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Chad Chancellor: Welcome to this week's episode of the Next Move Group We Are Jobs podcast. This is Chad Chancellor, co-founder of Next Move Group and I'm happy to have Pete Fullerton with us here today. Pete is the assistant director of Properties and Commercial Development for the Kansas City Department of Aviation. Kansas City is starting to become real big for our company. We're doing a lot of work up there, but Pete I've known now 15 years. One of the first- I know the first Kansas City and I ever knew and met him. We're actually recording this today at

SEDC in New Orleans in early August and I met Pete in New Orleans in SEDC in 2004. So, it's funny 15 years later we're still here, Pete.

Pete Fullerton: It is. It is. Back to the future.

Chad Chancellor: You were chairman then, weren't you?

Pete Fullerton: Yes, I was. Yes, I was.

Chad Chancellor: And so, one of the things that I want to tie with Pete is obviously, you spent most of your career in Kansas City. So, before you were in aviation, tell these folks what you were doing.

Pete Fullerton: Yes, Chad. I was one of those that seem to be pretty consistent that the way they got into economic development is I answered one ad in the Kansas City Star for a project manager position for the Missouri Department of Economic Development. I remember at the time, frankly, I was begging for a job. I had finished up my masters and was really-- it was a hard time just to get there in the mid-80s. I saw that opportunity and I thought okay, let's go see what it is and I thought well hopefully, it doesn't have anything to do with economics because I never got above a C in economics, but what the hell.

Let's see what they got and what's fascinating is that it really-- the economic development profession has been good for me. It's what I wanted to do. When growing up, I wanted to make an impact on my community. I wanted to have that and dropping into economic development so that undergrad in political science and masters of public administration I use every day.

Chad Chancellor: And so, while Pete will downplay his knowledge of economics, he's a pretty smart guy. He has a Ph.D. in economic development. I'm not sure exactly what it's called, but it's a player of economic development. You're one of the few people that I know that have it and you got it I think at age 55 if I remember.

Pete Fullerton: Yes, yes.

Chad Chancellor: Talk to these folks about that experience and I know that calls you to come down here a lot because I think you got it at Southern Miss. So, you were flying down from New Orleans and going over to Mississippi a whole lot. So, talk about that experience.

Pete Fullerton: Yes, it's kind of a home away from home the Gulfport-Biloxi area. I think after one of the last trips down after graduation, I figured that I had probably been down here about 25 times over the last 15 years, which was kind of fun, but also kind of like wow! That's a lot. I know my way around pretty good now. One of the things that I have always wanted to do and I hopefully mirror the statement is I believe in lifelong learning and I was always involved as you noted with SEDC. I also was involved in my state association at the time.

So, basically, as I got finished going through the chairs of SEDC, there was an email that came out from Southern Miss about hey, have you ever thought about the master's program. At the time, they were advertising the Ph.D. program in international development and I do remember sitting around the table at SEDC and talking with some other folks about that being something that might be interesting.

I kind of put it off, put it off, put it off a little bit and then had a little-- frankly, a cancer scare that kind of knocked me down a little bit and frankly, I had it in my brain to get back in the game. So, the human capital development program, the Ph.D. program had just started at Southern Miss and it was a connection between economic development and at the time, that forward edge thought of oh, by the way, talent and human capital is important, now everybody knows that now.

If you're not already and haven't been in it for a while, you're behind. So, that really spoke to me good people I was able to be through the dissertation process and finally get out of there in 2017 and I know the folks were happy to see me go in a positive way because I had been lingering around-- it took me like 10 years to do that.

Chad Chancellor: Wow! Wow! We've had Southern Miss students do the master's program to work for us and they've done great work. So, our vice president received his masters from there, so we've hired him full-time. We've hired interns before and so, I'm really high on that program. I didn't even know they had a Ph.D. program until you were telling me this.

Pete Fullerton: Yes, yes. I've always been quite envious of the bench strength that Southern Miss puts out on the field in economic development along the whole Gulf Coast area and really wish I had that kind of access to that kind of talent in the Kansas City-- Missouri, Kansas area. That's awesome to be able to have folks that come through and get their masters and know the protocols, know the thing. Obviously, a lot of this is-- you got to get out there and do it, but to have at least

the book knowledge of what this thing is called economic development, that's a six month to a year onboarding that you don't have to do here that I have to do in Kansas City.

Chad Chancellor: That's right. When we hire them, they understand the terminology and so yes.

Pete Fullerton: Yes, it's a beautiful program.

Chad Chancellor: You're exactly right. Talk about-- I know you've been involved in SEDC and like we said, we're recording this at the SEDC annual event in New Orleans in early August of 2019. So, a lot of the chairmen I noticed don't come anymore. They're not involved, but you still are. So, tell me. Obviously, it's important to you. So, talk about that.

Pete Fullerton: I started on the board of SEDC in 1995 and probably a bad story, but it's true. At the time, the first conference I went to was in Myrtle Beach and quite frankly, I was coming down here to go play golf. If I went to their sessions, I'd be a big deal. Well, the guy I came down with had an emergency back home, so he had to go back.

So, my playing partner leaves, so I go to the conference. I finish the conference basically being on the board of the Missouri delegate because Missouri only sends two or three people here. So, I was everybody else in the room was like hey, we've already been and you're it. I was okay. So, I went from coming down to golf to actually being on the board. Once I really started getting deeper into it, the premier hunter-gatherers in this economic development business are folks in these states that SEDC represents.

Chad Chancellor: I like how you put that; hunter-gatherers.

Pete Fullerton: And if I consciously said, if I'm in a meeting to know how these folks do it so I could be better in what I do and that has definitely been the case over the years and certainly over the years, I have any number to the end of time friends that have come from this deal. So, I come back to not only see the old farts but also to see how the regeneration of talent that's coming through the organization and the people and it's usually pretty fun time and I learn a lot too.

Chad Chancellor: Well, when we started the young professionals' group, I don't know now, 10 years ago, I'm too old not to be here.

Pete Fullerton: I do remember you were there.

Chad Chancellor: You were highly supportive of it and I think had some of your staff folks involved.

Pete Fullerton: Yes, I did.

Chad Chancellor: So, I very much appreciate that. Tell these folks the Kansas City story. So, I know you work for the airport, but give us the high-level overview. I was up there this week for some stuff and it's amazing the growth that's going on and I know you grew up there. So, talk about really-- they're winning at economic development and a lot of our listeners maybe they haven't won yet. So, why don't you start when-- I know you still have issues, so talk about what's going on in Kansas City.

Pete Fullerton: I've been fortunate to spend over 30 years in economic development in the Kansas City area and the region is about 2.2 million folks with the subareas. I'm up north by the airport. The northland is about 300,000 out of that. A lot of the growth is on the Kansas side and has been. So, there's been a competitive pressure between Missouri and Kansas that I think made everybody's game stronger. There are a lot of reports about how that's been a negative thing. A lot of times it's been good. We say in Kansas City that economic development is a team game and the reason why we say it is we've got a pretty good team.

Chad Chancellor: When I saw just this week, and again we're recording this in August. This may go out in September or October, but the Kansas governor signed a bill the last day or two saying we're going to not do this border thing anymore. All I saw was the headline. What's that about? What's the detail?

Pete Fullerton: Well, Missouri passed some legislation a while back and it basically required that Kansas needed to respond. The Kansas governor has more signature authority over offering incentives more discretionary I guess I would say that. Whereas Missouri is more as right and trying to match that up for that. So, the big transition is that we are-- it was basically-- the challenge always was between the Missouri and Kansas staff was how do you define a job?

States would count relocated jobs as a new job in the state of Kansas or a new job in the state of Missouri even though all they are doing is turning right instead of left and that was about-- and I think the other thing that made it more acute is that both states went from the old fashioned

incentive games which were focused on investments to payroll-based and sure enough, about that time that all those states got their incentives on payroll, then all of a sudden you turn around and all these offices are also plug in plug out. Their offices are so mobile they are also heavy payroll. So, all of a sudden poof! They start moving back and forth and it's been a real challenge to put that jinni back in the box.

I think this can be really interesting to see. It's worth a try. The way it was supposed to come down is that we were only being sent-- if a company from Kansas was looking in Missouri, we will only incent the net new jobs. They're going to come over and have 150, but they have 100 now, we're only going to be incenting the 50. Again, it will be interesting to see once we get there. It's worth a try.

Chad Chancellor: It's funny that Kansas City is probably one of the biggest cities that has two states like that; that doesn't have a major river, a body of water separating them.

Pete Fullerton: Well, in two states that are pretty economically-- that both sides are pretty competitive and almost equal because there's a lot like a St. Louise to east St. Louise. It's big on one side and on the other side smaller or even Cincinnati to northern Kentucky. That kind of created tension, but you know I'll be really interested in seeing how it does.

Chad Chancellor: And even there, you have a river. Rivers are psychological. Here, we're sitting in downtown New Orleans looking at the west bank. People down here, right here in New Orleans a lot of folks in the west bank hardly ever come over here and we ever go over there. It's just psychological, but Kansas City, it's literally Stateline road. One side of the road is Missouri and one side is Kansas. Talk about the airport. I know you all are building a new terminal, but talk about some of the commercial stuff you all are doing up there.

Pete Fullerton: Yes, we have an exciting project going on right now. We just completed a teardown of an old terminal to build a \$1.5 billion new terminal and that's got the community excited to finally get there. There was a lot of process to get us there, but most of my time is focused on some of our revenue-producing enterprises. We have 260,000 square foot office building. We have a million-plus overhaul base the TWA built back years ago, so aviation-related kinds of activities.

And then also, we use some of our ground to actually put some investments into the infrastructure to build an industrial park. So, we have a master development agreement with Trammell Crow Companies and actually, they are building spec. In fact, right now coming out of the dirt we're going to have a 500,000 square foot spec industrial that's cooking. That will put us over 2 million square feet in industrial that opened in the last five years.

Chad Chancellor: I have never been to Kansas City in my life till a year ago. I've been three times now in a year and I've had a great time each time. It's a really, really, cool place and some of the development downtown. It's just incredible what you all are doing there.

Pete Fullerton: Before I came to the airport, I was a president CEO of the Economic Development Corporation in Kansas City and it was interesting. At that time, the downtown it was starting to breathe. You could feel it. It was coming. We were investing in street car. The theory was watch it. Here it comes. Here it comes. And to go down now and see that life that's happening, it's really fun to see.

As we kind of talked earlier, it's still a challenge, but it's a lot easier to have challenges associated with success. At least you have a smile on your face while you're having to deal with it as opposed to challenging social failure which everybody is grumpy and everything. So, it was only five years ago that we were having challenges getting market-rate rents for apartments downtown.

Chad Chancellor: Five years ago.

Pete Fullerton: And this last election cycle, one of the issues was the worry that we didn't have enough affordable housing in downtown. Just in that five years, all of a sudden we went from-- we'd never talked about unaffordability. We were hoping to have rents go up and have everybody go that was a success. Then it turns out into the union yang of a challenge and you have to play with that.

Chad Chancellor: Well, Pete and I had dinner Tuesday night; on just a random summer Tuesday night. I don't think anything big was going on in Kansas City at a barbeque place. It's in an old train depot, a railroad facility of some and there were people everywhere, really of all ages. Young, old, all races. It was just really cool to see the vibrancy.

Pete Fullerton: Yes, Jack stocks good stuff. We hit that barbeque pretty hard. We couldn't-- the visit KC folks have a video out there that says you can eat at a barbeque restaurant each day for three months and never repeat. So, you still have a few more trips before we did all those...

Chad Chancellor: Well, Pete, if you think about your profession as a whole, we've got some young folks that are listening to this or maybe people even if they're not young they've just gotten into it. You've been in it a long time. You're a highly educated guy. You've got on your Texas A&M shirt there, so I know you've done Southern Miss, A&M and I think was it Kansas or Missouri?

Pete Fullerton: Missou.

Chad Chancellor: You've got a Ph.D in this so obviously, you know what you're doing. What would you tell folks who maybe just got into this profession, are learning about it? What would be your tips to them to build a successful career and make a difference in their community?

Pete Fullerton: I think the first thing to me is you've got to bring passion to the game. You've got to be passionate and again, that's one of the things that was fun and matched up with what I was trying to do with SEDC. You've got to be passionate about this business and about assisting communities and being able to be satisfied with driving down the road and seeing a full parking lot. That parking lot wasn't there. It was something that you had to do. So, I think you have to bring passion.

I think you also obviously, you have to be resilient. This business knocks you down and you've got to get back-- you've got to understand that this is about getting back up. And I think the lifelong learning. You've got to consistently be learning the next new thing and look over the horizon. That horizon used to be-- when you look over the horizon you're looking out five or ten years. That horizon is moving so fast now. That horizon is next year. I think that's probably three things that are pretty consistent with what I would say to somebody that's coming in. Bring it.

Chad Chancellor: And you've been in one place a long time. I know you had a couple of jobs in that market, but most people move around every three or four years. So, what did you find was the key to staying in one place for a while? Is it having the same board chair? How do you have longevity? What would be your tips for folks trying to build a stable program?

Pete Fullerton: Yes, I always kind of joke it was pretty obvious I was good at keeping a job and not very good at getting a new one. So, I think what has been very fortunate is that I was able to be challenged by different positions in the same city and not have to move around. The other thing that I have, if you do the hop around is I actually do see what we were talking about 20-25 years ago and seeing now the results and seeing the good, the bad, and the ugly as how that kind of all comes together.

So, I enjoy-- like yesterday when I flew out and we flew over some of the business parks around the airport and I looked down kind of smiled and says it's easier to pick out the buildings that were there 30 years ago than the ones that are new and to even get on an airplane and hear somebody in the back talk about the different-- it used to be oh my God, why is this airport is so far away? Oh my God! There's nothing up here.

So, now you hear hey, have you ever gone-- I hear these people going hey, before you drive home, you've got to go to the Zona Rosa because they've got good stuff there and they've got some good shopping and they've got these dinners, all these different restaurants, and stuff and I'm like I kind of like hearing that.

So, yes. I think that's been the unique thing that perhaps being in there, but a lot of my market there's a lot of folks who've been there a long time. You interviewed here a while back John Engelmann. John and I go-- I remember when he was with the area development council back--30 years ago. It's funny there's quite a few in the Kansas City market that have been there a while.

Chad Chancellor: Well, behind the scenes when we started talking about this, Pete made fun of my accent. He said the way you say podcast; it's podcast.

Pete Fullerton: It's podcast, not podcast. Podcast.

Chad Chancellor: So, I said you have got to get on here and do one with us here. So, Pete, thank you so much for being with us today. I hope to goodness it's the Saints and the Chiefs in the super bowl. We should have been in it last time.

Pete Fullerton: It's what it should have been the last time. It would have been a hell of a better game.

Chad Chancellor: 13 to 3 or 14 to 3 or whatever it was. Is there anything you'd like me to ask you that maybe I didn't as we wrap this thing up?

Pete Fullerton: Well, what would be the final score of the Saints-Chiefs' super bowl. We'll put that down.

Chad Chancellor: All right. It will probably be 40 to 35 or something like that.

Pete Fullerton: That would be fun.

Chad Chancellor: Yes, we got college football championship in New Orleans this year, which is probably always Alabama and Clemson. We're starting to plan some event we're going to have for it. We haven't gotten that rolled out yet. I can't remember. I think we've got the super bowl next year. So, maybe that'll be the Chiefs and the Saints.

Pete, thank you for being with us today. You've sort of been a mentor of mine for a while, so it's really an honor to have you sit down and participate and we really appreciate it.

Pete Fullerton: Thanks. Thanks, Chad, and I appreciate all your hard work. The hardest working man in economic development; Chad Chancellor.

Chad Chancellor: Thank you. That's not a bad thing to be known for.

[music]