

STAFF REPORT

DATE: May 21, 2025

TO: City Council

FROM: Ted Henry, City Manager

SUB: WAM Investments Phase 1 LOI



In 2019, the City issued an Industrial Revenue Bond (IRB) for WAM Investments LLC. The Letter of Intent (LOI) required WAM to make a capital investment of \$1,750,000 and add 12 full-time employees. The IRB and associated tax abatements were granted for a total of 10 years, with a 95% ad valorem property tax exemption for the first 5-year term, followed by a 50% ad valorem property tax exemption for the additional 5-year term. The LOI stipulated that at the 5-year mark, the City would review WAM's compliance. If the capital investment and job creation targets were met, the Council would consider extending the tax abatements for the final 5 years.

As of today, Phase 1 of WAM Investments has an appraised value of \$2,425,200, and 48 new jobs have been created, well beyond the initial projection. Overall, the project has been a success. WAM Investments has provided valuable services to our city by constructing medium-sized mixed-use commercial spaces. For example, home-based businesses that have outgrown their initial setups can expand in Bel Aire instead of relocating to Wichita or other areas. WAM has met the capital investment and job creation requirements. Therefore, I recommend approving the additional 5-year tax abatement extension.