



2019 Annual Report



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Executive Summary



2019 was another busy year for the Office of Economic Development. A significant portion of the staff's energy were focused on completing projects that began in 2017 and 2018. Efforts continued to attract investment to downtown and the City core as well as investment in jobs and companies. Economic development continues to focus on projects that enhance the quality of life for its citizens and company expansions that inject capital investment in the community and provide good jobs.

The City continues to see active investment in downtown in 2019. At Union Station, the developer, Occidental Management, is renovating the vacant Ice House building, located at 155 and 165 S. Rock Island and construct new commercial space for a total of 40,000 square feet.

The former A Legacy Antiques building, 105 S. Emporia, was acquired by Vantage Point Properties for conversion to apartment and commercial uses. To make the project viable, the

developer wanted to offer parking to potential tenants and negotiated a lease for up to 108 parking stalls in the City owned parking garage at 121 S. Emporia.

Douglas Market Development announced the conversion of four vacant downtown buildings into a medical education campus. The development will be anchored by the Kansas Health Science Center, an osteopathic medical school. The developer will convert a connected building into residences for the students. Additionally, the Broadway Plaza building, at Douglas and Broadway, will be redeveloped into a Marriott AC hotel and the former Henry's building, 124 S. Broadway, will be converted into a culinary school. The total projected investment for all four buildings is \$75,000,000 and will be complete in 2022.

In mid-2019, the City completed work at the Stryker Multi-Sport Youth Sports Complex, in northeast Wichita. The \$22,000,000 project included conversion of 11 fields to artificial turf

and the construction of a 112,000 square foot indoor facility. The entire project was funded through the use of Sales Tax Revenue Bonds (STAR).

Work began on the \$75,000,000 development of the new multi-sport Riverfront Stadium on the banks of the Arkansas river with a 10,000 seat capacity. The facility will be anchored the Wichita Wind Surge, a AAA baseball team affiliated with the Miami Marlins. First pitch will be thrown in 2020.

Both the Stryker complex and the Riverfront Stadium projects are aimed at increasing Wichita's tourism and providing additional assets that improve the quality of life.

Business Retention and Expansion (BRE) visits are conducted by City staff in conjunction with the Greater Wichita Partnership and the Wichita Independent Business Association. Meetings are scheduled with existing businesses in diverse industries to better understand and respond to local business needs so that businesses stay, grow and become more committed to the community. Over 122 BRE visits were conducted which showed the potential creation of over 1,300 new jobs and close to \$230,000,000 in new capital investment in the next 12-60 months.

The Office of Economic Development provided project management and development assistance to many new and ongoing projects in 2019. Some highlights include the Stryker sports project, EPC Real Estate, the Riverfront Stadium project, Kansas Health Science Center and the Spaghetti Works/Naftzger Park renovation.

Led by the Strategic Advisory Team of the Greater Wichita Partnership, of which the City was a

partner, a plan was developed with the goal of prioritizing efforts to grow the economy. Regional stakeholders spent ten months drilling down into market information, analyzing research, and reaching out to gain community input to identify focused strategies and how we can work together to grow the economy. These efforts led to the development of the Regional Growth Plan. The Plan identified seven target sectors of the regional economy for growth and identified 32 key initiatives to achieve growth.

Spirit AeroSystems experienced a temporary pause in the production of the Boeing 737 MAX airplane in 2019. Spirit manufactures approximately 70% of the 737 airplane in Wichita. While Spirit did experience layoffs due to the stoppage of 737 work, Spirit and its suppliers are optimistic that this is a temporary issue. Production is anticipated to begin later in 2020, although it will be a reduced production rate due to the number of existing 737s that were produced, but not completed, prior to the suspension of production.

The City of Wichita is part of the Air Capital Commitment, a coordinated effort to assist laid off workers, as well as the Aerospace Task Force, which includes partners from congressional delegations, the State of Kansas, Sedgwick County, Wichita State Tech and the Workforce Alliance among others. These efforts were established to assist laid off workers either find a new job or develop new skills.

2019 Highlights

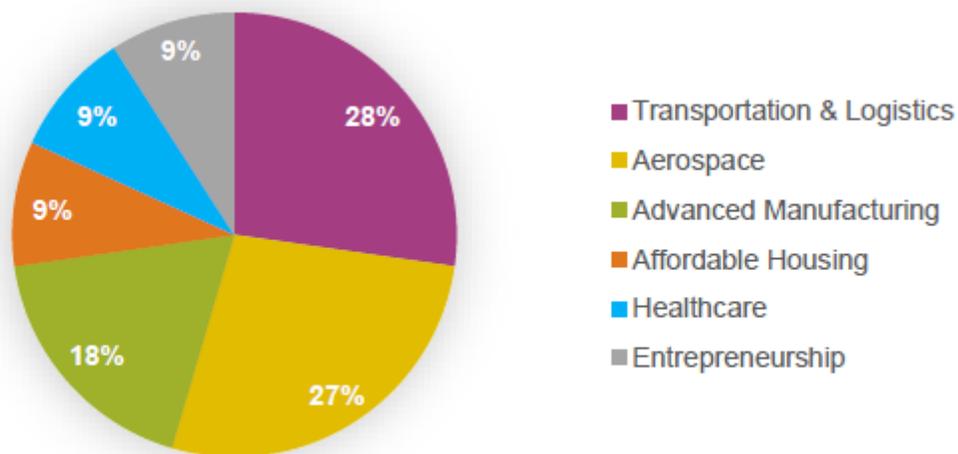
	2019	2018	2017
Jobs Announced	930	2,731	2,279
Utilizing City Programs	530	1,331	N/A
Capital Investment	\$218,295,000	\$308,436,800	\$778,570,000
Average Salary	\$48,636	\$45,685	\$44,000
Business Retention & Expansion Visits	122	64	53
Project Management Efforts	12	20	8

The Wichita City Council approved letters of intent to issue Industrial Revenue Bonds (IRBs) for eight new projects totaling over \$135,000,000. Nine projects that had previously received bond issues were retired, now generating \$130,480 in new property tax revenue to the City annually.

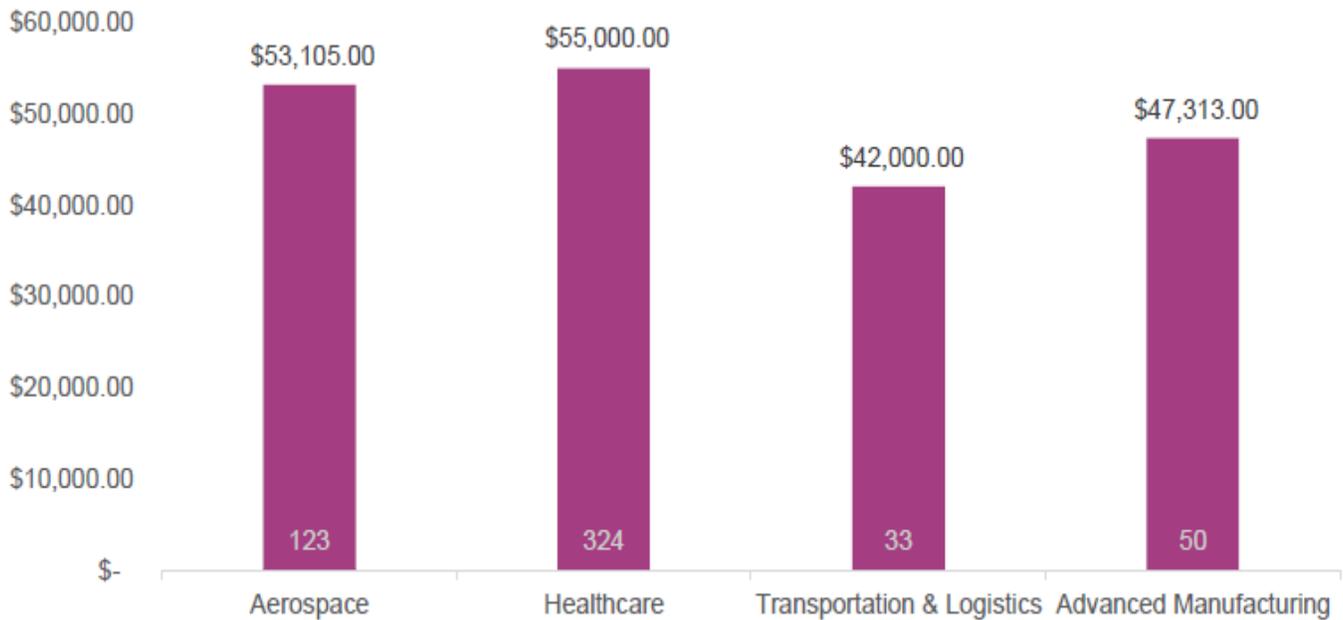
Under the Economic Development Exemption program (EDX) three new projects were approved totaling

\$20,482,000 in new capital investment. Two previously approved projects completed their tax abatement period and will generate \$87,958 of new property taxes to the City annually.

2019 IRBs and EDXs by Key Industry



Average Wage for New Jobs Announced IRB and EDX (Jobs Created in Column)



Union Station, in downtown Wichita, is developing its third phase, called the Ice House. This redevelopment of an existing building as well as construction of new property was approved for \$317,000 of pay-as-you-go Tax Increment Financing (TIF) funds based on a projected capital investment of \$8,700,000. “Pay-as-you-go” means the developer will receive TIF funds if the redevelopment of the property generates new property taxes above the base year the project was created.

The West Bank Tax Increment Financing District, which covers the new stadium as well as much of Delano, was expanded to capture new revenue

that will be used to provide additional parking in the area as well as upgrades to infrastructure.

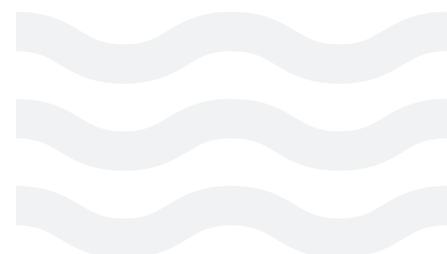
Two new Community Improvement Districts (CID) were created in 2019 and one was amended. The Multi-Sport Stadium district, which covers the Riverfront Stadium and surrounding property, was approved. That district will capture an additional 2% of sales tax over 22 years and will provide \$13,000,000 (bonded) of the stadium’s \$75,000,000 cost. “Bonded” means that the City has issued general obligation bonds at the beginning of the project based on future cash flows from the project.



The second CID is for Douglas Market Development which is creating the new Kansas Health Sciences Center in downtown Wichita along with development of a hotel and a culinary school. The hotel, a Marriott AC, will be located in the former Broadway Plaza building at Douglas and Broadway and the culinary school will be in the former Henry's building at 124 S. Broadway which will include a food court. This CID could pay up to

\$3,600,000 (pay-as-you-go) toward the total cost of \$35,000,000 for those two buildings.

Between the Façade Improvement and the Asbestos and Lead Based Paint programs, the City Council approved ten projects. All but two of the projects are south of Douglas and east of Main Street in downtown Wichita. Another is north of Douglas and the final project is in Delano.



Initiatives



Opportunity Zones

Opportunity Zones provide tax incentives for investment in designated census tracts supporting new investments and redevelopment in the community. In April of 2018, 74 census tracts across the state of Kansas were nominated to be designated Opportunity Zones by the U.S. Department of Treasury, nine of which are located in Wichita, in five zones (see map below). The City has hired a FUSE fellow to focus on opportunities and identify issues to make the Opportunity Zones successful. FUSE fellows are embedded in urban communities throughout the country to address issues identified by these communities.

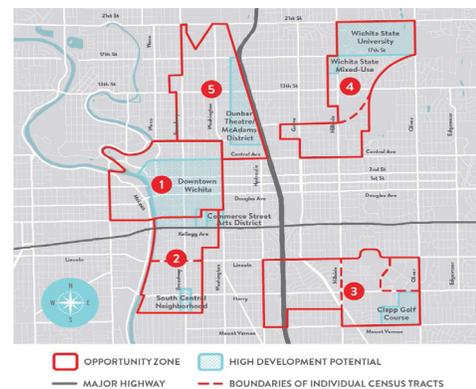
In August of 2019, the City hosted an event to discuss Opportunity Zones. The conference area within the Advanced Learning Library was at capacity for several presenters and a panel discussion on how the zones work and to answer questions.

The City has several projects in Opportunity Zones. EPC Real Estate, from Kansas City is developing

a 200-unit, high end apartment complex along with commercial real estate space through an Opportunity Fund it created with its equity partner.

TGC Development, a local developer, is developing Douglas and Emporia as well as a 90 room Home 2 Suites downtown and has recently completed the Spaghetti Works project, a mixed-use development with multi-family, office and retail along the redeveloped Naftzger Park.

A group of local developers purchased a vacant fire station and is in the process of rehabilitating it into a co-working space.



Regional Growth Plan

The Regional Growth Plan is an economic strategy to grow the greater Wichita region's economy, attract new businesses and expand existing industries. It succeeds and redefines the Blueprint for Regional Economic Growth plan. It is a multi-year action plan that identifies target industries, strategic pillars, key initiatives and a regional framework to support implementation. More

information may be found [here](#).

The target sectors defined in the Regional Growth Plan include advanced manufacturing and materials, aerospace, agriculture, IT systems and support, healthcare, oil and gas and transportation and logistics.



Economic Development Guidelines

Work continued on updating guidelines for the use of incentives and the direction of economic development in the future. The City worked with the Greater Wichita Partnership to bring in Ady Advantage, an economic development strategy consultant, to further explore the use of incentives. Ady Advantage surveyed key business groups to solicit input about the use of incentives for expanding companies, as well as developers, and provided the City and the Partnership with its recommendations. Staff intends to present recommendations to the City Council in Spring of 2020.

Business Retention & Expansion

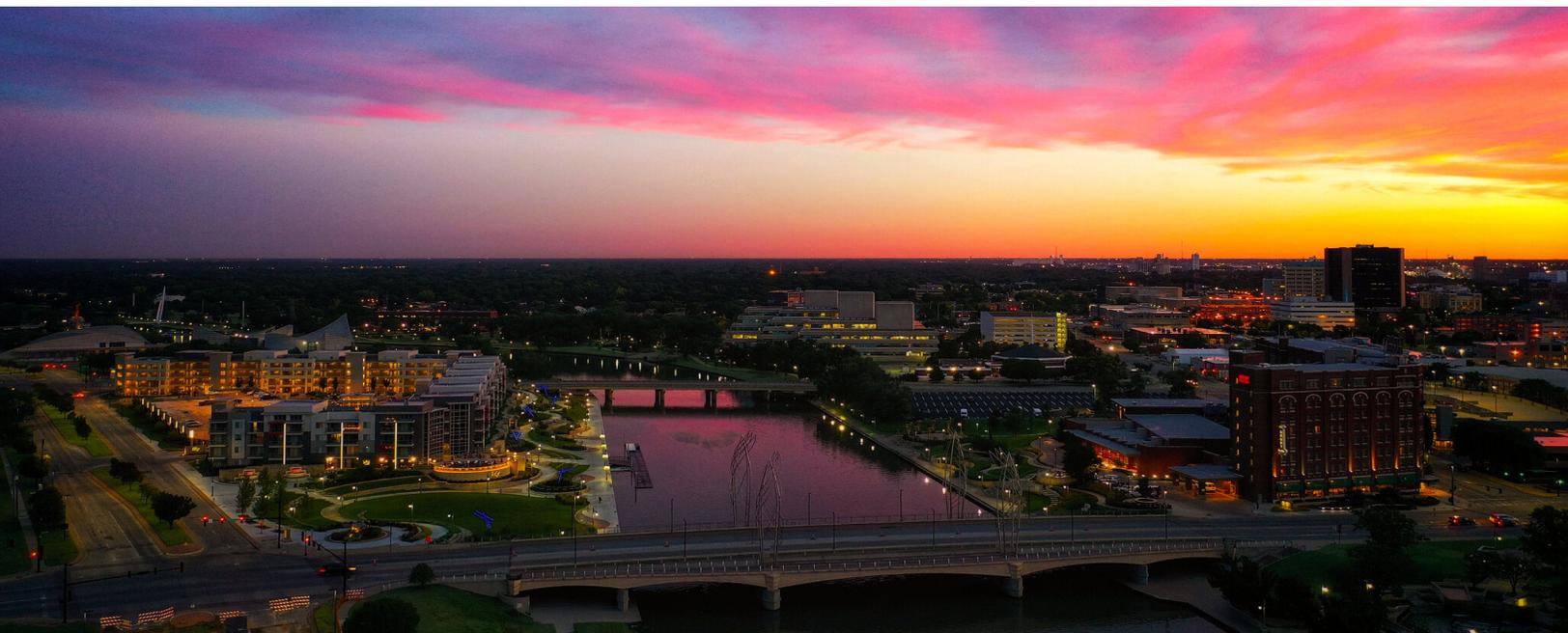
Business Retention and Expansion (BRE) visits are conducted by City staff in conjunction with the Greater Wichita Partnership and the Wichita Independent Business Association. Meetings are scheduled with existing businesses in diverse industries to better understand and respond to local business needs so that businesses stay, grow and become more committed to the community. In 2020, the City and its partners intend to visit at least 80 companies.

Diversification

In 2020, the Office of Economic Development will focus on diversifying the types of businesses that it calls on for business retention and expansion visits. Within aviation, this means an emphasis on military or maintenance, repair and overhaul companies. While continuing to pursue companies in the aviation industry, an emphasis will be made to pursue manufacturing businesses in non-aviation industries. These companies could provide manufacturing of HVAC systems or farm equipment. Additionally, BRE visits will focus on other target sectors that include companies in information technology, energy and logistics.

Air Capital Commitment / Aerospace Task Force

The City of Wichita is part of the Air Capital Commitment and the Aerospace Task Force, which includes partners from Kansas's congressional delegations, the State of Kansas, Sedgwick County, Wichita State Tech, the Workforce Alliance, among others. The Task Force was established to assist laid off workers either find a new job or build new skills. [Learn more.](#)



Key Developments



Kansas Health Science Center Campus — \$75,000,000

In 2019, Douglas Market Development (DMD) announced plans to develop a medical education campus in downtown. The project centers on a Doctor of Osteopathy (DO) school within the vacant former State Office Building downtown. The school will be operated as the Kansas Health Sciences Center (KHSC). This project will create over 300 new jobs and reach full enrollment of over 600 students. local business needs so that businesses stay, grow and become more committed to the community. In 2020, the City and its partners intend to visit at least 80 companies.

The \$75,000,000 development includes renovating the former Sutton Place building at 209 E. William into 119 units of student housing to support the DO school. The former Broadway Plaza building at 105 S. Broadway will be converted to a 119 room AC Marriott Hotel. In addition, the former Henry's building at 124 S. Broadway will be

converted into a culinary school with a food court.

The developer began asbestos remediation and façade improvements to the buildings in the spring of 2019. Completion of the rehab projects for all four buildings is scheduled to occur in 2022, with the hotel opening in the spring of that year, and the remaining projects being complete by the fall. KHSC will welcome the first class in August of 2022.



A development agreement was approved in November of 2019, outlining the City's participation in the project and the obligations of the developer. Special assessment financing is being provided for the asbestos remediation and façade improvements. The City has authorized the use of Industrial Revenue Bonds for a sales tax exemption on eligible expenses on all four buildings and a property tax abatement for ten years for the KHSC and student housing buildings. DMD will receive a pay-as-you-go 2% CID for sales tax on the hotel and culinary school to provide reimbursement of eligible expenses over a 22-year period.

DMD will lease up to 500 parking spaces from the City. The spaces will be provided from three separate garages and a surface parking lot in the area. The Market Street Garage connects to two of the project buildings, the school and student housing. In addition, the City agreed to undertake a \$1,300,000 TIF project plan for maintenance and updates to the Chester I. Lewis Reflection Park, located on Douglas east of Market Street.





West Bank Riverfront and Stadium Improvement — \$83,000,000

In 2016, the City began the process of redeveloping the Lawrence Dumont Stadium site on the west bank of the Arkansas River, and the surrounding area. The old Lawrence Dumont Stadium came down in October of 2018, and preparations for the new multi-sport stadium began simultaneously. In 2019, the site was cleared for the new stadium and the City contracted with J.E. Dunn and Eby Construction to build the new stadium. Along with the stadium work, McLean Boulevard was reconfigured to better accommodate a sports village design. Future stadium area project improvements include riverbank improvements and the design and construction of a new pedestrian bridge connecting the east and west banks of the Arkansas River.

In 2018, the City announced a deal to bring the Miami Marlins affiliated Triple A team to Wichita, with plans for the new stadium to open for the 2020 season. The stadium will not only host the team, but is expected to have more than 200 events annually.

Financing for the project is provided from multiple sources, including STAR Bonds, Tax Increment Financing, Community Improvements District financing and General Obligation (GO) bonds. STAR bond financing was approved in two phases in 2016 and 2017 and will provide \$40,000,000 of the stadium and riverbank costs as well as contribute to the construction of a baseball museum. In 2017, the City also established the West Bank TIF District to provide \$29,500,000 in TIF financing for the stadium and related area improvements.

The City established the Multi-Sport Stadium CID and expanded the West Bank TIF District in 2019 to provide additional funding for the stadium. The CID will provide funding for the stadium as well as parking and infrastructure improvements supporting the stadium. The expanded TIF district will provide additional funding for stadium parking as well as parking and streetscaping within Delano, as described in the Delano Neighborhood Plan.

Delano Catalyst Site — \$52,000,000

The Delano Catalyst Site was created from excess land that was originally acquired for the downtown Advanced Learning Library. The City issued a Request for Qualifications for development of the site and received four submissions. A development review committee was formed with citizens with diverse backgrounds including finance, real estate, Delano businesses and interested Delano neighborhood citizens. The committee vetted the submissions and held a community open house for a review of the final projects. EPC Real Estate out of Kansas City was selected to develop the site.

EPC Real Estate closed on the 7.2 acres located near the new Advanced Learning Library in Delano. Construction has started on a high-end 200-unit apartment complex, a 95-room hotel and at least 5,000 square feet of commercial space.

EPC has taken advantage of the fact that the project is located in an Opportunity Zone to create an Opportunity Fund to provide the equity portion of the project. The equity was provided due to a sale of a company which proceeds were invested in this project. EPC is currently under construction on the multi-family portion of the project.

TGC Development, based in Wichita, was selected for the 95-unit hotel. It is currently under construction of an upscale Marriott Home 2 Suites.

EPC has modified its plan to accommodate up to 40,000 square feet of retail/office space north of the Home 2 Suites. Construction of the hotel is slated to be completed ender of 2020 and the first phase of the apartment project will be open Fall of 2020. Full completion will occur Spring 2021.





Naftzger Park — \$3,900,000 **Spaghetti Works — \$26,000,000**

Work began in 2018 for the redevelopment of Naftzger Park to provide a 21st century park. The \$3,900,000 project creates a gathering space for occupants and visitors to downtown as well as a gateway to the Intrust Bank Arena. The City funded \$2,500,000 in park improvements, financed partially by TIF funds generated from the adjacent Spaghetti Works project. Everygy, the regional electric power company donated \$1,400,000 for additional park improvements. Completed in early 2020, a former ribbon cutting will occur once the COVID 19 restrictions are removed.

The City of Wichita approved a development agreement with the developers of the Spaghetti Works project in early 2018 for the redevelopment of the former Spaghetti Works Building and construction of a new 62,000 square foot mixed-use building adjacent to Naftzger Park. Spaghetti Works, LLC converted the former Spaghetti Works building into apartments that opened in the first quarter of 2019.

Construction of the 62,000 square foot mixed-use building began in 2018 and tenants began moving in during the last quarter of 2019. The building is the new home of the Martin Pringle Law Firm as well as the Home Grown restaurant.

The \$26,000,000 private project was granted the use of IRBs for a sales tax exemption on construction materials, and a 2% CID was approved for up to 22 years. This development enhanced the streetscape along Douglas and provided the tax increment necessary to make improvements to Naftzger Park. The CID includes a 10% administrative fee that will be used by the City for park maintenance.



Douglas & Emporia — \$20,000,000

In 2018, the Douglas & Emporia Project was approved. It will include 60,000 square feet of Class A office space as well as 10,000 square feet of ground floor commercial space. Additional work includes parking improvements for the tenants.

The \$20,000,000 project includes the use of Industrial Revenue Bonds for a sales tax exemption on construction materials, and a 2% CID sales tax for up to 22 years. The developer purchased a City owned lot along Emporia for additional parking. The City will use proceeds from the sale, as well as 10% of the CID revenue to finance public improvements, primarily converting Emporia to two-way track.

This project is one of the first in the City to utilize Opportunity Zone funds to help finance the development. Demolition of the former building and construction began on the 60,000 square feet of Class A office space in 2019. The City's work to convert Emporia from one-way to two-way traffic will begin in 2020.

Fidelity Bank Expansion — \$51,000,000

In 2019, Fidelity Bank announced an investment in downtown Wichita which includes a 505-stall garage and new 10-story office tower. The City sold parking lots at a market rate to Fidelity to allow construction to begin on the new garage. The Fidelity expansion, called RISE: A Beacon of Progress, began the first phase in mid-2019 with the construction of the garage, which includes 17,000 square feet of street-level retail space and will be completed in the third quarter of 2020. The second phase will include construction of a 135,000 square foot office tower with a rooftop greenspace. This phase is anticipated to be complete by 2023.





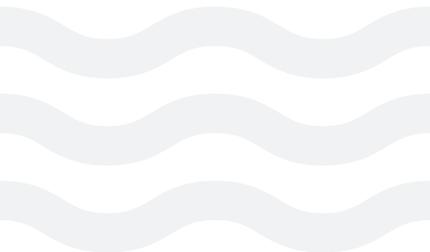
This project is another example of companies making investments to attract and retain top talent to Wichita. Fidelity projects to add an average of 10 jobs per year to the Downtown campus. Fidelity's Office of Culture and Talent is spearheading the effort.

Stryker Multi-Sport Youth Sports Complex — Complete

The Stryker Multi-Sport Youth Sports Complex opened in the second quarter of 2019.

Construction of the complex began in 2018 for the 11 multi-sport fields and the 112,000 square foot indoor facility. The complex, in northeast Wichita, has joined the thriving sports district along north Greenwich Road. Although only open for a portion of 2019, the facilities hosted soccer, football and lacrosse games, to name a few. The facilities were leased for several youth sports camps and clinics, as well as used for Junior College games and tournaments.

The K-96 & Greenwich STAR Bond District was originally created in 2013 for the development of a multi-sport athletic complex, the Wichita Sports Forum, and completion of the interchange at K-96 and Greenwich. The City expanded the K-96 and Greenwich STAR Bond District in 2016 to provide STAR Bond funding for two additional projects. The Stryker complex is a \$22,000,000 project that includes the conversion of the outdoor fields to artificial turf, renovation of the championship stadium and construction of an indoor facility with an outdoor size field. Across from Stryker, on the east side of Greenwich, a private development is planning to bring a golf-entertainment complex. This development will include dining and entertainment as well as a game style driving range in a style competitive with Top-Golf.



Topeka Street Firehouse — \$1,000,000

In 2018, the City issued a Request For Proposals for the sale and development of land at the Topeka Street Firehouse Catalyst Site. The City successfully negotiated a sale of the land at 500 S. Topeka and development agreement for the project in 2018. The land sale closed in 2019 and set a 12-month timeline for the renovation project. The developer is converting the building into a share and maker space, including a neighborhood coffee shop. The project, Fireworx, is an Opportunity Zone Project and is estimated to cost \$1,000,000 and is scheduled to open in March, 2020.





Groover Labs — \$5,000,000

Founded by spouses Curt Gridley and Tracy Hoover, this coworking and makerspace occupies 42,000 square feet in downtown Wichita. As entrepreneurs who built and sold their own business, Gridley and Hoover (whose combined names created the name for the space) hope they have created a space that will inspire innovation from startup businesses, small businesses and freelancers. Its unique labs offer the ability not just to design, but to actually create products. Co-working space can be in an open area, a private office or space for a business with multiple employees. The 14,000 square foot maker space includes an electronics assembly lab, multiple Computer Numeric Control (CNC) machine and a wood. The facility also houses an event space that accommodate up to 275 people, including any microphone or screens needed for presentations.

Spirit Eclipse Project — \$23,000,000

This unique partnership between the City of Wichita, Sedgwick County and Spirit AeroSystems built a new 150,000 square foot global digital logistics center. The seventy foot tall building serves as a smart distribution center. A smart

storage and retrieval system is utilized to decrease flow time, improve inventory accuracy and increase storage capacity. Spirit consolidated 500,000 square feet of storage space in three buildings into the new logistics center, allowing those buildings to be repurposed for expansion of fabrication and manufacturing support work.

King of Freight

King of Freight LLC (KOF) purchased the building formerly occupied by Gander Mountain to use as its company headquarters in 2019. KOF currently has almost 535 employees who house out Wichita. KOF redesigned the Gander Mountain space to accommodate an expanded Wichita operation. KOF will be required to create at least 400 new jobs in Wichita over the next five years with an average salary of \$50,000. The tax benefit to the City from these new jobs is \$1,000,000 over the next 10 years. The City will also benefit from the KOF employees who will be parking to go to work. KOF has agreed to lease parking for 450 spaces at \$15 per month per parking space. The estimated annual revenue is \$70,000 per year.

2019 Program Results



Business Retention and Expansion Efforts

Business Retention and Expansion (BRE) is an economic development strategy of proactively connecting with existing businesses in our market to understand and respond to local business needs. BRE efforts increased in 2019 as the City contracted with the Wichita Independent Business Association (WIBA) to include more small business visits. The team set out to exceed the 65 BRE visits conducted in 2018. The effort is a continuation of the City's overall efforts to build its relationship with the business community and provide services that make it easier and attractive to locate and operate in Wichita. The City renewed its contract with WIBA in 2020 to continue the effort of reaching businesses at all levels.

The 2019 goal included both Industrial Revenue Bond and Economic Development Exemption annual compliance visits as well as reaching out to companies without incentives to get a

better pulse on the health of the various market segments in Wichita. The total number of 2019 BRE visits was 122, which exceeded our target. Companies visited varied in size from one to 13,000 employees.

The 2019 visits were intended to put a name and a face with City Hall such that if a company had an issue, they had a place to start and a name to call.

The conversations with companies centered around a company's near-term and long-term projections for their business development and any perceived obstacles to growth and expansion plans. Companies were asked to identify issues that could impact their ability to move forward globally and locally. Results of these conversations provided feedback on the challenges facing companies, their outlook for the future and any situations they have faced while operating in the City of Wichita. Where appropriate, companies were referred to agencies that could help address specific concerns or issues.

Visits by Key Industry

Two of the three most commonly identified concerns remained from previous years, which were talent identification/workforce and accessing government. The health of the economy was the third most common concern.

Businesses that will be targets for BRE visits in 2020 will be identified through the target sectors identified in the Regional Growth Plan. This multi-year action plan, which was developed in 2019, features seven target industry sectors (as outlined on the chart below - the “other” category was removed), five strategic pillars, 32 key initiatives and a regional framework to support implementation. The target sectors in the Regional Growth Plan will direct where the City places its emphasis for BRE visits in 2020.

More information is available [here](#).

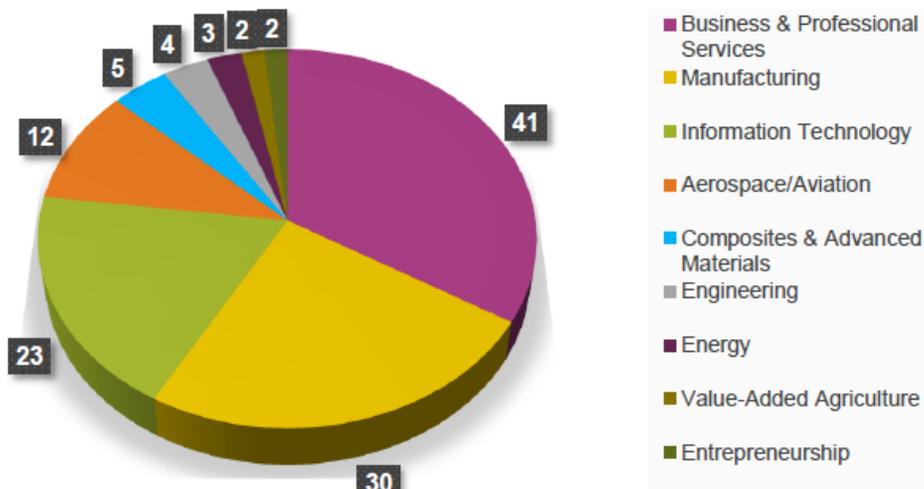
Key Feedback

Talent: The number one issue facing local companies continues to be talent identification/workforce. With low unemployment, employers

struggled to identify available skilled talent in the Wichita area. A small labor pool of skilled workers has also resulted in the top talent rotating locally within industry. This results in increased hiring costs for local firms while not growing the labor pool. In 2018 the Greater Wichita Partnership launched [choosewichita.com](#) with the aim of helping companies attract new employees from outside of Wichita. The website provides a comprehensive look at Wichita for people who are not acquainted with what the City has to offer.

The aging workforce is compounding the region’s concern with flat population growth in the local market as well. Companies struggle to replace retiring high-skilled labor with new skilled labor. Locally owned firms also face a crossroads when ownership looks to retire. Several companies expressed the possibility of closing or selling the companies – possibly resulting in a relocation.

A growing number of companies offer on-the-job training for new employees to address the skill shortage as well as partnering with



WSU Tech and Wichita Technical Institute for training. City staff works to connect companies to both the Greater Wichita Partnership and the Workforce Alliance of South-Central Kansas for assistance with workforce issues. The Workforce Alliance provides an array of services from skills assessment, training, a database of resumes and more. The Workforce Alliance assists both job seekers as well as companies with job openings. Many of the services come at no cost the user. They also routinely host job fairs.

In 2020, through a revamping of the incentive guidelines, new guidelines will give extra credit to companies that supply a plan for talent recruitment, particularly from outside the State of Kansas.

Government (City, State, Federal): Government relations continue to be cited as a concern to companies, both in the challenge of the size and scope of departments as well as regulations. The State of Kansas was identified as a challenge due to regulations and K-DOT was specifically cited by one company.

Locally, a developer in the community cited the lack of consistency and flexibility with development projects within the City. Similarly, a tenant downtown expressed dissatisfaction with building codes and enforcement. The landlord was unwilling to make efficiency improvements requested by the tenant. The building owner was not willing to do any work more than what is required by code.

City staff works to connect many of the companies directly to specific departments and key staff who could address the company's needs. Staff continues to help when needed and several expressed appreciation for the assistance and

helping to resolve an issue or concern.

Additionally, the Office of Economic Development often takes on the role of ombudsman for large projects. One staff member will be designated as the single point of contact for developers/ companies to coordinate multiple departments that will participate in projects as well as address any issues or concerns during the development of the project. This occurs either in scheduled weekly conference calls or more informally with either a call from the business/developer or a staff member reaching out. Staff has been able to assist companies with meeting deadlines related to project completion and certificates of occupancy.

Economy: Economic concerns grew in 2019 over 2018. Companies are beginning to show some signs of concern regarding future growth. Although overall projections for growth over the next twelve months is positive, companies are forecasting slower growth. Nearly half of companies responding indicated slow to no growth, with 29% indicating that growth will be flat over the next 12 months

A growing number of companies cited continuing tariffs having an impact on production and sales. However, a small number of companies cited issues with foreign competition using subsidies and other tactics to undercut domestic pricing of products. In addition to international competition, overproduction was also cited as concern moving forward, primarily in the energy and ethanol production sectors.

Other Issues Expressed

Infrastructure: Staff worked with Engineering to improve the streets and infrastructure to support local businesses. Several comments were noted regarding deferred city maintenance.

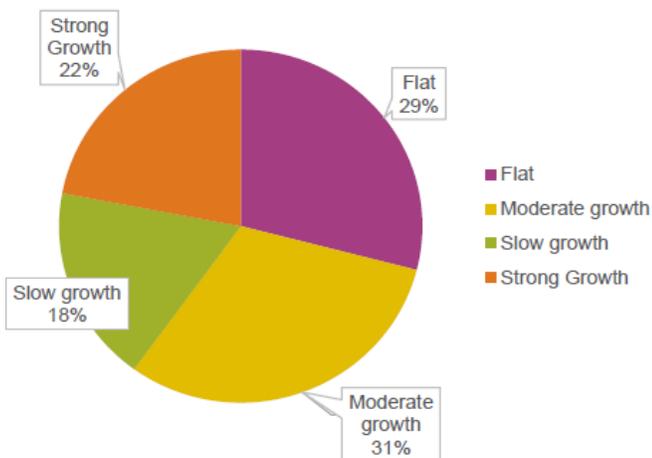
Projected Investments

Staff continues to work to improve the streets downtown and convert certain one-way streets to two-way, when feasible.

Travel: Air travel continues to cause difficulty for companies looking for efficient flights. More than one company struggles with flight options when bringing remote workers in for key events and meetings. For-hire transportation companies such as Uber and Lyft had several complaints for travelers.

In 2020, companies with concerns about air travel will be referred to the flywichita.com initiative.

Downtown: A successful revitalization of downtown creates additional issues that both residents and businesses face. The homeless population was discussed by most companies downtown. Everyone is understanding of the situation and willing to work toward a solution. When businesses are not aware of the Homeless Outreach Team, contact information is provided.



At least one company actively participates in Family Promise, a resource for homeless families. In addition, downtown businesses have experienced break-ins over the past months. Staff worked with beat officers to meet with the companies and provide security improvement recommendations. On a positive note, downtown businesses, overall, were supportive and enjoy the scooters downtown.

Projected Investment

Capital investment in real property improvements and new machinery and equipment is a sign of a healthy company and often leads to job growth. This was a critical component of the conversation during BRE visits. If the company responded that it did intend to invest, Staff asked what type of investment and if that would lead to new jobs.

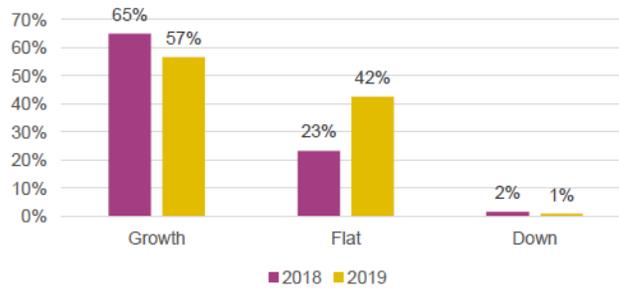
Advanced Manufacturing & Materials and Aerospace remain the two KEY SECTOR clusters with the highest share of expected growth for investment and jobs. All 57 companies that discussed business projections saw growth and 35 percent (20) anticipate making investments in their company of at least \$500,000. The main concern expressed by companies looking forward is the risk of continued trade wars impacting export sales.

- Capital investment projection over the next 12-60 months
- Investment ranges from \$500,000 to \$70,000,000
- 57 companies provided information on future investment

Projected Jobs

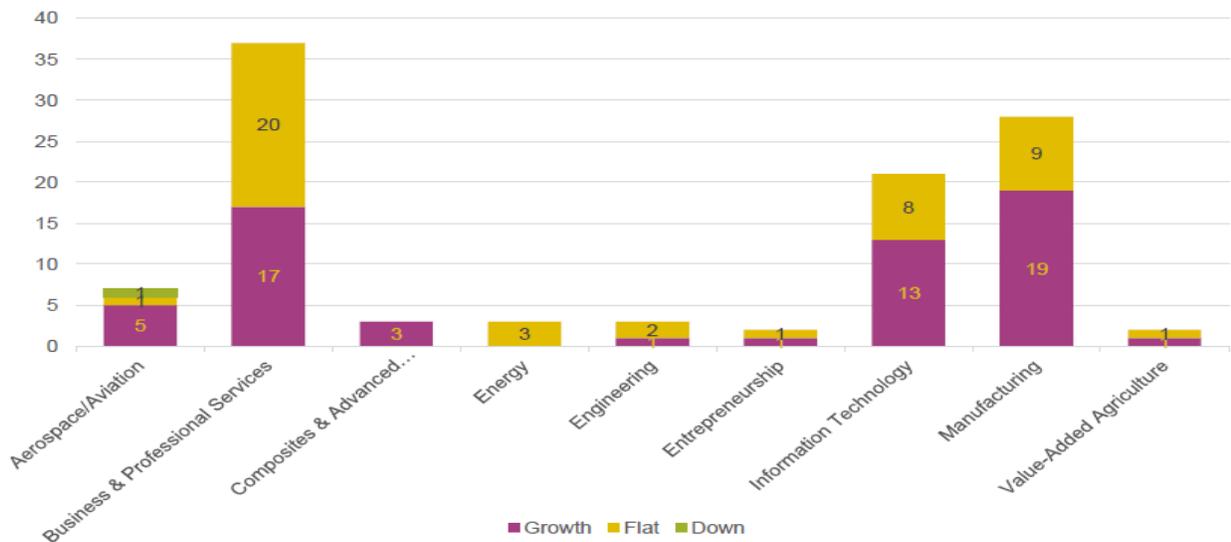
Overall, more than half of the companies expect to hire in the next 12 months. However, in contrast to projected investment, a smaller share of companies look to hire in the next year compared to the previous year's projection. In 2018, 65% of companies planned to hire, that's down to 57% in 2019. Spirit Aerosystems laid off employees in 2019, however the long-term outlook for the company remains positive. Although more than half of the companies surveyed anticipated hiring in the next 12 months, the largest challenge continues to be the availability of skilled labor. Companies expressing staffing concerns have been referred to key partner organizations such as the Workforce Alliance of South-Central Kansas and the talent retention and recruitment staff at the GWP. This work will continue to be essential to the City's growth and success.

Projected Job Growth 2018-2019

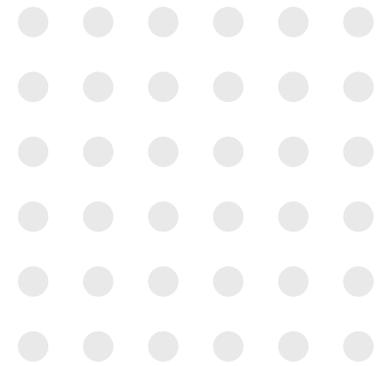


- Employment projection over the next 12-60 months
 - o Of the 106 companies that provided future employment outlook, 60 project hiring
 - o Hiring is projected in all Key Sectors except Energy

Projected Jobs Next 12 Months - 106 Responses - By Sector



2019 Business Retention and Expansion Visits



3R Mechanical
3S Engineering
Aero Space Controls
Air Capital Equipment
Air Capital Movers
Albertson & Hein
Anderson Industries dba Pioneer
Cable Co.
Baco Corp.
Beren Corp.
Bill Guy Technology Solutions

Breakthrough Club

Cero's Candies
Choose Networks
Chrome Plus
Claco Supply
Commercial Trade Services
Crown Equipment Corp.
CSS Group
Dudley Williams & Associates
Dutch's Greenhouse
Essential Property Management
Exhibit Arts, LLC Founders Crest
Ful-Tech Dental Lab
George Lay Signs
Hiller, Inc.
Hubris Communications
Ideal Feet
IngenuIT

Integrated Components
Johnstone Supply
Just Text It
Kamen Wiping Materials
Lark Label
Lustercraft Plastics
Manufacturer's Supply Co.
McClelland Sound
Metal Arts
Mid-States Laboratories
Mil-Pac Specialists
Mires Machine

Morrow Engineering
Occidental Management
One Source Technologies
OwnIT
Pen Publishing Interactive
Poe & Associates
Professional Software
Raptor Manufacturing
Remote Computing Systems
Sinclair & Sons Welding &
Machine Shop
Smith & Smith Aircraft
International Specialty Patterns
Stanion Wholesale Electric
Sudbury Transportation
The File Depot
Thermoformed Plastic Products
Three Way Pattern
TKFast
Total Filtration Services
Trenton Agri Products
Trimark Signworks
Universal Avionics Systems Corp.

Victory Aerospace
Washer Specialties
White Energy
Wichita Family Vision
Yesco Signs
Accrus
Aerospace Systems &
Components Inc.
Atlas Aerospace
B & B Airparts
Cargill Meat Solutions Corp.
Cosmicpet
Cox Machine
Ember Technology
Fairmount Technologies
Ferroloy
Figeac Aerospace
Johnson Controls
Metal Finishing Co.
Open Road Brands

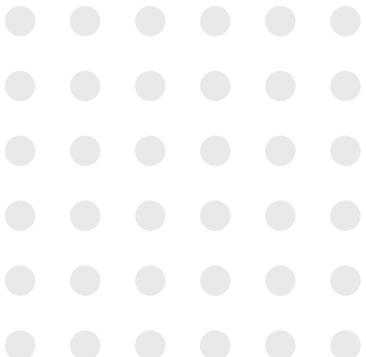
TEC Systems
Wichita Urology Group PA
Yingling Aviation
Buchanan Technologies Inc.
M&M Insurance
Profillment
Twotrees Technologies

Bevan Aviation
C.E. Machine
Cybertron International Inc.

InfoSync Services LLC
King of Freight
LMI Aerospace Inc.
Optimuz Manufacturing
Pioneer Balloon
Roberts Concrete
SmashDev Shop
Syndeo Outsourcing, LLC
TECT Aerospace
Trinity Precision Inc.
Via Christi Health
Account Recovery Specialists Inc.
(ARSI)
Accent Lighting
Callcap
Curo Financial (Speedy Cash)
Global Partners Solutions, Inc.
Groover Labs
Heartland Bottling Co.
HM Dunn

Textron Aviation
Learjet
Spirit Aerosystems
KVC Health
Leadfoot Express
Lion Graph
Midwest Esports
MSB USA
Murfin Drilling Co.
Slawson Companies
Vantage Associates

2019 Program Results

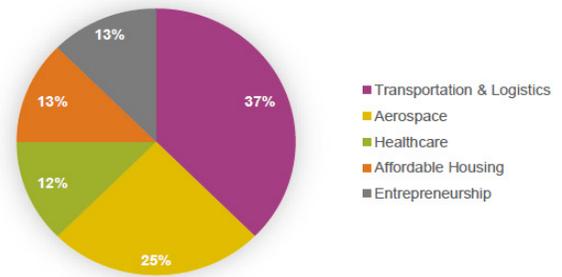


Industrial Revenue Bonds (IRB)

The City of Wichita may provide qualified businesses an exemption of up to 100 percent of the new real property taxes for real property improvements for up to 10 years through the issuance of Industrial Revenue Bonds. The issuance of IRBs also allows the City to offer a sales tax exemption on the purchase of building materials in Kansas.

In 2019, the City approved 8 new projects utilizing IRBs; 7 projects that include a property tax abatement and one additional project for sales tax exemption only, and/or to achieve tax exempt

2019 IRBs by Key Industry



financing. Nine IRB projects were closed out in 2019 that resulted in over \$90 million in investment and over \$130,480 annually in property tax returning to the City in 2020.

A list of outstanding IRBs with property tax abatement is provided in the appendix.

2019 IRB Projects

Project	District	Investment	New Jobs	Annual Salary	Key Industry
Atlas Aerospace/C&C Development	4	\$4,800,000	50	\$55,815	Aerospace
Profillment	4	\$4,952,000	9	\$42,000	Transportation & Logistics
Gridley Foundation	6	\$4,000,000	NA	NA	Entrepreneurship
Webb Industrial	2	\$11,000,000	NA	NA	Transportation & Logistics
IH1, LLC (Cosmic Pet)	4	\$6,100,000	24	\$42,000	Transportation & Logistics
Steele Shadyway, LLC	1	\$11,000,000	NA	NA	Affordable Housing
Yingling Aircraft	4	\$3,500,000	25	\$58,000	Aerospace
Douglas Market Development, LLC	1	\$90,000,000	324	\$55,000	Healthcare
Total		\$135,352,000	432	\$50,563	

NA = IRBs issued to non-profit or sales tax exemption only do not have a job or salary requirement.

IRB Performance 5-year Reviews 2019

Project	District	Investment	Committed Jobs	Actual Jobs	Committed Salary	Actual Salary	Key Industry
Hightouch	1	\$2,000,000	50	30	\$65,000	\$72,000	IT Systems & Support
Total		\$2,000,000	50	30	\$65,000	\$72,000	

IRB Property Tax Abatements Expired in 2019 and Returned to 2020 Tax Rolls

These are projects that have completed the 10-year tax abatement period and have been added to the tax system, if applicable (some are non-profits that are tax exempt)

Company	District	Key Industry	Capital Investment	Annual Wichita Tax Share
Ethanol Products, LLC	2	Oil and Gas	\$4,000,000	\$48,992
Pulse	2	IT Systems & Support	\$6,000,000	\$38,465
LDF Properties	2	Transportation & Logistics	\$10,000,000	\$31,480
Learjet, Inc.	4, 5	Aerospace	\$5,627,473	\$11,543
Coleman Company	1	Advanced Manufacturing	\$5,300,000	\$—
Cornerstone (Via Christi)	5	Healthcare	\$12,750,000	\$—
Learjet, Inc.	4, 5	Aerospace	\$4,900,000	\$—
Spirit Aerosystems	3	Aerospace	\$17,500,000	\$—
Textron Aviation	2,3,4	Aerospace	\$—	\$—
Total			\$90,077,473	\$130,480

Industrial Revenue Bonds are generally issued for a 10-year period. IRBs that included a tax abatement will begin paying the tax in 2020. The estimated tax share is based on a report provided by Sedgwick County. IRB's issued to tax-exempt entities or companies within an industrial district or airport authority are exempt from property taxes. Capital investment represents the company's capital investment at the time of approval but may include machinery and equipment which is exempt from property taxes.



2019 Program Results

Economic Development Exemption

The City of Wichita may provide qualified businesses an exemption of up to 100 percent of the new real property taxes for real property improvements for up to 10 years through the approval of an EDX. EDX is used to encourage manufacturing, research & development and warehousing/distribution companies to grow.

In 2019, the City approved two EDXs for expansion projects. These projects will create at least 98 new jobs and result in capital investment of nearly \$21,000,000. Two EDX projects were closed out in 2019 that resulted in nearly \$42 million in property value and over \$87,958 annually in property tax returning to the City.

A list of outstanding EDXs with property tax abatement is provided in the appendix.

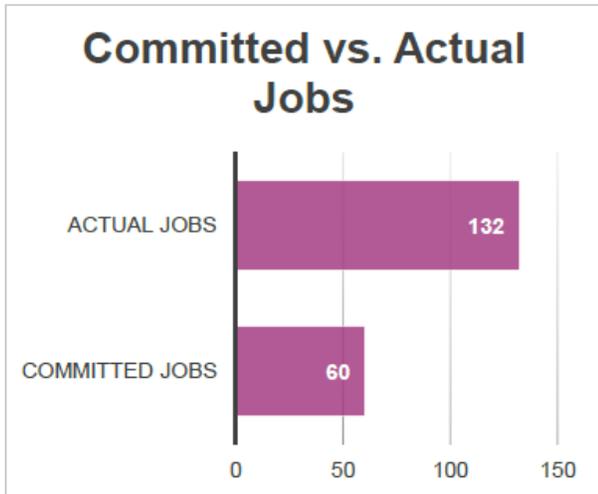


2019 EDX Projects

Project	District	Investment	Proposed Jobs	Average Salary	Key Industry
B & B Airparts	4	\$8,000,000	48	\$45,500	Aerospace
Metal Pros	4	\$5,243,000	17	\$49,126	Advanced Manufacturing
Open Roads Brands	2	\$7,600,000	33	\$45,500	Advanced Manufacturing
Total		\$20,843,000	98	\$46,709	

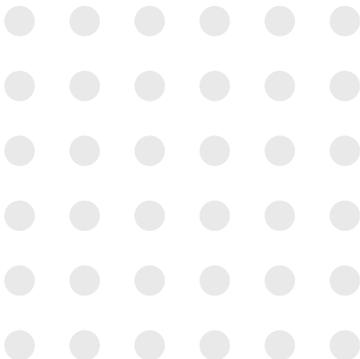
5-year Performance Reviews 2019

Project	District	Investment	Committed Jobs	Actual Jobs	Committed Salary	Actual Salary	Key Industry
Accurus Aerospace (formerly ZTM)	3	\$3,150,500	40	86	\$47,010	\$46,943	Aerospace
C.E. Machine	4	\$3,860,411	20	46	\$42,000	\$48,340	Advanced Manufacturing
Total		\$7,010,911	60	132	\$44,505	\$47,642	

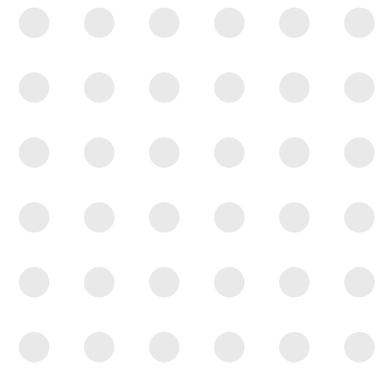


Property Tax Abatements Expired in 2019 and Returned to 2020 Tax

Company	District	Key Industry	Capital Investment	Annual Wichita Tax Share
Universal Lubricants	6	Advanced Manufacturing	\$40,000,000	\$75,518
Leading Technology Composites	4	Advanced Manufacturing	\$1,750,000	\$5,139
Total			\$41,750,000	\$80,657

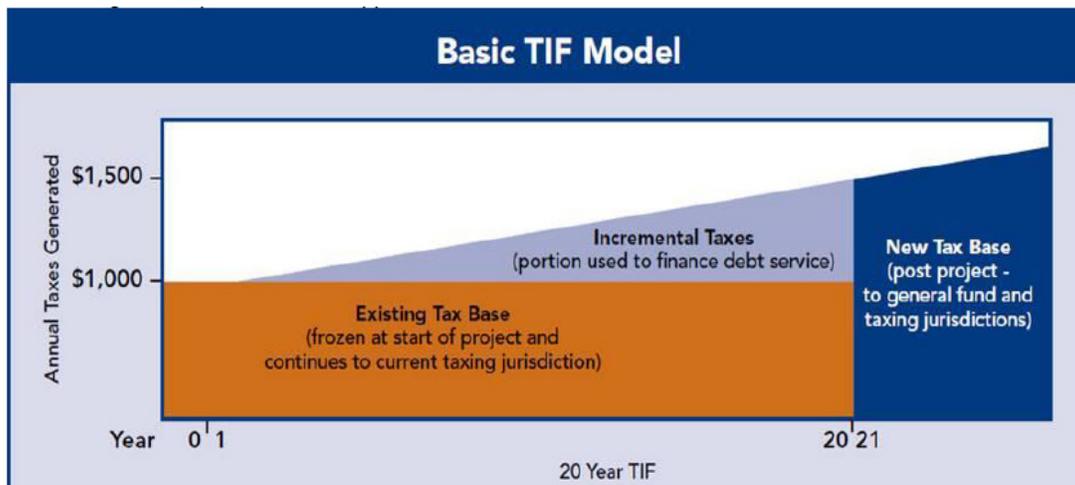


2019 Program Results



Tax Increment Financing (TIF)

Tax Increment Financing is a State of Kansas established tool utilized by the City to encourage investment and support infrastructure within the City for new development. TIF can be paid from the incremental property tax generated by the new development to finance eligible improvements. Financing can be provided either by the issuance of bonds up front, or on a pay-as-you-go basis to reimburse eligible costs as revenues are generated. A model from the Council for Development Finance Agencies demonstrates how the City, School and County continue to receive the existing taxes, but the additional taxes generated from investment is used to fund TIF projects. At the end of 20 years, the taxing jurisdictions have a larger tax base contributing to the general funds. A list of outstanding TIFs is provided in the appendix.



From the CDFA Tax Increment Finance Best Practices Reference Guide © 2007. For illustrative purposes only.

In 2019, the City of Wichita adopted two new project plans for redevelopment in downtown and approved a Development Agreement to initiate a third project. The projects are summarized in the table below and described on the following pages:

Project Name	Redevelopment District	Project Budget	TIF Eligible Amount
West Bank TIF Expansion	West Bank	\$83,000,000	\$29,500,000
Union Station Phase III	Union Station	\$8,700,000	\$317,170
Chester I Lewis Reflection Park	Center City South	\$1,300,000	\$1,300,000

TIF Union Station: Phase 3 — Ice House

The Union Station Redevelopment District was established in 2014 for the redevelopment and expansion of the former Union Station train depot. The \$54,000,000 project is currently planned for four phases. Phase 1 began in 2015 and included rehabilitation of the former Grand Hotel, Rock Island Passenger Depot and Baggage Depot. The developer added a plaza along Douglas that houses vendors and is open for events.

Phase 2 began in 2018 for the redevelopment of the Terminal building as well as an additional 30,000 square foot addition to the express building. The terminal's main tenant is Fanueil, who brings over 400 employees downtown. The fourth and final phase of development will include a garage, which will occur once the development reaches a set occupancy.



Union Station Phase 3

In 2019 the City expanded the Union Station TIF District to include the Ice House. The City also adopted the Union Station Phase 3 project plan in 2019. The project continued the work done to develop Union Station in Phases I and II. Phase III includes the rehabilitation of the Ice House building as well as adding 13,000 square feet of new development to create a 40,000 square foot mixed-use building. The \$8,700,000 project will support over \$300,000 in TIF eligible infrastructure improvements and will be reimbursed on a pay-as-you-go basis.

Redevelopment District —

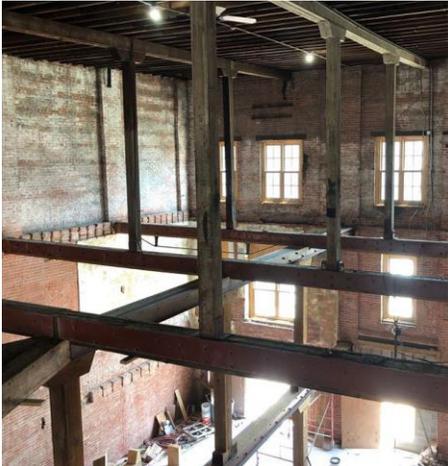
Project Area —



Ice House Renderings



Interior Construction



TIF Project Area 3B: Chester I Lewis Reflection Park

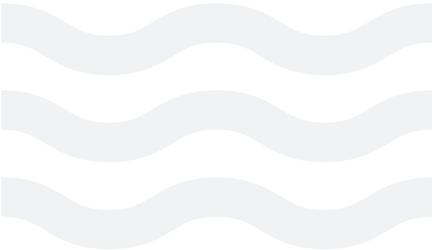
In 2019, the City Council approved a development agreement with Douglas Market Development, LLC for the redevelopment of four vacant buildings in Downtown into a medical education complex. Part of that redevelopment project includes expanding and updating the Chester I. Lewis Reflection Park.

The developer will be demolishing a building directly east of the park. The back third will be used as an elevated entrance to the school, providing access from Douglas Avenue. The City plans to purchase the front two-thirds of the demolished building to expand the park. Plans for the park, led by a community panel and with public input, will be primarily focused on updating the existing park and providing enhancements within a \$1,300,000 budget. The park will be more accessible to the public and serve as a gathering spot for students between classes.

Acquisition of the land and redevelopment of the park is scheduled to begin in 2020 using \$1,300,000 in Tax Increment Financing, subject to City Council in the first half of 2020. The developer has agreed to provide a personal guarantee for the \$1,300,000 in TIF.



Concept Renderings: Reflection Park



2019 Program Results



Community Improvement Districts (CID)

Community Improvement Districts are a State authorized tool to encourage investment in cities. CIDs allow a commercial property owner to petition the City to levy special assessments or impose up to an additional 2% local sales tax for up to 22 years within a CID District to fund eligible project costs. The City Council adopted a policy in 2010 to provide direction on local use of the incentive. Thirteen CID sales tax projects and one special assessment project currently exist within the City of Wichita. In 2019:

- The City established the Multi-Sport Stadium CID to provide additional funding for the new multi-sport stadium and surrounding infrastructure.
- The City approved the Douglas Market Development CID to support the development of a hotel and culinary school that are part of a larger education complex development; 10% of the CID revenue will go to the City for maintenance of Chester I. Lewis Park and parking.
- The Delano Catalyst District was amended due to a boundary change from a sale of land.

A list of outstanding CIDs is provided in the appendix.

2019 CID Projects

Project Name	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Term of CID
Multi-Sport Stadium	April 2020	2%	\$13,000,000 Bonded/Pay-As-You-Go	\$83,000,000		22 Years
Douglas Market Development	January 2022	2%	Pay-As-You-Go	\$35,000,000	\$3,600,000	22 Years

Multi-Sport Stadium CID

The Multi-Sport Stadium CID was established as one of the funding tools to provide the additional revenue for providing a portion of the financing for the new multi-sport stadium hosting the Minor League Baseball AAA Wind Surge team. The CID area includes the City-owned property around the stadium and within WaterWalk, as well as land controlled by RiverFront Partners, LLC.

The CID is estimated to provide up to \$13,000,000 in bond financing toward the stadium. The City will use revenue to first repay the outstanding debt on the stadium. Additional revenue beyond the debt service can be used to pay for other improvements within the district. As part of an agreement with the RiverFront Partners, the City will receive CID revenue up to a set limit from retail sales within their development. Once that limit is met the Developer will receive CID revenue generated from their development for eligible costs until their maximum limit is reached.



Proposed Riverfront Partners Development



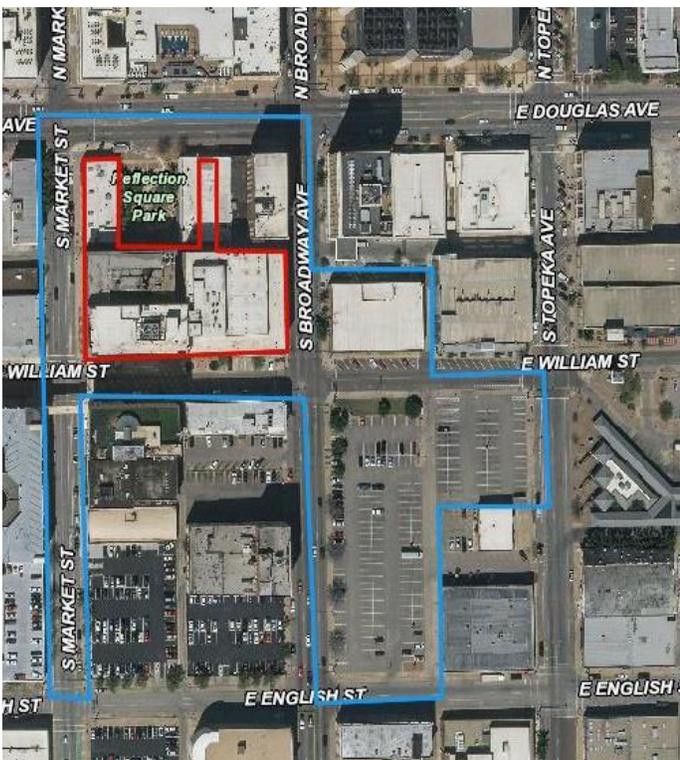
Riverfront Stadium



Douglas Market Development CID

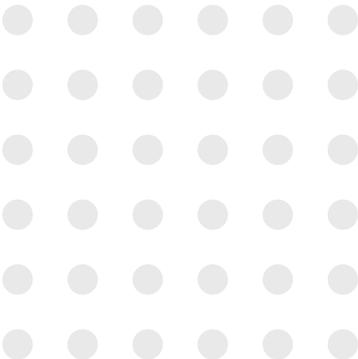
In 2019, the City Council approved a Community Improvement District to assist in the redevelopment of two vacant and underutilized buildings in downtown. The buildings will be part of the larger educational campus being developed by Douglas Market Development. The CID district includes the former Broadway Plaza building, which will be converted into an AC Marriott Hotel and the former Henry's building, which will be converted into a culinary school and food court.

The 2% CID will provide up to \$3,600,000 in pay-as-you go funds to the developer for eligible costs related to redevelopment of the two buildings. The City will receive 10% of the revenue, up to \$360,000 for maintenance of Chester I. Lewis Park and the Allis Parking lot.



Douglas Market Development CID —

Property Excluded from CID —



Proposed New Hotel



Proposed Culinary School



Façade Improvement Program

The Façade improvement program provides low interest loans, and grants in some occasions, to assist property owners in the investment and improvement of their buildings. The tool is used to enhance aesthetics of Wichita's downtown buildings. The program uses special assessment financing to provide loans of up to 15 years for the improvements.

The City also offers the Asbestos and Lead Based Paint Remediation Program to assist owners in the removal of dangerous substances to allow redevelopment of a building. The program utilizes the same structure as the Façade Improvement Program but does not provide a grant.

In 2019 the City approved six façade improvement and four asbestos loans. These projects include the Kansas Health Science Center project that is improving four facades and is abating asbestos in three buildings.



Project Name	Location	Developer Investment	Façade Amount	Grant	Term
1029 W. Douglas - Façade	1029 W. Douglas	\$1,400,000	\$213,000	\$30,000	15
150 N. Main - Asbestos	150 N. Main	\$—	\$655,000	\$—	15
FireWorx - Façade	500 S. Topeka	\$1,000,000	\$200,000	\$30,000	15
KHSC Project Façade – DO School	130 S. Market and 230 E. William	\$59,000,000	\$3,867,000	\$—	15
KHSC Project_Asbestos - Hotel	105 S. Broadway	\$24,000,000	\$142,061	\$—	15
KHSC Project_Asbestos-Culinary School	124 S. Broadway	\$10,250,000	\$74,758	\$—	15
KHSC Project_Asbestos-Student Housing	205 E. William	\$24,000,000	\$764,136	\$—	15
KHSC Project Façade - Hotel	105 S. Broadway	\$—	\$764,152	\$—	15
KHSC Project Façade - Culinary School	124 S. Broadway	\$—	\$1,605,467	\$—	15
KHSC Project Façade – Student Housing	205 E. William	\$—	\$4,784,800	\$—	15

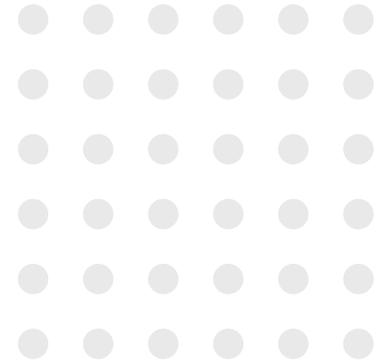
Project Management / Development Assistance

Economic Development efforts included project management services for ongoing projects within the City. Project management efforts begin at the first contact with a company and continue through completion of the project and compliance period. This interaction is designed to ensure that projects go smoothly and that companies have one point of contact within City Hall that they can use to move through the process without unnecessary delays.

Examples of ongoing projects with developmental involvement include the following:

- **Kansas Health Science Center Campus**
Development assistance for the new education campus. Coordination of city programs and departments to move project through City approval processes
- **Delano Catalyst Site**
Assistance coordinating City and joint City/County organizations to ensure timely review and permitting of projects and provide development assistance
- **Uptown Landing**
Coordination of City programs and assistance moving through City approval processes
- **Fireworx**
Provide development assistance for construction and parking needs
- **Vantage Point Properties**
Provide development assistance with the former A Legacy Antique building including parking lease at former State Office Building garage. Coordinate city programs for additional projects in development
- **Stryker Multi-Sport Youth Complex**
Participation in bi-weekly steering meetings and coordinated efforts related to the future operations of the complex
- **Spaghetti Works/Naftzger Park**
Development assistance for the new commercial development on Spaghetti Works. Coordination and participation in design meetings and public input forums on the park design
- **Riverfront Multi-Sport Stadium**
Staff provides oversight of the ball team negotiations, development plans and stadium construction progress
- **Hilton Garden Inn Hotel**
Provide assistance with project issues and parking needs
- **Douglas and Emporia**
Oversight of the sale of land as well as coordination for the conversion of Emporia from one-way to two-way
- **Gander Mountain/Camping World**
Participate in ongoing dialogue for a 53-acre commercial redevelopment anchored by Camping World
- **Textron Aviation**
Renewed industrial district status for new twenty-year term to provide long-term support to Textron in Wichita

Appendix



Key Partnerships

The Department of Economic Development partners with many local and regional associations to provide attraction, retention and growth opportunities in Wichita and the South-Central Kansas Region.

In 2019, the City contracted with the Greater Wichita Partnership to manage key partnerships. The Partnership was tasked with selecting which organizations to fund. It worked with several regionally focused partners on advancing various economic development initiatives. These partnerships target job growth, promote the south-central Kansas region, improve the City's core clusters and expands regional exports. The following are the organizations that were selected by the Partnership.

Greater Wichita Partnership

The Greater Wichita Partnership works with the City of Wichita and other area partners to promote the region in an attempt to create jobs, attract talent and encourage capital investment. The Partnership represents the region at national and international trade shows. It works closely with the City on both business retention and attraction efforts to grow the economy.

Downtown Wichita

Downtown Wichita partners with the City to promote and assist in the execution of Project Downtown as well as provide additional assistance to downtown residents and property owners. The organization is the first stop for property owners and developers that are interested in improvements to downtown property. Staff works closely with Downtown Wichita to execute the vision and promote development.

Kansas Global Trade Services

Kansas Global Trade Services (KGTS) provides Wichita and South-Central Kansas with assistance in expanding exports. KGTS works to expand the region's aviation exports while diversifying non-aerospace exports. Services provided include educational seminars and one-on-one outreach meetings. KGTS is tasked with the implementation of the Brookings Institute Export Plan.

Wichita Independent Business Association

The Wichita Independent Business Association (WIBA) specializes in working with small and independent businesses. It focuses on business counseling, networking, mentorships and workforce recruitment assistance. WIBA meets with businesses, assists with job placements and provides job-training scholarships.

Molera Alvarez

The City contracts with Molera Alvarez to facilitate Foreign Direct Investment and Export relations with Mexico. Molera Alvarez works with GWP and Kansas Global on the mission to expand Wichita's exports and foreign direct investment. Molera works with Wichita-based companies regarding opportunities to export to Mexico. Molera's efforts have resulted in partnerships with Mexican associations that link Wichita companies to Mexican manufacturing supply chains and establish further business-to-business visits.

Outstanding IRBs Listed by year expiring

This report provides a summary of property tax abatements listed by the year the tax abatement expires, with the abatements expiring the soonest listed first. The Wichita Tax Share column presents the City of Wichita's actual share of property taxes that will be distributed to the City annually following the expiration of the abatement. All values are as of 2019. There are several reasons why the "Wichita Tax Share" may be blank. If the bond issue included real property improvements to an Original Equipment Manufacturer, the tax impact of one bond issue is difficult to determine, since the improvements may not be isolated to a single building. Other properties may be in an Industrial District that is exempt from City of Wichita property tax. Many of the projects are bond issues for 501(C)(3) not-for-profit entities that are exempt from property tax in their own right, and therefore will continue to be tax exempt. Some of these bond issues may have issued for the acquisition of new machinery and equipment, which is exempt from property tax in the State of Kansas.

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2020				
Coleman Company	1	Manufacturing	\$6,198,158	\$—
Larksfield	2	Business & Professional Services	\$12,800,000	\$—
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$2,780,182	\$5,732
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$892,983	\$265
Spirit AeroSystems	3	Manufacturing; Aerospace	\$7,500,000	\$—
Total				\$ 5,997

2021				
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$2,564,275	\$—
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$4,943,649	\$10,687
Pulse Headquarters	2	Data and IT	\$6,000,000	\$38,465
Spirit AeroSystems	3	Manufacturing; Aerospace	\$15,000,000	\$—
Total				\$49,152

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2022				
American Baptist Estates, Inc.	4	Residential	\$2,250,000	\$—
Atlas Aerospace/C&C	4	Manufacturing; Aerospace	\$3,125,000	\$23,131
JR Custom Metal	4	Manufacturing; Aerospace	\$20,680,000	\$29,069
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$4,400,000	\$7,535
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$5,901,384	\$1,925
Spirit AeroSystems	3	Manufacturing; Aerospace	\$1,409,479	\$—
Total				\$ 61,660

2023				
Larksfield	2	Business & Professional Services	\$28,000,000	\$—
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$1,573,913	\$66,498
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$558,553	\$23,362
Presbyterian Manor	6	Business & Professional Services	\$85,055,000	\$—
Shannon No 2, LLC	4	Speculative Industrial	\$3,500,000	\$28,901
Spirit AeroSystems	3	Manufacturing; Aerospace	\$49,000,000	\$—
Textron Aviation	2,3,4	Manufacturing; Aerospace	\$—	\$89
Via Christi Health System, Inc	5	Healthcare	\$12,750,000	\$—
Total				\$118,850

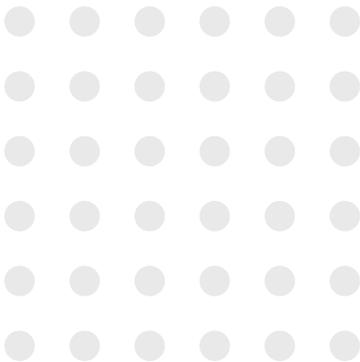


Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2024				
High Touch Technologies	1	Data and IT	\$2,000,000	\$10,446
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$13,597,609	\$1,695
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$9,520,000	\$—
Presbyterian Manor	1,6	Business & Professional Services	\$30,800,000	\$13,124
Spirit AeroSystems	3	Manufacturing; Aerospace	\$10,000,000	\$—
Textron Aviation	2,3,4	Manufacturing; Aerospace	\$—	\$31
Total				\$ 25,265
2025				
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$1,278,966	\$10,580
Learjet, Inc.	4,5	Manufacturing; Aerospace	\$3,583,185	\$—
Wesley Medical Center	1	Business & Professional Services	\$4,500,000	\$93,776
Total				\$104,356
2026				
American Baptist Estates, Inc.	4	Residential	\$3,500,000	\$—
JR Custom Metal	4	Composites & Advanced Materials; Aerospace	\$5,300,000	\$11,255
Kansas Masonic Home	4	Business & Professional Services	\$35,000,000	\$—
Lee Air	3	Composites & Advanced Materials; Aerospace	\$5,000,000	\$22,955
Pawnee Industrial II	4	Speculative Industrial	\$8,687,900	\$91,679
Spirit Aerosystems	6	Manufacturing; Aerospace	\$10,000,000	\$—
Textron Aviation	3	Manufacturing; Aerospace	\$519,327,000	\$—
American Baptist Estates, Inc.	2,3,4	Residential	\$3,500,000	\$—
Total				\$125,889

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2027				
ACFL56G	3	Manufacturing; Aerospace	\$35,500,000	\$—
Co-Co	3	Redevelopment	\$9,369,000	\$51,283
Etezazi Industries	1	Composites & Advanced Materials; Aerospace	\$10,000,000	\$9,208
Ethanol Products	2	Energy	\$7,000,000	\$48,992
Figeac Aerospace	2	Manufacturing	\$24,000,000	\$87,952
Foley Industries	4	Composites & Advanced Materials; Aerospace	\$6,000,000	\$56,598
Max Aerostructures Project	4	Manufacturing; Aerospace	\$35,000,000	\$—
Spirit Aerosystems	3	Speculative Industrial	\$9,000,000	\$36,468
Ironhorse	4	Manufacturing; Aerospace	\$107,000,000	\$659
Testron Aviation	2,3,4	Manufacturing; Aerospace	\$35,500,000	\$—
Total				\$ 291,160
2028²				
Shannon No. 2, LLC (Metal-Fab)	4	Advanced Manufacturing	\$5,000,000	\$11,556
Presbyterian Manors	6	Health Care	\$36,000,000	NA
Cargill, Inc. (Biodiesel)	6	Energy; Value-Added Agriculture	\$87,000,000	\$11,954
Cargill Meat Solutions Corporation	1	Business & Professional Services; Value-Added Agriculture	\$60,000,000	\$326,898
Kansas Medical Center, LLC	2	Health Care	\$6,000,000	\$14,362
Greater Wichita YMCA	1,2	Health Care	\$25,000,000	NA
Raptor Manufacturing	4	Composites & Advanced Materials; Aerospace	\$3,600,000	\$9,977
Friends University	4	NA	\$5,000,000	NA
Total				\$374,747

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2029²				
Air Capital Flight Line, LLC (Spirit)	3	Manufacturing; Aerospace	\$18,000,000	\$117,601
WAM Investments #6, LLC	2	Transportation & Logistics	\$6,000,000	\$37,240
Spirit AeroSystems	3	Manufacturing; Aerospace	\$23,000,000	\$150,268
IH2, LLC	4	Transportation & Logistics	\$6,000,000	\$43,848
Total				\$ 348,957¹

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1. Tax value is based on 2019 County abatement report
 2. Abatements ending in 2028 and 2029 are estimated. Property tax abatement does not begin until 2020 and is therefore not available from the county.



Outstanding EDX Property Tax Abatements Listed by Year Expiring

This report provides a summary of property tax abatements listed by the year the taxes return to the City, with the abatements expiring in 2020 first. The Wichita Tax Share column presents the City of Wichita's actual share of property taxes that will be distributed to the City annually following the expiration of the abatement. All values are as of 2019.

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2020				
Cox Machine	5	Manufacturing; Aerospace/Aviation	\$1,168,506	\$8,985
Spartech	5	Composites & Advanced Materials	\$3,700,000	\$1,797
Total				\$ 10,782

2021				
Cargill Meat Solutions Corp	1	Value-Added Agriculture	\$13,000,000	\$41,314
Chrome Plus	4	Manufacturing; Aerospace/Aviation	\$1,050,000	\$4,106
Total				\$45,420

2022				
JR Custom Metals	4	Manufacturing; Aerospace/Aviation; Agriculture; Energy	\$458,280	\$5,648
Chrome Plus	4	Manufacturing; Aerospace/Aviation	\$2,250,000	\$4,562
Milling Precision Tools	4	Manufacturing; Aerospace/Aviation	\$250,000	\$513
Redguard	4	Manufacturing; Energy; Entrepreneurship	\$5,310,000	\$13,112
Leading Technology Composites	4	Advanced Manufacturing; Aerospace/Aviation	\$2,500,000	\$9,549
WSM Industries	4	Manufacturing; Composites & Advanced Materials	\$2,167,737	\$3,623
Total				\$ 37,007

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2023				
JR Custom Metal	4	Manufacturing; Aerospace/Aviation; Agriculture; Energy	\$709,500	\$1,553
CE Machine	4	Advanced Manufacturing;; Aerospace	\$2,860,411	\$5,146
Waltons	2	Agriculture	\$2,735,506	\$10,149
Total				\$ 16,848

2024				
ZTM Inc.	3	Manufacturing; Aerospace/Aviation	\$1,860,000	\$12,959
Total				\$12,959

2025				
		No Retiring Abatements		
Total				\$—

2026				
McGinty Machine Co., Inc.	1	Manufacturing	\$4,900,000	\$10,644
B & B Airparts, Inc.	4	Manufacturing	\$4,100,000	\$10,197
Perfekta	6	Manufacturing; Aerospace/Aviation	\$4,720,000	\$24,836
Total				\$45,677

2027				
Cox Machine	5	Manufacturing; Aerospace/Aviation	\$3,426,700	\$21,451
Total				\$21,451

Company	District	Key Sector	Capital Investment	Annual Wichita Property Tax Share
2028				
Hormel	6	Agriculture	\$132,000,000	\$207,462
R & R Aerospace	4	Manufacturing; Aerospace/ Aviation	\$5,075,000	\$8,171
CE Machine	4	Advanced Manufacturing;; Aerospace	\$1,750,000	\$3,759
Globe Engineering	2	Advanced Manufacturing;; Aerospace/Aviation	\$13,800,000	\$20,827
Total				\$ 359,007

2029				
Martin Interconnect ¹	3	Manufacturing	\$1,800,000	\$326,250
Leading Technology Composites ¹	4	Manufacturing	\$8,100,000	\$8,171
Total				\$334,421¹

1. 2028 - 2029 abatements are estimated. Projects were approved prior to commencing and abatement does not begin until the year after the project is completed

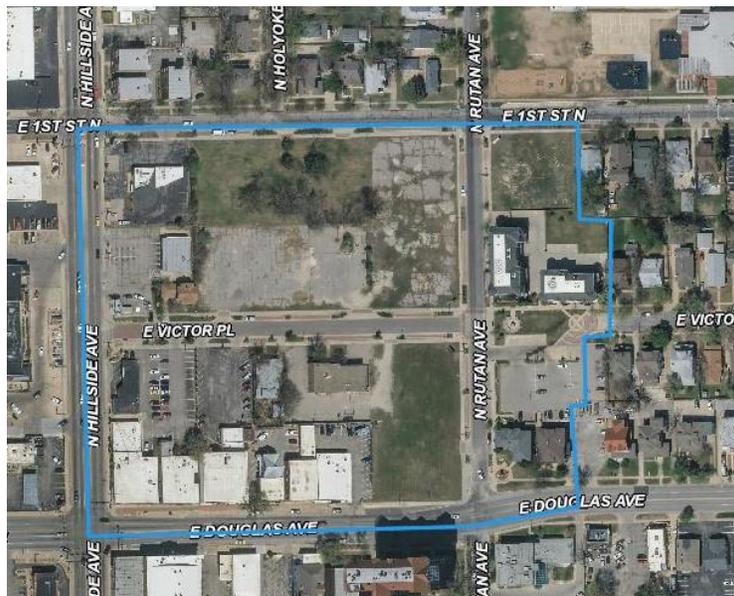


Existing Tax Increment Financing Districts

Redevelopment District	Project Name	Base ¹ Year	Project Year	Project costs ²	Base ¹ Valuation	2019 ³ Valuation	City Tax Share	Project End Date
Old Town Cinema	Old Town Cinema Phase One	1999	2002	\$4,985,000	\$480,633	\$6,648,344	\$201,814	2021
Old Town Cinema	Mosley Avenue		2014	\$1,500,000				2033

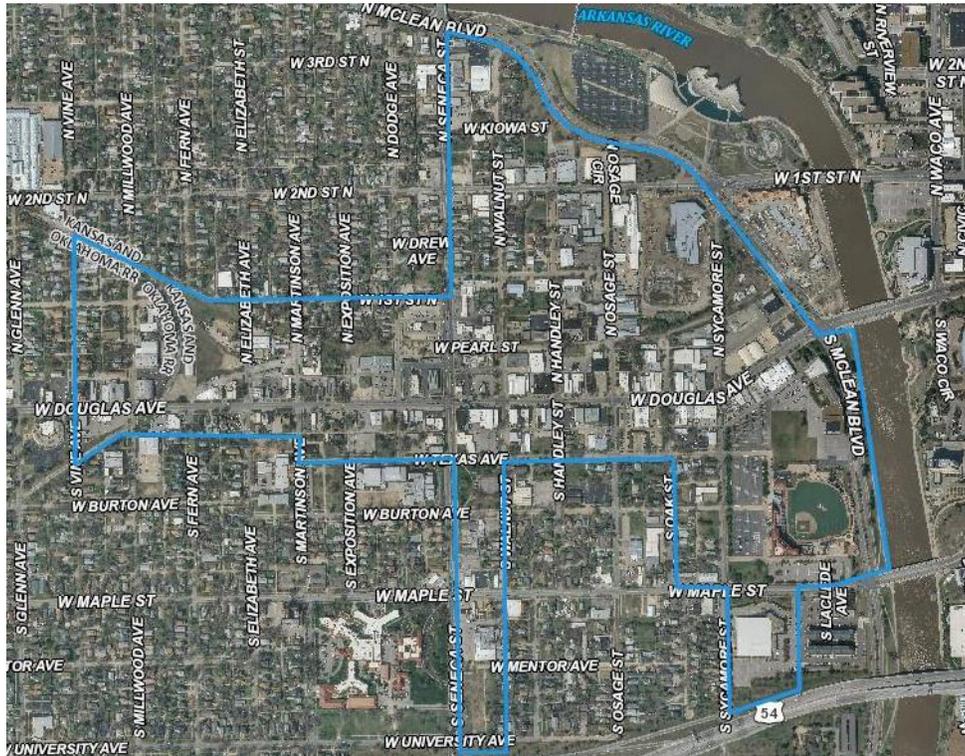


Douglas/Hillside	College Hill Urban Village (Now Uptown Landing)	2006	2007	\$5,630,000	\$756,152	\$1,014,039	\$8,438	2026
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Existing Tax Increment Financing Districts

Redevelopment District	Project Name	Base ¹ Year	Project Year	Project costs ²	Base ¹ Valuation	2019 ³ Valuation	City Tax Share	Project End Date
West Bank	Delano and Stadium	2017	2017	\$20,000,000	\$4,005,267	\$4,227,159	\$7,261	2036



1. Base Year represents the year a TIF district is established and sets the Base Valuation from which the tax increment is calculated. TIF base and annual values are presented as a district value and are not broken down by project. Valuations are provided by Sedgwick County.
2. A district can have more than one project, each with a 20-year term. Project Costs represent the TIF costs associated with a project and not the total investment.
3. City Tax Share represents the City's share of TIF increment for the year.



Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
Broadview Hotel	2010	July 2011	2%	Pay-As-You-Go	\$22,797,750	\$2,680,000	\$813,308	22 Years



Central and Oliver	2010	April 2012	1%	Pay-As-You-Go	\$12,500,000	\$12,500,000	\$143,016	22 Years
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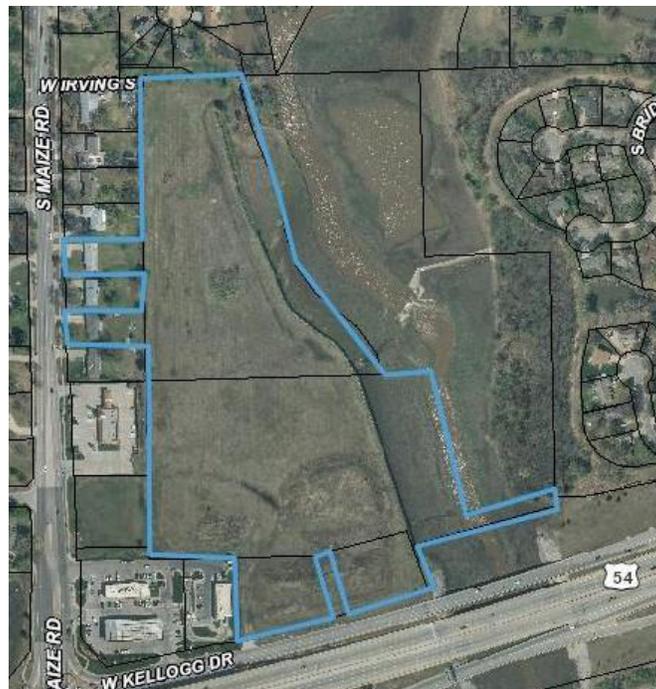


Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
Waterwalk Hotel (Fairfield Inn)	2010	July 2011	2%	Pay-As-You-Go	\$12,100,000	\$9,600,000	\$719,913	22 Years



Maize 54	2010		2%	Pay-As-You-Go	\$75,000,000	\$75,000,000	\$0	22 Years
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Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
Douglas and Broadway	2011	January 2013	2%	Pay-As-You-Go	\$29,485,000	\$2,560,000	\$757,550	22 Years

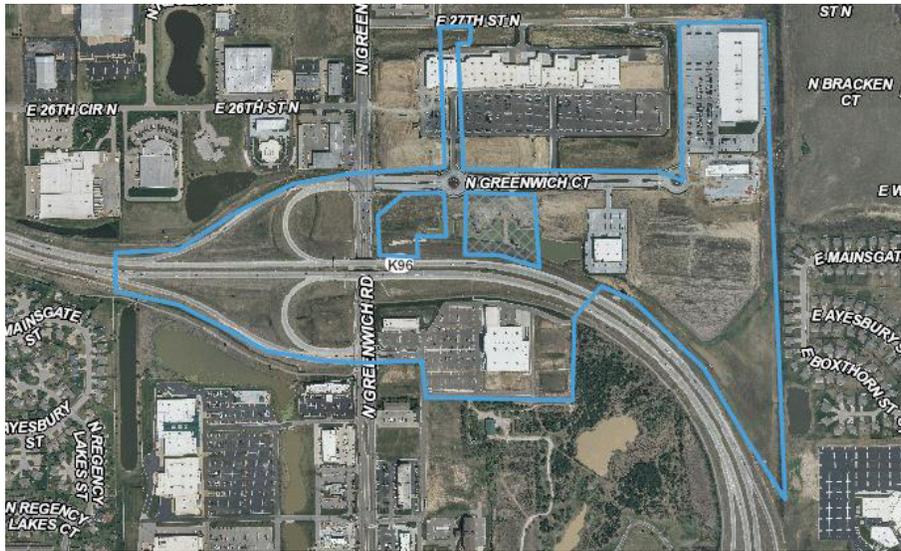


K-96 & Greenwich (Cabela's)	2011	July 2012	1.2%	Pay-As-You-Go	\$28,078,436	\$17,198,360	\$2,243,887	22 Years
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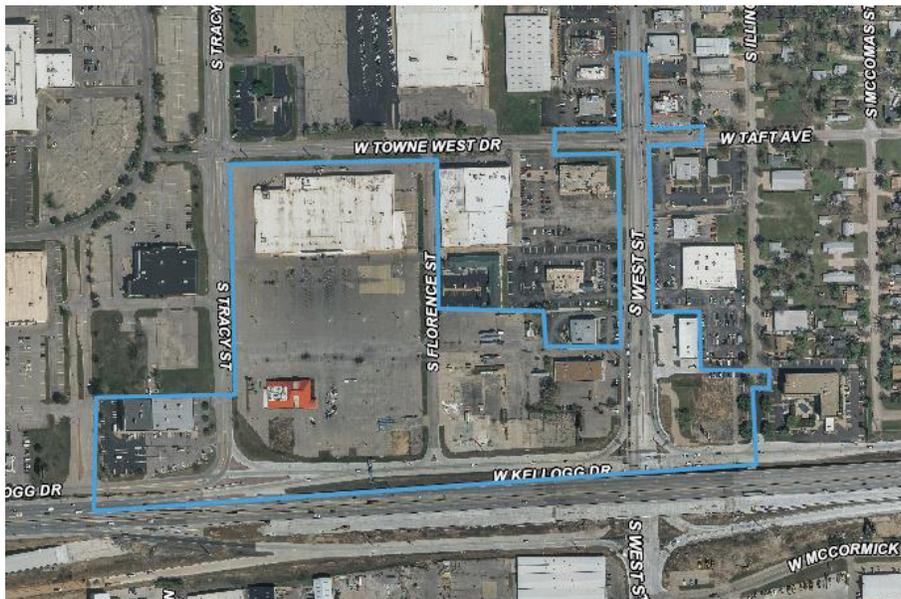


Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
River Vista	2013	NA		Special Assessments	\$24,000,000	\$5,590,650	NA	22 Years
K-96 STAR	2013	October 2015	1%	Pay-As-You-Go	\$125,000,000	\$8,000,000	\$897,550	22 Years



Kellogg & West	2015/2017	January 2016	1%	Pay-As-You-Go	\$23,880,000	\$13,865,164	\$501,568	22 Years
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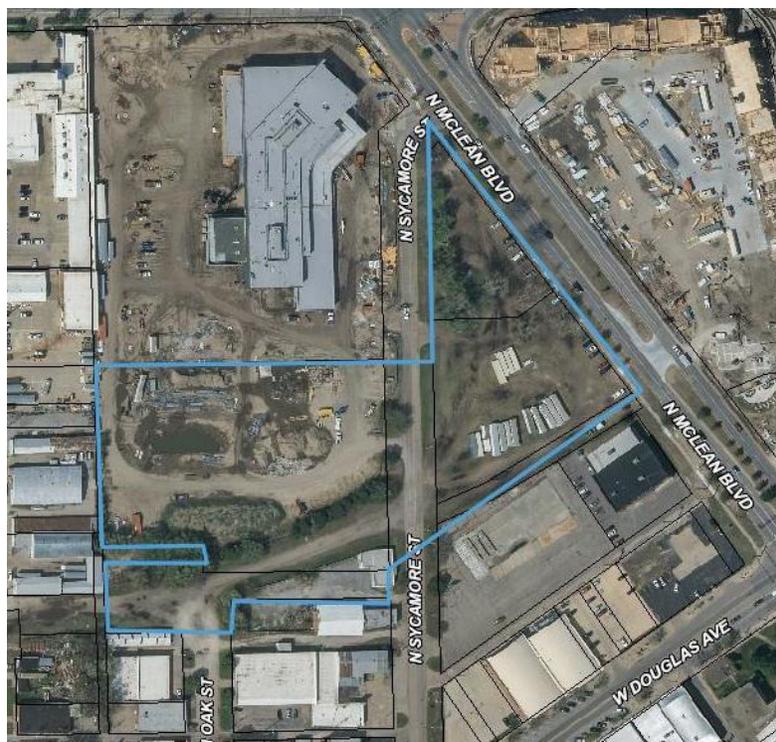


Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
Hilton Garden Inn	2016	April 2018	1.5%	Pay-As-You-Go	\$14,400,000	\$930,000	\$3,584	10 Years

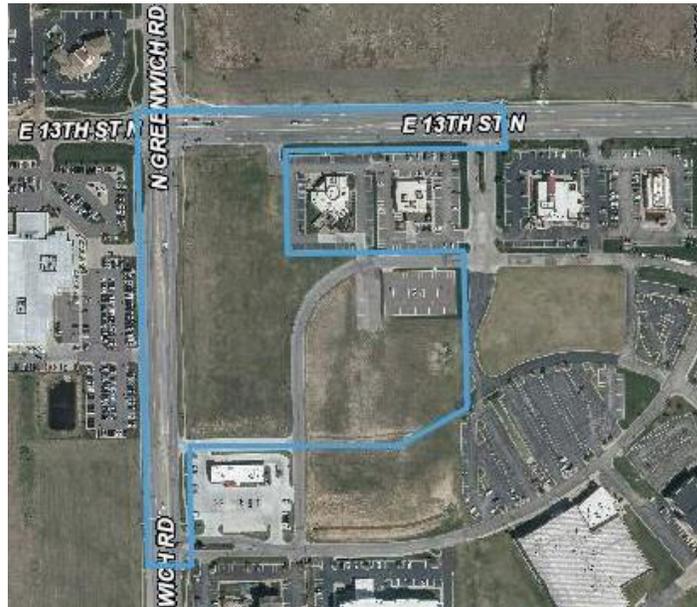


Delano Catalyst	2018	October 20	2%	Pay-As-You-Go	\$2,000,000	\$3,000,000	\$0	22 Years
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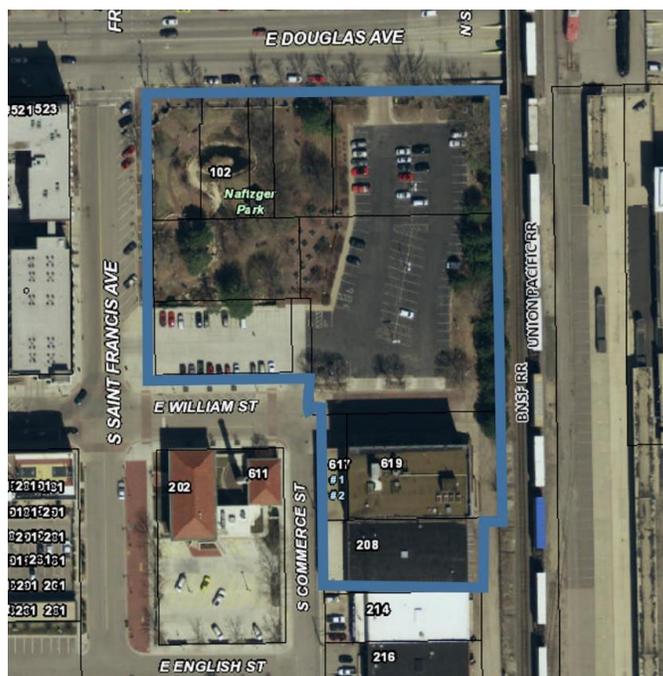


Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
Chicken N Pickle	2018	January 20	1.5%	Pay-As-You-Go	\$10,500,000	\$2,312,275	\$83,705	15 Years



Spaghetti Works	2018	January 20	2%	Pay-As-You-Go	\$26,000,000	\$3,118,504	\$0	22 Years
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Existing Community Improvement Districts

Project Name	Year Approved	Tax Date Begin	Sales Tax Captured	Type	Total Project Costs	CID Eligible Cost Cap	Revenue to Date	Term of CID
Douglas & Emporia	2018	January 21	2%	Pay-As-You-Go	\$20,000,000	\$2,207,000	\$0	22 Years



Pay-as-you-go allows for the developer to fund the eligible costs up-front and be reimbursed over the life of the district. Payment is limited by the actual amount produced by the development, but cannot exceed the eligible cap. This option puts the revenue generation risk on the developer and protects the City by not issuing City backed bonds.



Outstanding Façade Projects

Façade improvements use special assessment financing and are not general obligations of the City.

Address	Façade Amount	Façade Balance	End Year	Term
809, 811 & 815 West Douglas	\$130,000.00	\$8,143.23	2020	15
101 South Market	\$99,237.10	\$—	2020	15
712 West Douglas	\$17,102.81	\$1,160.19	2020	15
111 West Douglas	\$145,681.31	\$10,693.74	2020	15
810 West Douglas	\$55,000.00	\$3,740.44	2020	15
1011 & 1017 West Douglas	\$53,000.00	\$3,636.62	2020	15
504 East Douglas	\$63,750.00	\$9,239.19	2021	15
535 West Douglas	\$254,650.00	\$40,941.94	2021	15
1409 East Douglas	\$36,482.00	\$5,196.23	2021	15
111 East Ellis	\$36,380.00	\$5,085.36	2021	15
919 East Douglas	\$52,470.00	\$9,609.09	2022	15
820 & 900 East 2nd St	\$661,366.00	\$198,769.38	2023	15
105 South Broadway	\$603,100.00	\$194,281.75	2024	15
154 North Emporia	\$95,300.00	\$24,820.73	2023	15
NE Corner Harry & Broadway	\$91,500.00	\$-	2023	15
1716 East Douglas	\$31,800.00	\$8,175.22	2023	15
571-577 West Douglas	\$161,000.00	\$57,041.84	2024	15
212 North Market	\$475,000.00	\$153,584.13	2024	15
200 East 1st	\$245,000.00	\$73,842.39	2024	15
200 North Broadway	\$280,000.00	\$84,680.20	2024	15
125 North Market	\$1,078,801.00	\$737,473.98	2029	20
579 West Douglas	\$80,000.00	\$27,425.47	2024	15
324 North Emporia	\$815,000.00	\$-	2024	15
221 South Broadway	\$750,000.00	\$31,707.12	2024	15

Address	Façade Amount	Façade Balance	End Year	Term
209 East William	\$2,955,000.00	\$186,898.44	2029	20
201 South St. Francis	\$112,620.00	\$29,157.33	2024	15
1525 East Douglas	\$500,000.00	\$393,433.43	2028	15
301 North St Francis	\$1,146,500.00	\$902,877.85	2028	15
700-704 East Douglas	\$387,900.00	\$305,474.31	2028	15
Ambassador Phase 1	\$646,200.00	\$483,687.38	2028	15
Ambassador Phase 2	\$656,400.00	\$508,887.62	2028	15
Ambassador Phase 3	\$614,200.00	\$516,920.20	2028	15
915 West Douglas	\$80,959.00	\$60,028.73	2029	15
818, 822, & 826 West Douglas	\$408,595.76	\$354,801.39	2030	15
120 East 1st	\$1,679,214.23	\$1,573,677.26	2030	15
623 West Douglas	\$111,961.00	\$87,120.16	2030	15
141-143 N Rock Island	\$144,650.46	\$135,559.34	2030	15
100 South Market	\$170,216.00	\$156,964.81	2031	15
125 North Emporia	\$56,567.41	\$59,569.93	2032	15
518 - 520 South Commerce	\$236,780.65	\$278,084.82		
Total	\$16,219,384.73	\$ 7,722,391.24		

