



# **Economic Vitality and Affordable Living**

City Manager's Office

Housing and Community Services Department

Planning Department

Wichita Airport Authority

Finance Department



# Members

## Member - Department:

- Allen Bell –Economic Development (Leader)
- Vicki Forbes – Fire Department (at large member)
- Brian McLeod – Law Department
- Dale Miller – MAPD
- Marty Miller – Housing & Community Services Department
- Doug Moshier – Law Department
- Rob Raine – Finance Department
- Jean Zoglman – Airport
- Ryan Adkison – Finance (Resource Specialist)
- Jade Dundas – Water Utilities (Facilitator)



# Goal

*Promote Economic Vitality and Affordable Living*

## Indicators

- Improved availability, quality, and diversity of jobs (indirect).
- Sustained affordable living (indirect).
- Partnered with economic development and affordable living stakeholders (direct).



# Jobs

Wichita MSA employment<sup>1</sup> November 2005 – 295,794  
Civilian workforce<sup>1</sup> November 2005 – 309,515  
Unemployment – 13,721 (4.4%)

Wichita MSA employment<sup>1</sup> November 2006 – 297,334  
Civilian workforce<sup>1</sup> November 2006 – 310,518  
Unemployment – 13,184 (4.2%)

Net change in MSA employment = 1,540 (0.52%)

<sup>1</sup>*Source: Kansas Department of Labor, November 2006 Labor Report*



# Affordable Living

Wichita cost of living index<sup>1</sup>, 3<sup>rd</sup> Qtr 2005: 94.4  
Rank among “peer cities”<sup>2</sup>: 2<sup>nd</sup> highest (tied)

Wichita cost of living index<sup>1</sup>, 3<sup>rd</sup> Qtr 2006: 94.1  
Rank among “peer cities”<sup>2</sup>: 3<sup>rd</sup> highest

Net change: -0.3

**Housing Foreclosure Rate: 170% increase**

<sup>1</sup>Source: American Chambers of Commerce Research Association (ACCRA)

<sup>2</sup>Peer cities: Colorado Springs, Omaha, Des Moines, Tulsa, Oklahoma City



# Partner with Stakeholders

- Greater Wichita Economic Development Coalition
- Sedgwick County
- Federal Government of the United States
- State of Kansas
- Wichita State University
- U.S.D. 259
- Regional Economic Area Partnership
- Wichita Area Builders Association
- Greater Wichita Convention and Visitors Bureau
- Non Profits
- *... and many, many others*



# Major Accomplishments

- ✓ Successful Affordable Air Fares Campaign
- ✓ Contribution to World-Class Technical Training Center at Jabara Airport
- ✓ Housing Programs funds \$23 million from outside sources and generate a \$41 million economic impact (453 jobs)
- ✓ \$20 million in Special Assessments lowers financing costs for infrastructure by as much as 40%, also lowering the market entry threshold for developers, increasing competition
- ✓ Neighborhood Planning efforts continue to identify opportunities to revitalize under-utilized areas



# Links to Goals & Indicators

- **Affordable Air Fares** – stimulates the economy and jobs; was accomplished through partnering with economic development stakeholder (Chamber, REAP, etc.).
- **Technical Training Center** – provides skilled workforce needed to improve the quantity, quality, and diversity of jobs; partnering with stakeholders (SG Co., KITE).
- **Housing Programs** – stimulates the economy (jobs); helps sustain affordable living; and partnering with stakeholders (e.g. CHDOs).
- **Special Assessments** – stimulates the housing and commercial development sector (jobs); sustains affordable living; partnering with stakeholders (developers).
- **Neighborhood Planning** – provides guidelines for commercial and residential redevelopment; sustains affordable living; partnering with stakeholders (neighborhood groups, CDCs, etc.)



# Key Issues and Challenges

## Resource Restrictions

- Housing Programs (and CDBG) – Era of declining federal revenue
- Debt Capacity – Impact of various financing issues such as use of special assessments and the new Airport terminal on City's credit rating
- Developers' Capital – Ability to attract capital from developers
- Property Tax – Flat tax rates combined with narrowing tax base (i.e., M&E exemption, Eco Devo exemptions, etc.)



# Key Issues and Challenges

## Image and Marketing

Incongruence between reality and perception of Wichita

- Internal image – among Wichita citizens
- External image – within the State of Kansas
- External image – to the outside world (other states and internationally)

Wichita needs to establish it's own unique marketable image and promote it



# Key Issues and Challenges

## Over Reliance on Property Taxes

- ❑ Kansas property tax evolving into a real estate tax
  - Real estate made up 44% of total ad valorem tax base in 1988 and 65% in 2005
  - Residential real estate made up 22% of total ad valorem tax base in 1988 and 40% in 2005
- ❑ General property tax represented 26% of GF revenue in 1988 and 32% in 2005



# Key Issues and Challenges

## Implementation of Neighborhood Plans

- GWEDC focus is on job creation and business expansion, retention and recruitment.
- Small business creation and expansion are a needed component of neighborhood revitalization along with promoting housing development.
- Often means providing assistance to retail and service businesses.
- Should City economic development priorities include more focus on small neighborhood businesses?



# Key Issues and Challenges

## Availability of Industrial Land

- Existing or “shovel-ready” industrial sites are scarce, especially larger acreages.
- In 2003, an Industrial Land Task Force, headed by Bob Martz, recommended both private and public solutions.
- Aside from Skyway Industrial Park, no follow-through.
- Land banking for business and industrial parks would provide a marketable asset to attract and expand companies.



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**Questions?**