

# Leading Technology Composites Tax Abatement Request



Office of Economic  
Development

April 12, 2022



# Leading Technology Composites



- Founded in 1993
- Manufactures composite based materials and products for aerospace, military and automotive
  - Armor systems for automotive and personal use
  - Structural assemblies for aerospace
- Located at 2626 West May



# Leading Technology Composites

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# Leading Technology Composites



- Requesting an Economic Development Exemption (EDX) tax abatement
- EDX is a State of Kansas program
- Manufacturing, warehousing and distribution or research and development of products used in interstate commerce



# Leading Technology Composites



- Additional location at 2700 S. Custer (south and west of Pawnee & Meridian)
- Add an expansion (39,000 sf total)
- \$2,290,000 (real property) + \$1,500,000 (M&E) = \$3,790,000
- 26 new jobs (492 base employees); Average annual wage \$42,291
- Job creation 40%, capital investment 40%, Regional Growth Plan sector 10%, utilizing State of Kansas incentives 10% = 100%







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- Under former EDX program, company would start construction, provide City with a letter of intent to apply for the abatement once project was complete
- That program was changed to require the approval up front
- LTC was unaware and started construction like they did with previous expansion



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- Value of one year 100% tax abatement

- City      \$18,749                      State              \$    858

- County \$16,817                      USD 259      \$30,327

TOTAL = \$66,751





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## CEDBR Benefit/Cost Analysis:

	Projected
City of Wichita	2.21 to 1.00
City of Wichita – Gen Fund	1.88 to 1.00
City of Wichita – Debt Srv Fund	2.97 to 1.00
Sedgwick County	1.23 to 1.00
USD 259	1.19 to 1.00
State of Kansas	8.98 to 1.00



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## • Recommendation:

- It is recommended the City Council close the public hearing and place on first reading the ordinance authorizing the execution and delivery of documents for the Economic Development Exemption for J-T Acquisitions, LLC/Leading Technology Composites, Inc. and authorize the necessary signatures.



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