

Advance Catastrophe Technologies Industrial Revenue Bonds



Office of Economic
Development

June 2, 2020



Advance Catastrophe Technologies



- Advance Catastrophe Technologies, Inc. (ACT) formed in 2001 to provide disaster mitigation and reconstruction services
- Target industries include commercial/retail companies, hospitality and student housing, owners of hotel systems, healthcare systems and senior living systems
- 500 contractors nationwide to provide service



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- Currently located in Bel Aire, KS in 12,000 sf leased facility
- Need to expand. No options in Bel Aire.
- Bel Aire City Administrator wrote a letter stating he was aware
- ACT has contract to purchase land near Hoover and K-96



Advance Catastrophe Technologies

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Advance Catastrophe Technologies

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Advance Catastrophe Technologies



- Requesting Letter of Intent to issue Industrial Revenue Bonds not to exceed \$2,885,000
- Funds will be used to construct new 20,000 sf corporate headquarters
- Bonds will provide a sales tax exemption on construction materials and a 5+5 year property tax abatement
- No property tax abatement for land



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- ACT currently has 46 employees
- Projects 10 new employees over five years
- Average annual wages of \$44,400



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- Applied metrics from proposed economic development guidelines

• New Jobs	5-25	26-50	>50
Abatement	30%	40%	50%

• New Capital Investment	\$1M-<\$5M	\$5M-10M	>\$10M
Abatement	40%	50%	60%



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Additional Considerations

- Regional Growth Plan sector 10%
- Utilizing State, federal or utility incentives 10%
- Sustainable Development/Alternative Energy use 15%
- Investing in, or funding, entrepreneurship 25%
- Talent attraction plan (must be documented) 25%
- Locating in Redevelopment Area 25%
- Community and Workforce Development Benefits 25%



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- Abatement calculation – proposed guidelines
 - 30% (10 net new jobs)
 - 40% (\$2,885,000 capital investment)
 - 10% (use of State incentives)
 - 80% Total Abatement
- Under current policy = 56.75% abatement



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- Value of one year 80% tax abatement
 - City \$15,706 State \$ 720
 - County \$14,104 USD 266 \$28,704

TOTAL = \$59,234



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CEDBR Benefit/Cost Analysis:

	Projected
City of Wichita	1.36 to 1.00
City of Wichita – Gen Fund	1.24 to 1.00
City of Wichita – Debt Srv Fund	1.61 to 1.00
Sedgwick County	1.31 to 1.00
USD 266 (Maize)	1.53 to 1.00
State of Kansas	2.58 to 1.00



Clemens Aviation



- **Recommendation:**

- It is recommended that the City Council close the public hearing, adopt the Resolution of Intent and authorize the necessary signatures.



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