

Cost-Benefit Analysis of a Requested Property Tax Exemption

*Industrial Revenue Bond and ten-year ad valorem tax abatement – KVH
Chophouse, full-service restaurant, Central Park, Bel Aire, Kansas*

KANSAS PUBLIC FINANCE CENTER

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Prepared for	City of Bel Aire, Kansas
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Prepared under	Comprehensive Economic Development Policy, adopted 2 November 2009, revised 16 July 2012, Section 12 (“Analysis of Costs and Benefits”)
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Date of analysis	31 August 2026
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Scope

This report makes no recommendation on the pending request and reaches no conclusion on eligibility or on the but-for principle. Both determinations are reserved to the City.

Disclaimer

In the preparation of this report the Kansas Public Finance Center assumed that all information and data provided by the applicant or others is accurate and reliable. The Center did not take extraordinary steps to verify or audit such information, but relied on such information and data as provided for purposes of the project.

This analysis requires the Center to make predictive forecasts, estimates and projections (hereinafter collectively referred to as “forward-looking statements”). These forward-looking statements are based on information and data provided by others and involve risks, uncertainties and assumptions that are difficult to predict. The forward-looking statements should not be considered as guarantees or assurances that a certain level of performance will be achieved or that certain events will occur. While the Center believes that all forward-looking statements it provides are reasonable based on the information and data available at the time of writing, actual outcomes and results are dependent on a variety of factors and may differ materially from what is expressed or forecast. The Center does not assume any responsibility for any and all decisions made or actions taken based upon the forward-looking statements provided.

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1. Scope and authority

Section 12 of the adopted policy provides that, before a tax exemption-incentive is granted, “a cost-benefit analysis report which shall examine the costs and benefits to the public of the proposed tax exemption-incentive will be required,” to be completed by a designated agent of the City. This report is submitted in that capacity.

It is an ex ante fiscal appraisal: it measures the effect of the proposed exemption on the budgets of the affected taxing jurisdictions. Limitations are stated in Section 9.

2. The request

Table 1. The request as filed

Item	As requested
Applicant	KVH Chophouse (full-service restaurant, NAICS 722110)
Site	Southeast corner of Lot 1, Block 19, Central Park Addition, Bel Aire; Sedgwick County; USD 259; tax unit 6901
Land acquisition	\$400,000
Building and improvements	\$2,050,000 (construction cost \$2,250,000)
Furniture, fixtures and equipment	\$150,000
Total project cost	\$2,600,000 as stated; \$2,800,000 on the applicant’s detailed schedule
Real property abatement	10 years at 100%, land and buildings
Personal property abatement	10 years at 100%
Construction materials sales tax exemption	Yes (K.S.A. 79-3606(d))
Payment in lieu of taxes	None proposed
Employment at full operation	47 FTE
Average cash compensation, year 1	\$38,080
Seating / building area	125 seats; 8,300 sq ft total, 3,900 occupied — read from the conceptual floor plan in the applicant’s package; not stated in the application itself
First year of full operations	2028

Table 2. Present value of the incentive as requested

Component	Present value
Abated ad valorem property tax	\$658,531
Forgone construction materials sales tax	\$77,625
Total	\$736,156
Share of total capital cost	26.3%
Per direct job at full operation	\$15,663

3. The site

Sedgwick County records for PIN 00521599 (owner DEV PROPERTIES LLC; last sold 2023) describe the parent tract as follows.

Table 3. The parent tract — Sedgwick County records, PIN 00521599

Land use code	9010 — farming/ranch land, no improvements
Total acres	24.757
2026 appraised value	\$1,260 (\$50.89 per acre)
2026 assessed value	\$378 (ratio 0.3000 — agricultural, K.S.A. 79-1476)
Appraised improvement value	\$0
2025 ad valorem tax, whole tract	\$50.59 at 139.386 mills
Appraiser's market value, whole tract	\$102,480 (\$4,138 per acre)
Assessment class history	Exempt 2017–2022; agricultural from 2023
Special assessments	~\$131,500 per year, 2007–2026, street/sewer/water

The KVH parcel is the tract excepted in the legal description — “BEG SE COR TH W 178 FT N 235 FT E 178 FT S 235 FT TO POB” — which the boundary survey in the applicant's package records as 178.00 ft on Central Park Avenue by 235.00 ft on Rock Road: 41,830 sq ft, 0.9603 acres. The City has separately described the purchase as approximately 3 acres.

Agricultural use valuation ends when the use changes; the parcel is then valued as commercial property at market and assessed at 25%. The \$400,000 purchase price is used here as the estimate of that value. It has not been confirmed by the County Appraiser.

3.1 Two characteristics of the site, reported without quantification

First development on the tract. The county record shows no improvements on the parent parcel — improvement value \$0, land use “farming/ranch land, no improvements” — and an assessment class of exempt or agricultural in every year from 2017 forward. On the record before us this project would be the first development on the tract.

First establishment of its kind in the City. The applicant describes the project as “Bel Aire's premier destination for prime steaks, fine wines & exceptional hospitality,” and the City reports no comparable full-service, upper-price-point restaurant presently operating in Bel Aire. This report does not independently verify that.

Possible effects on the remaining tract. Development of the first parcel may affect the timing, pace or value of development on the remainder, and a first establishment of a given type in a small city may affect subsequent commercial interest. No such effect is estimated, assumed, or included in any figure in this report.

4. Method

Results are stated in constant 2026 dollars, discounted at 4.5% nominal, over a 22-year horizon (2026–2047) covering construction, the ten-year exemption, and the ten years following its expiry.

The applicant's nominal projections were deflated at 2.5% and expressed as the constant real values reproducing the same present value.¹

Costs: ad valorem revenue forgone over the exemption schedule; the construction materials sales tax exemption; the marginal cost of public services consumed.

Benefits: property tax on incremental value, including the years after the exemption expires; local sales tax on activity not displaced from existing establishments; the City's apportioned share of the countywide sales tax pool under K.S.A. 12-192; franchise fees and utility margin; bond issuance and administration fees.

Four treatments are stated because practice varies:

- **Land is carried on both sides.** The developed value of the parcel is removed from the rolls by the exemption and appears as cost. The increase over the agricultural use value the ground carries today is value the project brings onto the roll and appears as benefit. The net effect of that reclassification is \$56,295 of local net present value.
- **Machinery and equipment is excluded from both sides.** K.S.A. 79-223 already exempts commercial and industrial M&E statewide.
- **School revenue is split by equalization share.** Abating the statewide 20-mill levy is backfilled by state aid, so its incidence falls on the State rather than on USD 259.
- **Displacement is priced at 90%.** The applicant's own filing reports 10,000 additional visitors annually, all of them in-county, with 100% of visitor spending occurring within Sedgwick County.

The consolidated levy of 139.386 mills is taken from the certified tax authority table for tax unit 6901:

Table 4. Consolidated levy, tax unit 6901

Authority	Mills
City of Bel Aire	41.003
Sedgwick County	27.567
USD 259 — general (statewide 20-mill)	20.000
USD 259 — local option budget	17.898
USD 259 — capital outlay	8.000
USD 259 — bond and interest	5.504
Sedgwick County Fire District #1	16.754
South Central Kansas Library System	1.160
State of Kansas	1.500
Total	139.386

¹ Because the flows are in constant dollars, the 4.5% nominal rate is applied as its real equivalent under the Fisher relation at the same 2.5% deflator — 1.9512%, since $(1.045) \div (1.025) = 1.019512$. Discounting these constant-dollar flows at 1.9512% is arithmetically identical to inflating them at 2.5% and discounting at 4.5%; the two reproduce the same present value to the cent. For reference, 4.5% nominal is close to the City's own long-term tax-exempt borrowing cost.

5. Results by jurisdiction

Present value, constant 2026 dollars, 4.5% nominal, 2026–2047. Computed on the assumption that the exemption is what brings the project about.

Table 5. Present value of benefits, costs and net benefits by jurisdiction

Jurisdiction	PV benefits	PV costs	Net present value	B/C	ROI
City of Bel Aire	\$424,141	\$250,194	\$173,947	1.70	69.5%
Sedgwick County	\$203,139	\$146,852	\$56,287	1.38	38.3%
USD 259 (local share)	\$65,844	\$48,308	\$17,536	1.36	36.3%
Fire District #1 and Library	\$118,106	\$84,635	\$33,471	1.40	39.5%
State of Kansas	\$632,150	\$270,027	\$362,123	2.34	134.1%
All local jurisdictions	\$811,230	\$529,989	\$281,241	1.53	53.1%
All jurisdictions	\$1,474,665	\$806,071	\$668,594	1.83	82.9%

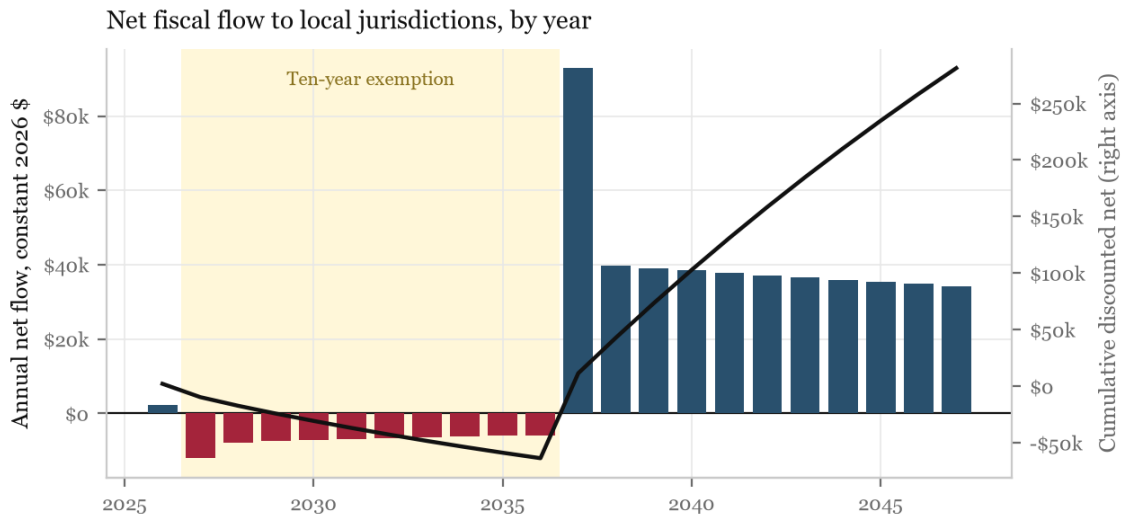


Figure 1. Net fiscal flow to local jurisdictions, by year, under the request as filed. Bars are the undiscounted annual net flow; the line is the cumulative discounted net, read against the right axis. The shaded band is the ten-year exemption term.

Table 6. Benefits, costs and returns at ten and twenty years

Jurisdiction	PVNB 10y	B/C 10y	ROI 10y	PVNB 20y	B/C 20y	ROI 20y
City of Bel Aire	-\$11,059	0.95	-5.2%	\$151,671	1.61	61.3%
Sedgwick County	-\$23,545	0.82	-18.2%	\$43,822	1.30	30.1%
USD 259 (local share)	-\$8,958	0.80	-20.5%	\$13,386	1.28	27.8%
Fire District #1 and Library	-\$15,175	0.80	-19.6%	\$25,858	1.31	30.6%
State of Kansas	\$50,933	1.20	20.1%	\$314,496	2.16	116.5%
All local jurisdictions	-\$58,737	0.87	-12.7%	\$234,737	1.45	44.6%
All jurisdictions	-\$12	1.00	0.0%	\$571,830	1.71	71.3%

Cumulative local net present value is negative through 2036 and turns positive in **2037**, the year after the abatement lapses.

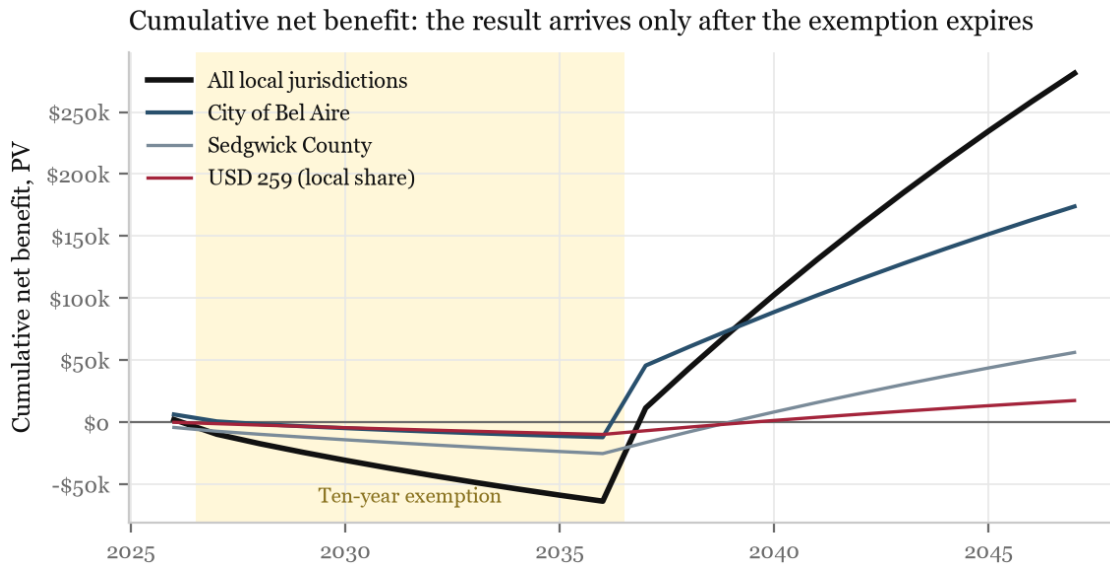


Figure 2. Cumulative net benefit in present value, by jurisdiction. The step at 2037 is the property returning to the tax roll.

Table 7. Composition of the local result

Source	PV, all local
Property coming onto the tax roll	\$631,810
Firm operations, net of service cost	\$68,668
New households	\$988
Incentive granted	-\$420,225
Net	\$281,241

Bel Aire levies no city retailers' sales tax. Its participation in local sales tax is its apportioned share of the countywide pool under K.S.A. 12-192, on average approximately **1.5%**.

The "all jurisdictions" line also carries the share of that pool which the K.S.A. 12-192 formula sends to Wichita and the other cities of Sedgwick County — \$31,284 in present value. Those cities bear no part of the abatement, are not party to this decision, and are excluded from the local aggregate throughout; the line is reported whole so that it reconciles.

6. Benefit-cost ratio and return on investment, by year

The tables and charts present the fiscal impact model. Each row states the cumulative present value of net benefits through that year, the cumulative benefit-cost ratio, and the cumulative return on investment ($B/C - 1$). All figures are discounted to 2026.

6.1 All local jurisdictions

All local jurisdictions — Company A / KVH Chophouse

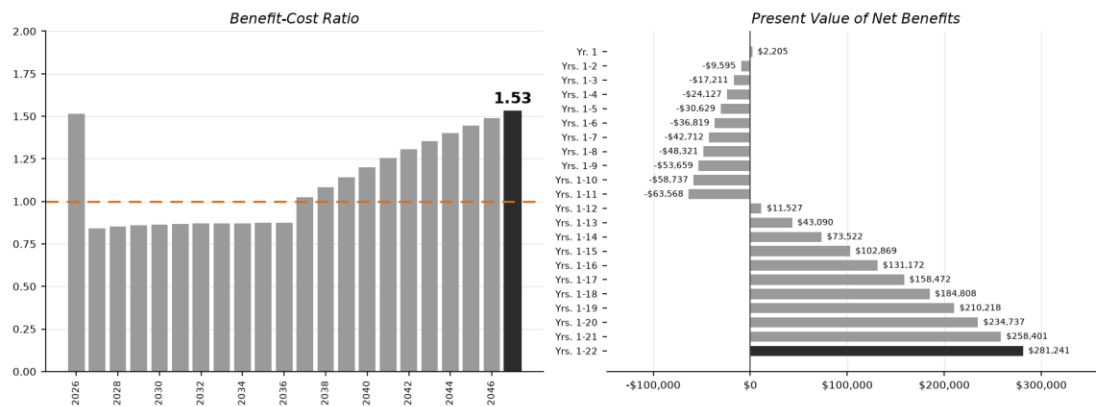


Figure 3. All local jurisdictions — cumulative benefit-cost ratio, left, and cumulative present value of net benefits, right, through each year. The dashed line marks a ratio of 1.00.

Table 8. All local jurisdictions — cumulative net benefits, benefit-cost ratio and return by year

Period	Cumulative PV of net benefits	B/C ratio	ROI
Yr. 1	\$2,205	1.51	51.3%
Yrs. 1-2	-\$9,595	0.84	-15.8%
Yrs. 1-3	-\$17,211	0.85	-14.6%
Yrs. 1-4	-\$24,127	0.86	-14.0%
Yrs. 1-5	-\$30,629	0.86	-13.6%
Yrs. 1-6	-\$36,819	0.87	-13.3%
Yrs. 1-7	-\$42,712	0.87	-13.1%
Yrs. 1-8	-\$48,321	0.87	-12.9%
Yrs. 1-9	-\$53,659	0.87	-12.8%
Yrs. 1-10	-\$58,737	0.87	-12.7%
Yrs. 1-11	-\$63,568	0.87	-12.6%
Yrs. 1-12	\$11,527	1.02	2.3%
Yrs. 1-13	\$43,090	1.08	8.4%
Yrs. 1-14	\$73,522	1.14	14.3%
Yrs. 1-15	\$102,869	1.20	20.0%
Yrs. 1-16	\$131,172	1.25	25.3%
Yrs. 1-17	\$158,472	1.30	30.5%
Yrs. 1-18	\$184,808	1.35	35.4%
Yrs. 1-19	\$210,218	1.40	40.1%
Yrs. 1-20	\$234,737	1.45	44.6%
Yrs. 1-21	\$258,401	1.49	48.9%
Yrs. 1-22	\$281,241	1.53	53.1%

6.2 City of Bel Aire

City of Bel Aire — Company A / KVH Chophouse

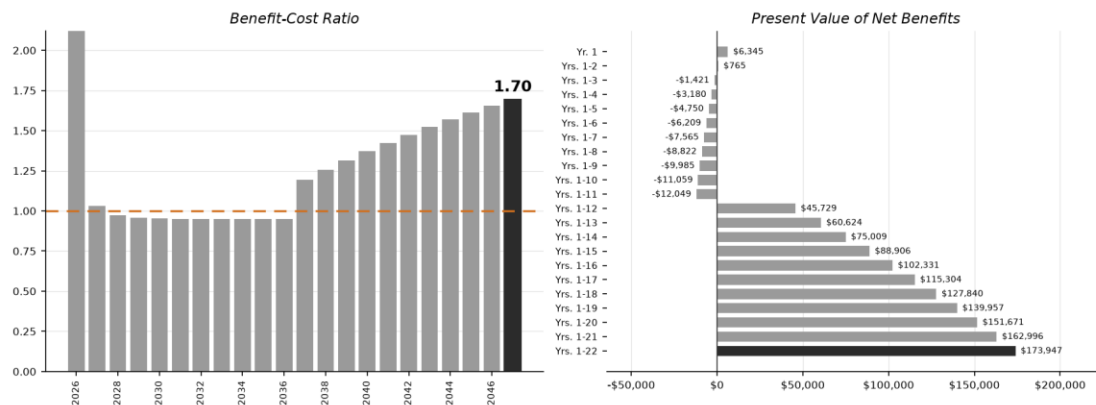


Figure 4. City of Bel Aire — cumulative benefit-cost ratio, left, and cumulative present value of net benefits, right, through each year. The dashed line marks a ratio of 1.00.

Table 9. City of Bel Aire — cumulative net benefits, benefit-cost ratio and return by year

Period	Cumulative PV of net benefits	B/C ratio	ROI
Yr. 1	\$6,345	41.87	4086.8%
Yrs. 1-2	\$765	1.03	3.0%
Yrs. 1-3	-\$1,421	0.97	-2.7%
Yrs. 1-4	-\$3,180	0.96	-4.1%
Yrs. 1-5	-\$4,750	0.95	-4.7%
Yrs. 1-6	-\$6,209	0.95	-4.9%
Yrs. 1-7	-\$7,565	0.95	-5.1%
Yrs. 1-8	-\$8,822	0.95	-5.2%
Yrs. 1-9	-\$9,985	0.95	-5.2%
Yrs. 1-10	-\$11,059	0.95	-5.2%
Yrs. 1-11	-\$12,049	0.95	-5.2%
Yrs. 1-12	\$45,729	1.19	19.5%
Yrs. 1-13	\$60,624	1.26	25.6%
Yrs. 1-14	\$75,009	1.32	31.5%
Yrs. 1-15	\$88,906	1.37	37.1%
Yrs. 1-16	\$102,331	1.42	42.4%
Yrs. 1-17	\$115,304	1.47	47.5%
Yrs. 1-18	\$127,840	1.52	52.3%
Yrs. 1-19	\$139,957	1.57	56.9%
Yrs. 1-20	\$151,671	1.61	61.3%
Yrs. 1-21	\$162,996	1.66	65.5%
Yrs. 1-22	\$173,947	1.70	69.5%

6.3 Sedgwick County

Sedgwick County — Company A / KVH Chophouse

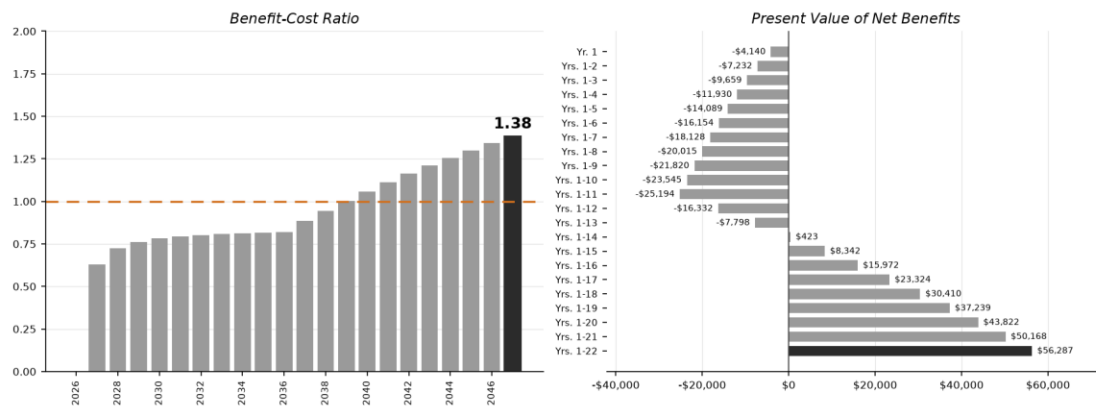


Figure 5. Sedgwick County — cumulative benefit-cost ratio, left, and cumulative present value of net benefits, right, through each year. The dashed line marks a ratio of 1.00.

Table 10. Sedgwick County — cumulative net benefits, benefit-cost ratio and return by year

Period	Cumulative PV of net benefits	B/C ratio	ROI
Yr. 1	-\$4,140	0.00	-100.0%
Yrs. 1-2	-\$7,232	0.63	-36.9%
Yrs. 1-3	-\$9,659	0.72	-27.5%
Yrs. 1-4	-\$11,930	0.76	-23.8%
Yrs. 1-5	-\$14,089	0.78	-21.8%
Yrs. 1-6	-\$16,154	0.79	-20.6%
Yrs. 1-7	-\$18,128	0.80	-19.7%
Yrs. 1-8	-\$20,015	0.81	-19.1%
Yrs. 1-9	-\$21,820	0.81	-18.6%
Yrs. 1-10	-\$23,545	0.82	-18.2%
Yrs. 1-11	-\$25,194	0.82	-17.9%
Yrs. 1-12	-\$16,332	0.88	-11.6%
Yrs. 1-13	-\$7,798	0.95	-5.5%
Yrs. 1-14	\$423	1.00	0.3%
Yrs. 1-15	\$8,342	1.06	5.8%
Yrs. 1-16	\$15,972	1.11	11.1%
Yrs. 1-17	\$23,324	1.16	16.2%
Yrs. 1-18	\$30,410	1.21	21.0%
Yrs. 1-19	\$37,239	1.26	25.6%
Yrs. 1-20	\$43,822	1.30	30.1%
Yrs. 1-21	\$50,168	1.34	34.3%
Yrs. 1-22	\$56,287	1.38	38.3%

6.4 USD 259 (local share)

USD 259 (local share) — Company A / KVH Chophouse

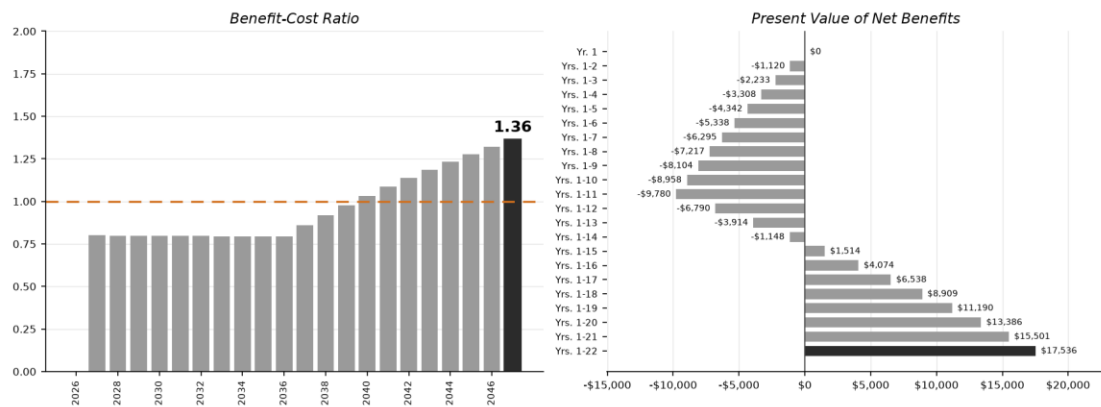


Figure 6. USD 259 (local share) — cumulative benefit-cost ratio, left, and cumulative present value of net benefits, right, through each year. The dashed line marks a ratio of 1.00.

Table 11. USD 259 (local share) — cumulative net benefits, benefit-cost ratio and return by year

Period	Cumulative PV of net benefits	B/C ratio	ROI
Yr. 1	\$0	n/a	n/a
Yrs. 1-2	-\$1,120	0.80	-20.0%
Yrs. 1-3	-\$2,233	0.80	-20.2%
Yrs. 1-4	-\$3,308	0.80	-20.3%
Yrs. 1-5	-\$4,342	0.80	-20.4%
Yrs. 1-6	-\$5,338	0.80	-20.4%
Yrs. 1-7	-\$6,295	0.80	-20.4%
Yrs. 1-8	-\$7,217	0.80	-20.4%
Yrs. 1-9	-\$8,104	0.80	-20.5%
Yrs. 1-10	-\$8,958	0.80	-20.5%
Yrs. 1-11	-\$9,780	0.80	-20.5%
Yrs. 1-12	-\$6,790	0.86	-14.2%
Yrs. 1-13	-\$3,914	0.92	-8.2%
Yrs. 1-14	-\$1,148	0.98	-2.4%
Yrs. 1-15	\$1,514	1.03	3.2%
Yrs. 1-16	\$4,074	1.08	8.5%
Yrs. 1-17	\$6,538	1.14	13.6%
Yrs. 1-18	\$8,909	1.19	18.5%
Yrs. 1-19	\$11,190	1.23	23.2%
Yrs. 1-20	\$13,386	1.28	27.8%
Yrs. 1-21	\$15,501	1.32	32.1%
Yrs. 1-22	\$17,536	1.36	36.3%

6.5 Fire District #1 and Library

Fire District #1 and Library — Company A / KVH Chophouse

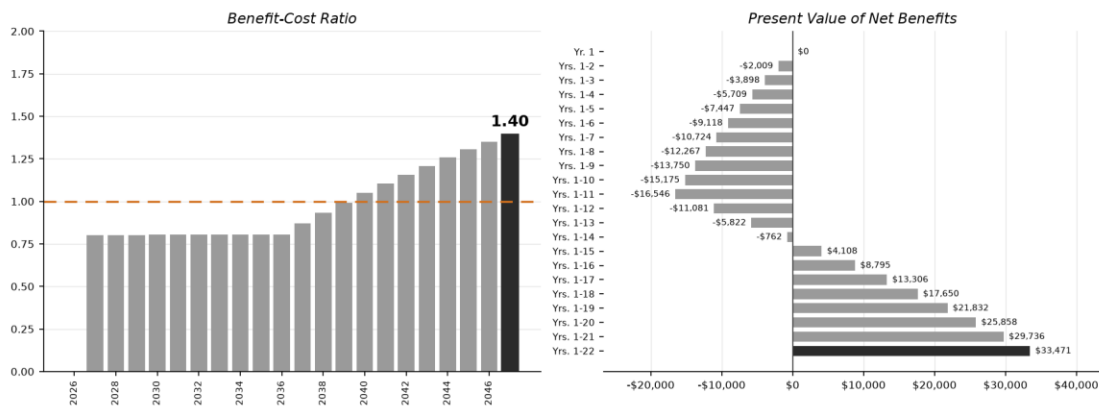


Figure 7. Fire District #1 and Library — cumulative benefit-cost ratio, left, and cumulative present value of net benefits, right, through each year. The dashed line marks a ratio of 1.00.

Table 12. Fire District #1 and Library — cumulative net benefits, benefit-cost ratio and return by year

Period	Cumulative PV of net benefits	B/C ratio	ROI
Yr. 1	\$0	n/a	n/a
Yrs. 1-2	-\$2,009	0.80	-20.0%
Yrs. 1-3	-\$3,898	0.80	-19.8%
Yrs. 1-4	-\$5,709	0.80	-19.7%
Yrs. 1-5	-\$7,447	0.80	-19.7%
Yrs. 1-6	-\$9,118	0.80	-19.6%
Yrs. 1-7	-\$10,724	0.80	-19.6%
Yrs. 1-8	-\$12,267	0.80	-19.6%
Yrs. 1-9	-\$13,750	0.80	-19.6%
Yrs. 1-10	-\$15,175	0.80	-19.6%
Yrs. 1-11	-\$16,546	0.80	-19.5%
Yrs. 1-12	-\$11,081	0.87	-13.1%
Yrs. 1-13	-\$5,822	0.93	-6.9%
Yrs. 1-14	-\$762	0.99	-0.9%
Yrs. 1-15	\$4,108	1.05	4.9%
Yrs. 1-16	\$8,795	1.10	10.4%
Yrs. 1-17	\$13,306	1.16	15.7%
Yrs. 1-18	\$17,650	1.21	20.9%
Yrs. 1-19	\$21,832	1.26	25.8%
Yrs. 1-20	\$25,858	1.31	30.6%
Yrs. 1-21	\$29,736	1.35	35.1%
Yrs. 1-22	\$33,471	1.40	39.5%

6.6 State of Kansas

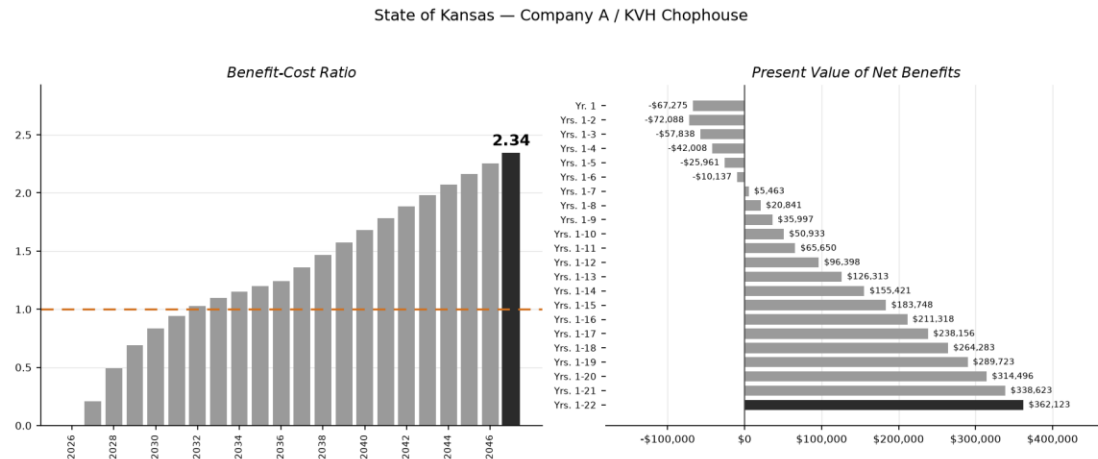


Figure 8. State of Kansas — cumulative benefit-cost ratio, left, and cumulative present value of net benefits, right, through each year. The dashed line marks a ratio of 1.00.

Table 13. State of Kansas — cumulative net benefits, benefit-cost ratio and return by year

Period	Cumulative PV of net benefits	B/C ratio	ROI
Yr. 1	-\$67,275	0.00	-100.0%
Yrs. 1-2	-\$72,088	0.21	-78.9%
Yrs. 1-3	-\$57,838	0.49	-50.5%
Yrs. 1-4	-\$42,008	0.69	-30.7%
Yrs. 1-5	-\$25,961	0.84	-16.4%
Yrs. 1-6	-\$10,137	0.94	-5.7%
Yrs. 1-7	\$5,463	1.03	2.8%
Yrs. 1-8	\$20,841	1.10	9.6%
Yrs. 1-9	\$35,997	1.15	15.3%
Yrs. 1-10	\$50,933	1.20	20.1%
Yrs. 1-11	\$65,650	1.24	24.3%
Yrs. 1-12	\$96,398	1.36	35.7%
Yrs. 1-13	\$126,313	1.47	46.8%
Yrs. 1-14	\$155,421	1.58	57.6%
Yrs. 1-15	\$183,748	1.68	68.0%
Yrs. 1-16	\$211,318	1.78	78.3%
Yrs. 1-17	\$238,156	1.88	88.2%
Yrs. 1-18	\$264,283	1.98	97.9%
Yrs. 1-19	\$289,723	2.07	107.3%
Yrs. 1-20	\$314,496	2.16	116.5%
Yrs. 1-21	\$338,623	2.25	125.4%
Yrs. 1-22	\$362,123	2.34	134.1%

7. Sensitivity

Return on investment is the benefit-cost ratio less one, so the two are the same statement on different scales and each result below holds for either.

Across 5,000 Monte Carlo draws over the parameters carrying material uncertainty, the local benefit-cost ratio has a median of 1.53 with a 90% interval of [1.45, 1.62] and clears the 1.00 standard in 100% of draws. On the same draws, return on investment to all local jurisdictions has a median of 53.1%, a 90% interval of [44.7%, 61.8%], and a minimum across the 5,000 draws of 36.5%; it is positive in 100% of them. For the City general fund alone the median is 69.0%, with a 90% interval of [58.0%, 82.0%].

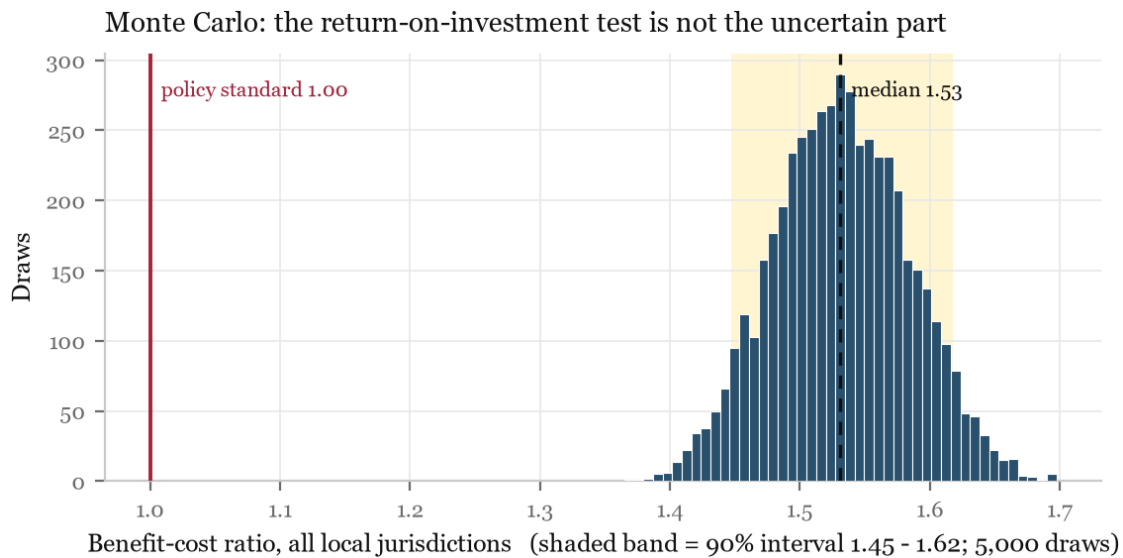


Figure 9. Distribution of the local benefit-cost ratio across 5,000 Monte Carlo draws over the parameters carrying material uncertainty.

Table 14. One-way sensitivity of return on investment, all local jurisdictions

Parameter	Low	High	ROI at low	ROI at high	Swing
Probability the site is developed otherwise	0%	40%	82.9%	23.3%	59.6 pp
Discount rate	3.5% nominal	6.5% nominal	59.3%	42.3%	17.0 pp
Probability applicant meets its commitments	60%	95%	62.1%	47.1%	15.1 pp
Sales displacement rate	70%	100%	60.1%	49.4%	10.6 pp
Real property investment	\$2.00m	\$2.50m	54.0%	52.3%	1.7 pp
Marginal cost of public services	35%	85%	53.6%	52.5%	1.1 pp
Company taxable retail sales	\$2.15m	\$3.15m	52.4%	53.6%	1.1 pp
City share of countywide sales tax pool	1.2%	1.9%	53.1%	53.1%	0.0 pp

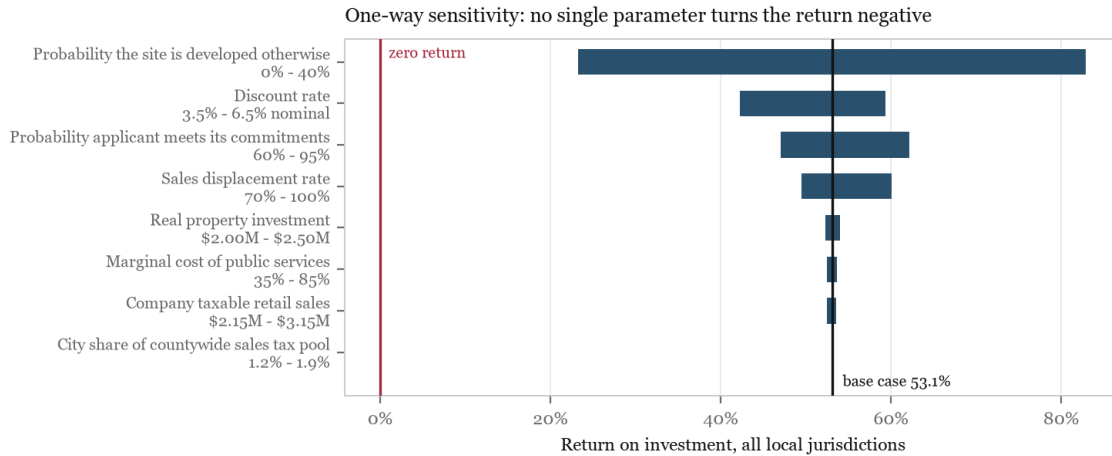


Figure 10. One-way sensitivity of the return on investment to all local jurisdictions. Each bar swings one parameter across its plausible range, holding the others at base. The black line is the base case; the red line is a zero return.

Each row swings one parameter across its plausible range with the others held at base, where local return on investment is 53.1%. No single-parameter excursion brings the return below 23%, and none turns it negative. The ranking is dominated by the probability the site is developed by someone else within the horizon, which is a judgment rather than a measurement and is discussed immediately below.

Two parameters are recorded here because their values are matters of judgment rather than measurement:

- **Alternative-use probability**, the chance the parcel would have been developed by someone else within the horizon, in which case the improvements and the reclassification reach the tax roll regardless. Carried at 20%. At 40%, local B/C is **1.23**. The tract is developer-held and the acquired parcel has already been legally split from it.
- **Performance probability**, that the applicant meets its commitments. Carried at the model's shipped default of 80%. Section 22 and the Basic Requirements provide for annual renewal review and for discontinuing and recovering incentives.
- **Post-development land valuation**. Modelled at the \$400,000 purchase price. Swept from \$400,000 to \$50,000, local B/C moves from 1.531 to 1.511: because the land sits inside the exemption it enters the exempt base and the incremental base together.

8. Economic impact, reported separately

Impact figures are gross measures of activity. They are not added to the fiscal result and are not part of any ratio above; the payroll behind an earnings figure is the same payroll behind a sales tax figure.

Table 15. Economic impact, gross

Measure	Unit	Gross
Direct jobs at full operation	FTE	47
Direct labor compensation, incl. 15% benefit load	2026 \$ per year	\$2,061,000
Construction employment	FTE-year	16
Employment multiplier	—	1.35

Multipliers are placeholders pending substitution of region- and sector-specific IMPLAN or RIMS II values for the Wichita MSA.

9. Limitations

This is a budget test, not a welfare test. It measures effects on the revenues and expenditures of the affected jurisdictions. It does not price the opportunity cost of the abated revenue, the shift of tax burden onto remaining payers, capitalization into land values, or the largely zero-sum character of competition between jurisdictions for mobile activity.

An IRB exemption under K.S.A. 79-201a Second reaches all ad valorem taxes. Sedgwick County Fire District #1 and the South Central Kansas Library System therefore bear a share of the abatement; neither is backfilled by the State.

The applicant's projections of sales, employment and wages are taken as filed and have not been independently verified.

Independent of the disposition of this application, the City may wish to revisit the Comprehensive Economic Development Policy, adopted in 2009 and last revised in 2012.

Prepared by the Kansas Public Finance Center, Hugo Wall School of Public Affairs, Wichita State University, as designated agent of the City of Bel Aire under Section 12 of the City's Comprehensive Economic Development Policy.