

INTEGRA TECHNOLOGIES
PROPOSAL FOR COUNTY FUNDING
March 1, 2023

Wichita-based Integra Technologies is the largest U.S. Outsourced Assembly and Test (OSAT) company providing semiconductor back-end services to companies worldwide. For 40 years Integra has provided packaging, assembly, and testing services to more than 500 customers with complex requirements, such as aerospace, medical, and defense. The employee-owned company's headquarters is in Sedgwick County, with operations in Wichita and Silicon Valley.

In the coming weeks, Integra will apply for federal funding from the CHIPS (Creating Helpful Incentives to Produce Semiconductors) and Science Act. **A requirement of that application is robust state and local support.** Earlier this month, the State of Kansas unanimously voted to award its 2023 APEX incentive program to Integra.

Integra Technologies expansion project over the next **five years** could provide:

- More than \$2 billion in total capital investment
- 1 million sq ft new headquarters and production facility that is solar-powered
- Two-year construction project
- Over 2,500 new direct jobs with average salaries of \$51K (8% above the regional average)

Integra's expansion plans are directly correlated to strategies included in the "Talent Roadmap: Building a Community Defying Expectations" currently being activated by organizations and individuals throughout the region. The Talent Roadmap was originally supported with funding from the City of Wichita, Sedgwick County, Workforce Alliance, Greater Wichita Partnership and the Kansas Department of Commerce.

Specifically, this funding proposal allows acceleration of a critical aspect of the Talent Roadmap that aligns with Integra and other companies efforts, to "expand access to employment opportunities by **increasing supporting services for underserved communities in Sedgwick County.**"

Local and regional partnerships and support, especially in workforce development with a focus on reaching underserved communities, are critical for Integra's CHIPS application. The Workforce Alliance of South Central Kansas and Integra have developed a robust workforce outreach and training plan with over 30 community-based organizations and over 25 education and skills training partners to provide direct outreach and training.

LOCAL FUNDING REQUEST

- Creates access and opportunity, reducing barriers and accelerating opportunities
- Creates new jobs in an entirely new industry sector to build upon the local tax base
 - Skills requirements range from high school degrees or equivalents, to on-the-job training, to associate and technical degrees, to bachelor's degrees and beyond

- Jobs are in shipping and receiving; engineering technology; semiconductor production, testing and handling; assembly operations; and management
- Leverages State of Kansas' APEX program estimate of more than \$300 million and potentially hundreds of millions of dollars in federal CHIPS funding into Sedgwick County.
- Contributes to reversing the trend of Kansas as an exporter of talent

How will funds be used?

1. **Provide training, education and jobs for Integra and the semi-conductor industry** for people in Sedgwick County and the south-central Kansas region by
 - Providing **training and education opportunities for students** in local high schools, including Wichita, Valley Center, Maize and Circle; the site identified for the Integra expansion – including potential suppliers – is located near USD 259's Northeast Magnet High School, which offers an engineering pathway and is exploring another in automation
 - **Providing scholarships and tuition assistance** for people seeking degrees or credentials at Wichita State University, WSU Tech
2. Support **social services** needed to complete referral for employment through the **Strategic Workforce Collaborative** representing diverse populations throughout the community. These partners recruit women; low income, unemployed and/or underemployed individuals; people of color; youth; justice-involved individuals; individuals with disabilities; English as a Second Language; rural populations; veterans, military families and spouses
 - This will be done through outreach that could include:
 - Work-based Learning and Youth Employment initiatives
 - SkillBridge Employer designation
 - Engagement with HomeBase Wichita, a local initiative of the Workforce Alliance, Wichita Regional Chamber of Commerce, Greater Wichita Partnership and Veterans Advocacy Board
 - H1-B Visas for high-skilled occupations
3. **Leverage** local investment through state and federal funds

Local funding will focus on building **local pipelines** for Integra and the semiconductor industry. In order to achieve these goals, it is requested that Sedgwick County provide up to \$500,000 in funding, or \$100,000 per year for five years (2024 – 2029). The City of Bel Aire is providing \$250,000 for workforce development plans outlined above. Delivery of funds will be contingent upon Integra securing federal CHIPS funding.

Who will manage the funds?

The **Workforce Alliance of South Central Kansas**. Workforce Alliance has developed a comprehensive workforce development plan, incorporating funding from the CHIPS Act, the State of Kansas APEX funds, and local funding. Workforce Alliance has successfully managed numerous state, federal, and private grants in an efficient and equitable manner.

It will provide oversight and accountability, ensuring funds are used for intended purposes and outcomes to build the local labor force are achieved.