,000,000	\$4,000,000
Kansas State University Foundation	M	8	RL	0	0	\$24,640,000	\$500,000
KMW, LTD	F	1	RC	201	251	\$105,000,000	\$680,000
Orange EV, LLC	M	2	WY	146	185	\$38,310,000	\$200,000
Pure Imagination Labs, LLC	M	2	SA	0	101	\$40,976,319	\$2,000,000
Wichita State University	F	8	SG	0	0	\$60,620,000	\$6,000,000
Totals:				862	693	\$353,546,319	\$13,380,000

*M = Milestone F = Forgivable

**Eligibility Criteria

1 = Major expansion of an existing Kansas commercial enterprise

2 = Potential location in Kansas of the operations of a major employer

8 = Other unique economic development opportunity



JCF PROJECT STYLE

JCF agreements are structured in two ways: Forgivable Loans and Milestone Projects.

FORGIVABLE LOANS (2 PROJECTS)

Funds are disbursed at the time of contract execution, and forgiveness is calculated annually over a five-year period. A company is required to report jobs, payroll and capital investment annually over the term of the agreement. One-fifth of the original balance is eligible to be forgiven annually. The Department of Commerce calculates forgiveness based on the percentage of jobs and payroll achieved each year. The blended percentage of the jobs and payroll is then used to determine a blended performance percentage. If the blended performance percentage is met, one-fifth of the loan will be forgiven for that particular year. If the blended performance is less than the amount required by contract, a shortfall payment is due.

MILESTONE PROJECTS (4 PROJECTS)

A company is required to report jobs, payroll and capital investment annually over the term of the agreement. If the company fails to achieve milestones regarding jobs and/or capital investment as listed in the agreement, payments will be withheld. In addition, a repayment could also occur at the end of the term if certain overall jobs and/or capital investment requirements are not met.



JCF PROJECT SUMMARIES

Honeywell International, Inc. – Johnson County

Honeywell helps organizations solve the world’s most complex challenges in automation, the future of aviation and energy transition. Honeywell’s aerospace facility in Olathe produces safety and flight control systems, complex radio frequency systems for traffic collision avoidance and weather radar. Site activities include manufacturing, engineering, aftermarket services, and customer and product support. Honeywell is expanding its Olathe facility to include manufacturing and assembling of printed circuit boards and board assemblies. Their major customers include Airbus, Boeing, Embraer, Thales, Bombardier, Cessna, Gulfstream, Archer, Learjet, Hawker Beechcraft, Piper, Augusta, Socata and Sikorsky. Honeywell will invest \$84M and create 156 net new jobs over the next five years.

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Kansas State University Foundation – Riley County

Kansas State University Foundation will invest \$24.6M to design and construct an 80,000 square foot expansion of the Kansas State University Office Park located in the Edge District in Manhattan. The project is part of a \$3B master plan for the Edge District at Kansas State University that will be home to 5,000 new jobs. The multi-phase office park within the District will develop a vacant 17-acre site of land and will bring over 300,000 square feet of space and 1,300 jobs for academic and commercial enterprises. The project is the third phase of the office park being developed by the Kansas State University Foundation. Phase I of the development was completed in October 2015 and Phase II was completed in August 2018. Current tenants include Burns & McDonnell, Garmin, Great Plains Kubota and USDA. Phase III of the project is anticipated to bring additional business ventures to the Manhattan area that will add 172 net new jobs, and is expected to diversify the economic base of the community.

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KMW, LTD – Rice County

KMW, a precision manufacturer of agricultural front loaders, backhoes and other attachments, will invest \$105M to construct a new North American headquarters and state-of-the-art production facility in Sterling, which will result in the creation of 251 net new jobs. KMW has two other Kansas plants, located in Great Bend and Lyons. The company is owned by Agrostroy Pelhrimov, a Czech Republic-based global leader in agricultural machinery and freight transport manufacturing. With a strong 30-year track record, KMW combines innovative precision engineering, modern manufacturing technology and expert craftsmanship to deliver its best-in-class loaders, backhoes and attachments. While original equipment (OEM) loader and backhoe customers have been its primary focus, KMW’s product offering has grown to include a wider range of loader sizes and other attachments available to non-OEM customers.



JCF PROJECT SUMMARIES

Orange EV, LLC – Wyandotte County

Orange EV builds, sells and services industrial electric vehicles for some of the most successful companies in the world. Orange EV will invest more than \$38M to relocate its headquarters and manufacturing facility to Kansas City, Kansas, and create 185 net new jobs. Orange EV was founded in 2012, and it first introduced the electric terminal truck as a complete re-manufacture of existing trucks, reusing and giving a second life to durable elements such as the cab and frame. This initial offering was designed with configuration options to ensure the truck got the job done while helping fleets manage costs. Next, Orange EV started manufacturing all-new trucks while continuing to innovate and improve the product lines. In the process, Orange EV became the first U.S. company to build, commercially deploy and service 100% electric Class 8 Heavy Duty trucks. Since delivering its first terminal truck in 2015, it has deployed over 1,200 trucks (for more than 275 fleets) across 38 states, along with Canada and the Caribbean. Deployed fleets have demonstrated that Orange EV trucks do the same work while eliminating diesel fuel and emissions. Orange EV pure electric terminal trucks are proven to save money while being safer, more reliable, and preferred by drivers and management alike.

Pure Imagination Labs, LLC – Saline County

Hollywood-based Pure Imagination Studios is an award-winning independent entertainment studio best known for combining proprietary technology with groundbreaking storytelling. The company’s portfolio of projects has expanded fan engagement on multiple platforms for clients, including DreamWorks, FOX, The LEGO Group, Marvel Entertainment, Merlin, Netflix, Rovio, Six Flags, Warner Bros. and others. Pure Imagination Studios is partnering with Kansas State University’s Salina Campus, Salina Airport Authority and the State of Kansas to build an advanced spatial computing studio and learning center. The \$41M investment, which will create 101 net new jobs, marks the largest investment in K-State’s Salina campus infrastructure. The studio and learning center will be named the Kansas Advanced Immersive Research for Emerging Systems (K-AIRES). It will feature state-of-the-art equipment and immersive technologies, enabling the studio to transform the educational experience and establish new frontiers in education, aerospace, manufacturing, entertainment, defense, training, simulation and other areas.

Wichita State University – Sedgwick County

Wichita State University will construct a Hub for Advanced Manufacturing and Research (HAMR) building on the Wichita State University Innovation Campus. HAMR was partially funded by an Economic Development Administration (EDA) grant award, resulting from the EDA’s Build Back Better Regional Challenge. The Innovation Campus, which is a physical extension of the Wichita State University main campus, is one of the nation’s largest and fastest-growing research/innovation parks, encompassing over 120 acres and is home to a number of global companies and organizations. The Innovation Campus boasts partners such as Dassault Systèmes, Deloitte’s Smart Factory@ Wichita, NetApp, Airbus, Spirit AeroSystems, Textron Aviation, the Law Enforcement Training Center, Hexagon, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) and GoCreate, a Koch Collaborative. The HAMR is part of Wichita State University’s National Institute for Aviation Research (NIAR). The HAMR will be a 160,000 square-foot state-of-the-art research and training facility for emerging technology, advanced materials, digital twin, advanced machining, and automation. The total committed capital investment for the HAMR facility will be \$60.6M, and it will complement NIAR’s existing Advanced Technologies Lab for Aerospace Systems (ATLAS).



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Learn more about the Job Creation Fund via our Transparency Database:

