



AGENDA

Community Development Advisory Board Meeting

4:30 PM - Wednesday, May 6, 2026
Council Room

	Page
1. CALL MEETING TO ORDER	
2. ROLL CALL	
3. CONSIDERATION OF MINUTES	
3.1. Adoption of Minutes	3 - 8
Recommended Motion: Approve the regular meeting minutes of April 8, 2026, as presented.	
April 8, 2026 Meeting Minutes	
4. PUBLIC FORUM	
5. NEW BUSINESS	
5.1. Election for Chairperson and Vice-Chairperson	9
Recommended Motion: Conduct an election and approve a Chairperson and Vice-Chairperson for the Community Development Advisory Board.	
Agenda Item Report - AIR-26-096 - Pdf	
5.2. Adopt 2026 - 2027 CDAB Meeting Schedule	11
Recommended Motion: Adopt the schedule of Community Development Advisory Board meeting dates for 2026 - 2027, as presented.	
Agenda Item Report - AIR-26-095 - Pdf	
5.3. Request for Incentives - Stone Creek Residences, LLC	13 - 70
Recommended Motion: Support the request from Stone Creek Residences, LLC for Industrial Revenue Bond financing with a 60% property tax abatement and a 100% sales tax abatement on construction materials and forward a recommendation of approval to the City Council.	
Agenda Item Report - AIR-26-085 - Pdf	
5.4. Economic Development Manager Report	71
Recommended Motion: Receive and file the report.	
Agenda Item Report - AIR-26-097 - Pdf	
6. ANNOUNCEMENTS	
7. ADJOURNMENT	



MINUTES

Special Community Development Advisory Board Meeting

4:30 PM - Wednesday, April 8, 2026
Council Room

1 CALL MEETING TO ORDER

The Special Community Development Advisory Board meeting was called to order on April 8, 2026 at 4:30 p.m. in the Council Room.

2 ROLL CALL

3 CONSIDERATION OF MINUTES

- a) Adoption of Minutes

Lindsay Dearduff moved, seconded by Bill Upton, to approve the regular meeting minutes of December 10, 2025, as presented.

RESULT:	Carried
MOVER:	Lindsay Dearduff
SECONDER:	Bill Upton
AYES:	Jennifer Brown, Lindsay Dearduff, KJ Jeffery, Kris Rose, Bill Upton, and Lynn Price

4 PUBLIC FORUM

5 NEW BUSINESS

- a) Sale of West End Business Park Lot to Mid Continent Controls, Inc. (MC2)

BACKGROUND:

- In 1999, the City developed the Derby Industrial Park 2nd Addition, currently known as the West End Business Park (WEBP), to assure availability of affordable property for new or expanding businesses.
 - This in turn encourages capital investment and job creation in the community.
- The City's Economic Development Plan encourages economic development efforts to include a focus on retaining and growing existing Derby businesses.
- Mid Continent Controls (MC2) began operating in 1996 under the ownership of Rick Hemphill.
- The business started its operations at 207 S. Buckner, moved its location to 219 S. Water Street and in 2001 built and relocated to its existing facility at 901 N. River Street.
 - MC2 designs and manufactures products for the aviation market

- and is a market leader for cabin interior electrical equipment.
- MC2 also offers design, manufacturing and sales services to other leading aviation equipment providers.
- In 2017, MC2 partnered with Bongiovi Aviation to bring their revolutionary speakerless audio system to the aviation industry.
- Over the last 10 years MC2 has steadily grown its range of products and services for general aviation customers.
- MC2 currently employs 68 people.
- In October of 2024, Mid Continent Controls was purchased by Heico Corporation and MC2 became a wholly owned subsidiary of Heico, operating under the Electronics Technologies Group.
- Heico appointed Thomas Hemphill, Rick Hemphill's son, as president of MC2.
 - Heico was founded in 1957 and has been in business over 60 years and is a NYSE listed company.
 - Heico's annual net sales for 2025 were \$4.5 billion and includes over 11,000 team members in over 150 subsidiaries within the United States and 21 countries.
 - Heico is a rapidly growing aerospace and electronics company focused on markets and cost-saving solutions. The company designs, manufactures and distributes specialized components and systems for aerospace, defense and electronics.
 - Heico has been listed by Forbes on the 100 Most Trustworthy Companies in America.
- In April of 2025, Mid Continent Controls/Heico acquired all the ownership interest of Rosen Aviation, a leading cabin electronics partner in aviation.
 - Founded in 1980, Rosen started with automotive seat-back screens and then pivoted to aviation, designing and manufacturing in-flight entertainment products, in-cabin displays and control panels for the business and work-in-progress aviation markets.
- Mid Continent Control desires to expand their business by constructing a new facility.
 - The expansion plans would add an additional 20,000 sq. ft. to the south side of their existing 21,207 sq. ft. facility.
 - The estimated value of the project is \$3,800,000.
 - MC2 anticipates hiring an additional 25 employees over the next five years.
 - MC2 would operate the business development under Mid Continent Controls and be required to own and operate at the location for a minimum of 5 years following construction of the facilities.
- As proposed, the City would sell Lot 3/Block A for \$1.00 plus development obligations on the buyer.
 - The sale of the lot at the proposed price is in lieu of any other financial incentives. The City has sold other lots recently in the Business Park for \$1 in order to facilitate development.
 - The recommendation recognizes Mid Continent Controls as a Derby business choosing to expand here rather than moving to another area city.
- In addition to adding value to the City's tax base, new business construction facilitates the growth and development of future Derby

businesses.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Sale and development of the land will return the property to the tax roll and result in an increase in the City's assessed valuation.
- The purchase price and any additional sums due from the buyer will be paid at the time of closing.

LEGAL CONSIDERATIONS:

- The purchase contract will be prepared by Planning & Engineering staff and reviewed by the City Attorney.

POLICY IMPLICATIONS:

- One of the City's Economic Development Plan goals is to promote growth of local businesses.
- The transaction facilitates the continued growth of a local business, adds to the City's tax base, and promotes additional business growth.

RECOMMENDED MOTION

- Recommend the City Council authorize sale of Lot 3/Block A, Derby Industrial Park 2nd Addition to Mid Continent Controls, Inc. for \$1 plus development requirements.

Marcia Hartman, Economic Development Manager presented the report.

Board member KJ Jeffery asked if the company plans to expand their product line or continue with its existing production within the new expansion.

Mike Freel, MC2 Senior Advisor said the company will continue its current product portfolio and expand it into the new facility. MC2 is out of manufacturing and inventory space and needs to expand to keep up with customer demands. The expansion plans will move the parking area to the new lot.

Board member Jennifer Brown asked for clarification if Mid Continent Controls plans to construct a new separate facility or expand to add to an existing facility in the West End Business Park.

Hartman said there is an existing 21,207 sq. ft. facility that Mid Continent Controls built in 2001. They want to build and connect an additional 20,000 sq. ft. facility on the south side of the existing building and move the parking lot further south to Lot 3/Block A.

KJ Jeffery moved, seconded by Lynn Price, to recommend the City Council authorize sale of Lot 3/Block A, Derby Industrial Park 2nd Addition to Mid Continent Controls, Inc. for \$1 plus development requirements.

RESULT:	Carried
MOVER:	KJ Jeffery
SECONDER:	Lynn Price
AYES:	Jennifer Brown, Lindsay Dearduff, KJ Jeffery, Kris Rose, Bill Upton, and Lynn Price

6 ANNOUNCEMENTS

Marcia Hartman, Economic Development Manager announced the next CDAB meeting will be May 6. Agenda items will include an election for chairperson and vice chairperson and voting on the 2026-2027 meeting schedule.

Hartman noted that this is KJ Jeffery's last meeting as the Chamber-appointed board member. She said she appreciated KJ volunteering and appreciated everyone volunteering for the CDAB, stating you all do a great job. The Derby Chamber of Commerce appoints one member of the six CDAB members to serve on the board. KJ has volunteered for about 7 years. Hartman said Brock Stuhlsatz will be the new Chamber appointed member for 2026-2027.

Hartman announced that due to unexpected circumstances, Bear Oak Derby Flex was unable to close on the West End Business Park lots they were approved to buy in 2024 and the City terminated the agreement. She said Expert Exteriors, who was approved to purchase Parcel B/Lot3/Block B, requested to switch their lot choice to Lot 2/Block B, a lot previously approved for Bear Oak Derby Flex. The request to switch lots will be on the April 14 City Council meeting consent agenda to approve the switch.

Hartman followed up with board members on a previous discussion about the Commercial Façade Improvement Program. A suggestion was made to consider awarding approved applicants the full eligible amount, up to the maximum allowed, for an eligible project regardless of whether it's for a sign improvement or façade improvement. The current CFIP allocates funding amounts by project type, either façade or sign. Data was provided to CDAB to show both scenarios. Four applicants could have been awarded about \$2,000-\$4,000 more for their projects if the funds were combined. However, there would not have been enough funds for a fifth applicant that was approved under the existing program. Hartman said she'd like to get everyone's feedback and if there's potential support for changing the funding, she would add it to the May agenda to vote on.

Board member Lindsay Dearduff asked how many signs were non-compliant.

Hartman said non-compliance is an ongoing occurrence.

Everett Haynes, Assistant City Planner said the majority of the signs along the K-15 corridor have been brought into our minimum maintenance requirement. Those include painting the poles and repairing damaged frames. He said the majority of signs have not been brought up to our current aesthetic standard where the pole structure has to be enclosed with a base. They are not necessarily out of compliance because of the exception for the K-15 corridor. The idea was to encourage sign improvements so they appear more like those on Rock Road. Haynes said a couple of businesses on K-15 encased their pole sign bringing them into compliance with our current standard.

Scott Knebel, City Planner concurred to say we hoped that by providing money, businesses would do more than bring the sign into minimal compliance, but they haven't.

Chairperson, Kris Rose noted that Weigand was approved for a sign improvement and appeared to have removed their sign, exposing the poles.

Knebel said they apparently took the cabinet part of the sign. He said the sign base is still there and the new tenant or property owner can use it.

Hartman said Weigand was one of the applicants that did more than the minimum to update the sign using the CFIP funds. The main structure was

altered and the updated base remains.

Rose said he thought it looked like it did before Weigand was awarded funds for the improvement.

Hartman said she'll review it.

Haynes provided an example of a business where the CFIP funding worked to update a sign with current standards. The business on north Baltimore [727 N Baltimore] was approved for façade and sign improvements, bringing the sign into compliance with the city's current standards.

Hartman, going back to the funding consideration, thought that any decision could alter the outcome of funding scenarios.

Vice Chairperson Bill Upton asked how many CFIP applicants there have been each year.

Hartman said 7 were approved in 2022; five in 2023; two applicants in 2024 and two in 2025. One of the 2024 applicants finished the project in 2025 and was funded with the 2025 budgeted amount.

Knebel thought the efforts of the city impacted the number of applications in 2022. We sent out notices to dozens of businesses regarding compliance and advertised the grant program to assist businesses. The demand after 2022 declined and therefore we reduced the budget amount for the program.

Hartman said she published information about the CFIP in the monthly newsletter to businesses in February. She continues to promote the program to new registered businesses located in the eligible areas. She said a recent applicant, TenderCare had applied but decided to withdraw their application.

Dearduff asked if it's more about lack of awareness of the program or are there complicated steps in the process that make people hesitant to apply.

Knebel thought it is more awareness. The CFIP application process is not overly complicated. He said another similar program he worked with was more complicated but we still received applications. The one thing that might have complicated the CFIP was requiring 3 proposals. The city changed that to require only 2 proposals. Contractors were so busy that applicants were having a difficult time getting bids.

Hartman said that staff takes every opportunity to present the CFIP funding. When we meet with developers that are considering locating in an eligible area, CFIP is mentioned.

Board member Lynn Price asked what the motivation might be for businesses that are not in compliance now, given the program began in 2022.

Haynes clarified that the signs along the K-15 corridor have been brought into compliance. However, many were not brought to the standard we'd like to see. That was the point of the program, to encourage reducing the proliferation of signs, one after another, possibly doing one tenant sign that meets the maximum compliance. We saw some success and many damaged signs or signs that did not meet the minimum compliance were since brought into compliance.

Knebel said all the signs from 2022 were brought into compliance. In 2026 we had additional signs added to the list.

Haynes said that staff monitors it every year and sends notification to the businesses. Standards are not set high, the minimum requirement is generally to paint or repair a damaged pole. We often see a business that closes and they leave their specific sign panel in place. The property owner is responsible for replacing the former business sign with blank panels until a new business begins operation.

Knebel said he was surprised that businesses don't utilize the vacant sign space as a chance to advertise the space for lease.

Hartman added that when she receives a new business registration application for businesses located in eligible areas, she informs them about the program.

Hartman said that concluded all announcements. Today's agenda item, CDAB's recommendation for the lot sale, will be presented at the April 28 City Council meeting.

7 ADJOURNMENT

Lindsay Dearduff moved, seconded by Bill Upton, to adjourn the meeting at 4:55 p.m.

RESULT:	Carried
MOVER:	Lindsay Dearduff
SECONDER:	Bill Upton

Recording Secretary

Chairperson

New Business Item



Subject: Election for Chairperson and Vice-Chairperson
Meeting: Community Development Advisory Board - 06 May 2026
Presented by: Marcia Hartman, Economic Development Manager

BACKGROUND:

- Each year the CDAB is required to elect from its members a Chairperson and Vice-Chairperson, who shall serve in such capacity for one year.
- The Economic Development Manager serves as the *ex officio* Secretary; therefore, an election for Secretary is not required.

POLICY IMPLICATIONS:

- The process for election of the Chairperson and Vice-Chairperson should be as follows:
 - The floor is opened for nominations. Nominations(with seconds) are received. The floor is closed and nominees are then voted on publicly.
 - A majority vote of the board members present and voting is required to elect the officers.
 - Officers take office at the next regular meeting.

RECOMMENDED MOTION:

- Conduct an election for Chairperson and Vice-Chairperson on the Community Development Advisory Board.

New Business Item



Subject: Adopt 2026 - 2027 CDAB Meeting Schedule
Meeting: Community Development Advisory Board - 06 May 2026
Presented by: Marcia Hartman, Economic Development Manager

BACKGROUND:

- Each year the Community Development Advisory Board adopts a meeting schedule.
- The board typically meets quarterly on the first or second Wednesday of the month at 4:30 p.m. and special meetings may be scheduled as needed.
 - Suggested meeting dates for 2026 - 2027 are as follows:
 - Wednesday, August 5, 2026
 - Wednesday, November 4, 2026
 - Wednesday, February 3, 2027
 - Wednesday, May 5, 2027

RECOMMENDED MOTION:

- Adopt the schedule of Community Development Advisory Board meeting dates for 2026 - 2027, as presented.

New Business Item



Subject: Request for Incentives - Stone Creek Residences, LLC
Meeting: Community Development Advisory Board - 06 May 2026
Presented by: Marcia Hartman, Economic Development Manager
Guests: Cory Shackelford; Shane Pullman

BACKGROUND:

- Stone Creek Residences, LLC has proposed a multi-family residential development to provide affordable housing in Derby.
 - It has requested Industrial Revenue Bonds (IRBs) and a 10-year 60% property tax abatement and sales tax on construction materials exemption.
- Development of affordable and available housing is an element of the Vision Derby 2040 Comprehensive Plan and was identified in the 2022 Derby Housing Study as an important piece to support Derby's growth.
- The 2022 Derby Housing Study recognizes housing affordability as a primary concern for quality of life.
 - The housing needs analysis indicates that Derby has a shortage of affordable housing, and increases in the cost of construction materials and labor have made constructing affordable housing more difficult.
 - The analysis also indicates that there is a demand for the addition of 214 dwelling units per year, which Derby has traditionally not met that demand in the housing market.
- Residential projects that meet a community need identified by the housing study and that also meet the City's Economic Development Guidelines & Incentive Policy eligibility criteria may be considered for public incentives.
 - The proposed project will be 100% residential and will provide 144 affordable housing units available to new and existing residents of Derby.
 - 100 units will target those households with an income no more than 60% of the area median income (AMI): 50 two-bedroom units and 50 three-bedroom units.
 - 44 units will target those households that earn 40% of AMI: 22 two-bedroom units and 22 three-bedroom units.
 - The project is eligible for incentives because at least 30% of the units will be offered at a below market rate as identified in the Derby housing study.
 - The rental rates proposed will be below newly constructed properties of similar or in some cases, lesser quality, with fair market rent (FMR) at or below HUD FMRs for Derby.
- The project proposes offering an extensive amenity package available to its residents including the following:
 - Clubhouse with kitchen and espresso bar, a fitness center open 24/7, limited concierge services and common areas.
 - Landscaped courtyard, outdoor swimming pool, outdoor kitchen, deck area, playground and picnic areas.

- "Smart Units" that have remote monitor and control abilities for unit lighting and temperature with an app.
- 72 two-bedroom/two-bath units and 72 three-bedroom/two-bath units with an Energy Star rated upscale appliance package including in-unit washers and dryers.
- 8 units designed to ADA/UFAS standards for those with disabilities and 3 units designed to standards for those who are visually and/or hearing impaired.

FINANCIAL/SUSTAINABILITY CONSIDERATIONS:

- Based on Derby's incentive policy calculations the project is eligible for a 60% property tax abatement.
- In issuing industrial revenue bonds, the City acts only as a conduit for project financing.
- The City has no financial liability in the event the beneficiary does not satisfy the financial obligations of the bonds.
- The bonds do not contribute to the City's statutory debt load nor do they affect the City's bond rating or credit rating.
- Costs associated with issuance of bonds will be paid by Stone Creek Residences, LLC.
- The City's portion of a 10-year, 60% property tax exemption is estimated to be \$1,832,193 and the city portion of a sales tax exemption on construction materials of approximately \$70,429, totaling \$1,902,621 in incentives.
- The bonds will be guaranteed by HUD and the developer will receive commitments from Federal and State Low-Income Housing Tax Credit (LIHTC) investors for approximately \$18,310,893 in tax credit equity.

LEGAL CONSIDERATIONS:

- Issuance of IRBs and the ability to grant tax abatements are authorized by Kansas statute. The City has no liability in the event the bonds are not ultimately issued.
- Due to the privacy interests of protecting the applicant's financial data and affairs, review of financial reports should occur in executive session which is consistent with state law.

POLICY IMPLICATIONS:

- The City's economic development guidelines and incentive policy was adopted by Council to establish criteria for granting economic development incentives that would promote the economic growth and welfare of the City. Derby is focused on encouraging growth that fits the needs of its residents.
- One of the goals of the plans is to provide support for a housing market that provides opportunities for all.
 - The proposed project represents \$26,335,000 in capital investment for affordable housing units, which makes the project eligible for a 50% property tax abatement.
 - Because the project also qualified for and is utilizing State economic development incentives, it is eligible for an additional 10% property tax abatement.
 - Stone Creek Residences was one of four projects awarded the 4% Low Income Housing Tax Credit (LIHTC) by the State of Kansas, out of 15 applications. The project received Quality Site Points by the Kansas Housing Resources Corporation (KHRC) site visit team.
 - Stone Creek Residences fits into the housing category of the City's economic development policy making it eligible for public incentives and the project achieves public policy goals of the City.
- The City's current incentives policy requires a benefit-cost analysis to be completed prior to consideration. The ratio of public benefits to public costs, each on a present value basis, should be at least 1 to 1.

- This project's benefit-cost analysis indicates a benefit-cost ratio of 1.67 to 1 over a 10-year period, which meets the eligibility criteria for incentives under the current policy.

RECOMMENDED MOTION:

- Support the request from Stone Creek Residences, LLC for Industrial Revenue Bond financing with a 60% property tax abatement and a 100% sales tax abatement on construction materials and forward a recommendation of approval to the City Council.

ATTACHMENTS:

[Location Map](#)

[Economic Development Guidelines & Incentive Policy](#)

[Incentives Application](#)

[Similar Project Rendering](#)

[Benefit-Cost Analysis Stone Creek Residences Updated](#)

**Location Map:
Stone Creek 6th Addition
Stone Creek Residences**





CITY OF DERBY

ECONOMIC DEVELOPMENT

GUIDELINES & INCENTIVE

POLICY



Economic Development Guidelines & Incentive Policy

Table of Contents

Section	Page
I. Purpose and Overview	3
II. Eligibility	4-5
III. Policy Considerations	6-7
IV. Economic Development Incentive Agreement	8
V. Incentive Programs and Plans	9-10
• Industrial Revenue Bonds	9
○ Property Tax & Sales Tax Abatements.....	9
○ Economic Development Exemption (EDX)	9
○ Speculative Buildings.....	10
• Fee Waivers and Fee Reductions	11
VI. Special Development Areas and Districts	12-13
• K-15 Area Plan	12
• West End Development Plan	12
• Buckner Business District.....	12
• Park2ParkCultural Corridor.....	12
• K-15 Business District	12
• Tax Increment Financing (TIF)	13
• Sales Tax and Revenue Bond District (STAR).....	13
• Reinvestment Housing Incentive District (RHID)	13
• Community Improvement District (CID)	13
• Transportation Development District (TDD)	13
VII. Application Process, Evaluation and Fees.....	14
VIII. Map: Special Development Areas and District	15
IX. State of Kansas Incentive Programs	16

I. PURPOSE AND OVERVIEW

The purpose of this policy is to establish criteria for granting economic development incentives to broaden and diversify the tax base, create new job opportunities for the residents of Derby, and promote the economic growth and welfare of the City. Economic development incentives are necessary because of the inherent competition for new businesses and jobs.

The City is focused on encouraging growth that fits the needs of our residents and businesses. We follow a multi-year economic development plan approved by the City Council that is designed to guide our efforts. The 2022-2024 Economic Development Plan focuses on three primary areas for economic development: create a vibrant and diverse community to attract people and businesses, promote growth of businesses, and actively market and promote Derby. Use of incentives should be applied to the types of projects and locations in the community that advance the goals of the current Economic Development Plan.

The following guidelines are intended to provide a framework for consideration of incentives and may not be the only factors to consider. The guidelines outlined in this document are primarily quantitative considerations. Qualitative considerations also factor into decisions regarding granting incentives.

Economic development incentives available from the City of Derby may include (but are not limited to):

- Industrial Revenue Bonds
 - Property Tax Abatements
 - Sales Tax Exemptions
- Economic Development Exemption (EDX)
- Speculative Buildings
- Fee Waivers and Fee Reductions
- Special Development Districts
 - Tax Increment Financing (TIF)
 - Community Improvement District (CID)
 - Sales Tax and Revenue Bond District (STAR)
 - Reinvestment Housing Improvement District (RHID)
 - Transportation Development District (TDD)

Each request for incentives will be evaluated on an individual basis. The City may conduct legal and/or financial research regarding the applicant as part of eligibility determination. Changing economic conditions and availability of funds may cause the City to modify, amend, or discontinue any economic development incentive program. Should an incentive program be discontinued, the City will honor any incentive committed to before the discontinuance of the program.

Exceptions to this policy may be made at the discretion of the City Council.

The City may participate in the cost of certain public improvements in accordance with the City's Public Improvement Finance Policy.

II. ELIGIBILITY

Minimum private to public capital investment ratio should be 2 to 1. For projects that involve multiple phases of private capital investment, but up-front public capital investment that benefits all phases of development, the amount of private investment for a phase of development must be at least twice the proportion of public capital investment that directly benefits that phase of development. The City Council may waive this limit for projects of a substantial nature, or projects that diversify the local economy.

Return on Public Investment (ROI): Requests for local incentives may require a benefit/cost analysis be completed prior to consideration. The ratio of public benefits to public costs, each on a present value basis, should be at least 1 to 1. No benefit/cost analysis is required for projects seeking a sales tax exemption only, or for 501(C)(3) organizations, unless required in other sections of these guidelines.

To be eligible for public incentives of any kind, a business must be engaged in one or more of the following business activities:

- A. *Manufacturing*. Determined by appropriate NAICS (North American Industry Classification System) codes.
- B. *Professional Services*. Majority of revenues must be derived from transactions originating outside of the Wichita Metropolitan Statistical Area (MSA).
- C. *Research and Development*. The conducting of research, development or testing for aviation, scientific, medical, food product or industrial purposes.
- D. *Warehousing and Distribution*. Majority of goods stored/shipped must be destined for end-users located outside of the Wichita MSA.
- E. *Corporate Headquarters*. May include “back office” operations and customer service activities. Majority of revenues must be derived from transactions originating outside of the Wichita MSA.
- F. *Transportation & Logistics*. Freight or passenger transportation services. Majority of revenue must be derived from interstate commerce/travel.
- G. *Revitalization Redevelopment*. Must address rejuvenation of special development areas.
- H. *Tourism*. Attractions, facilities and events considered likely to attract at least 30% of attendees from outside of the Wichita MSA.
- I. *Housing*. Projects for which at least 30% of the units are affordable to households with an income of no more than 80% of the Area Median Income or meet a community need identified by the most recent housing study.
- J. *Medical Services*. Regional medical centers, hospitals and specialized medical facilities providing healthcare not currently being offered in Derby and considered likely to attract at least 30% of patients from outside of Derby.
- K. *Speculative Industrial/Flex/Office Buildings*. A structure used primarily for manufacturing, research and development, production, maintenance, and storage or distribution of goods or both.
- L. *Maintenance, Repair and Overhaul (MRO) facilities*. Production facility where materials that are used in production and operational processes, but are not part of the end product itself, including industrial equipment, consumables, safety equipment and personal protective equipment, repair and service tools.
- M. *Digital Network Services and Cybersecurity*. Companies providing computer system design services that integrate computer hardware, software, and communication technologies data including network management, administration, and protection services.
- N. Other industries identified by the Regional Growth Plan including the most recent strategic/cluster analysis for Economic Development for Sedgwick County - GreaterWichitaPartnership.org.

ADDITIONAL ELIGIBILITY CRITERIA

- A. No incentive shall be granted if the incentive would create, in the judgment of the governing body, an unfair advantage for one business over another competing business within the City.
- B. Any incentive granted by the City shall be subject to the “but-for” principle, meaning that the incentive must make such a difference in determining the establishment or expansion of the business that the business would not otherwise be established or expanded in the City, if it were not for the availability of the incentive. It is the policy of the governing body that private business should not be subsidized with public funds, the indirect consequences of tax incentives, unless some public good results and the public subsidy can reasonably be expected to make a significant difference in achieving economic growth and the creation of new jobs within the City.
- C. A business, developer, or organization must be current in its payment of ad valorem property taxes (including special assessments) to be considered for any public incentive.

III. POLICY CONSIDERATIONS

The recommended percentage of property taxes to be abated shall be cumulative (up to 100%) based on (1) New Job Creation, (2) Capital Investment, (3) Location, (4) Utilization of State Incentives and (5) Additional Considerations.

1. New Job Creation

For the purpose of determining the recommended percentage of tax abatement, the number of new full-time equivalent (FTE) jobs created by the project will be used to determine the recommended abatement. For the purpose of this policy, FTE jobs are defined as full-time employees who are paid to work at least 2,080 hours per year, or part-time or temporary employees consolidated to obtain the full-time equivalent of 2,080 hours per year. It is the City's preference that new jobs be full-time positions with competitive benefits.

The amount of recommended tax abatement based solely on FTE job creation is based on a sliding scale that allows smaller projects to benefit.

Percent	Number of FTE Jobs
30%	5 to 25 new FTE jobs
40%	26 to 50 new FTE jobs
50%	> 50 new FTE jobs

Wage and Salary Criteria: A business may be considered for public incentives only if the wages paid to its net new employees are equal to or greater than 120% of the median wages within Sedgwick County as determined by the current Kansas Department of Labor Wage Survey. According to the 2021 edition of the Kansas Wage Survey, the median income of all occupations in Sedgwick County was \$38,407. Therefore, 120% of the median income would be \$46,088. In addition to meeting wage requirements, jobs created must include health care benefits. If health care benefits are not offered, wages must be 150% of the median wage as stated above.

2. Capital Investment

For the purpose of determining the recommended percentage of property tax abatement, capital investment in the project will be used to determine the recommended abatement.

Percent	Capital Investment Amount
15%	Between \$500,000 and \$1 million
25%	Over \$1 million, and up to \$2 million
40%	Over \$2 million and up to \$5 million
50%	Over \$5 million

3. Location

Businesses are encouraged to locate and/or expand within the Special Development Areas shown on page 12. To foster such action, businesses may be recommended for a 30% additional tax abatement for locating within a Special Development Area, if the project accomplishes the goals and is consistent with the policies of one or more of the following Special Development Areas.

- K-15 Area Plan
- West End Development Plan
- Buckner Business District
- Park2Park Cultural Corridor
- K-15 Business District

4. Utilization of State Incentives

Projects that qualify for, and utilize State Economic Development Incentives are eligible for an additional 10% tax abatement.

Example of recommended percentage abatement:

If a company is projecting it would create 26 new FTE jobs, it would qualify for a 40% abatement. If it is also investing \$900,000 in facilities and/or machinery and equipment, it would qualify for an additional 15%, totaling 55%. If the company is located within a Special Development Area, it would qualify for an additional 30% (85% total). If the company is also utilizing State of Kansas incentives, add another 10% for a total of a 95% abatement.

5. Additional Considerations

In addition to the above criteria, in making a decision to approve or disapprove an incentive, the City Council may consider the following information:

1. How well the new jobs match skills available in the local labor market;
2. The utilization of labor skills of unemployed persons in the community;
3. The degree to which the business improves the diversification of the economy of the City and its environs;
4. The potential for future expansion and additional job creation;
5. The impact of creating other new jobs and businesses, including the utilization of local products or other materials in manufacturing;
6. The beneficial impact on a particular area of the City in need of investment;
7. The compatibility of business location with land use and development plans, and the availability of existing infrastructure and essential public services, and the extent to which additional direct or indirect public costs to the City and to other local units of government would be necessary, such as the cost of extension of public services;
8. The extent to which the economic and employment benefits of the incentive accrues to the residents and taxpayers of the City;
9. Potential for retention of existing employment where it can be demonstrated that without incentives the jobs may be moved away from the area or eliminated, as evidenced by a written statement from the company;
10. Potential for inclusion of disadvantaged minority or women-owned businesses as contractors, suppliers, etc.; and
11. Economic development incentives from other local governments and/or the State.

IV. ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT

All economic development incentives will be formalized in a written agreement between the City and the recipient. The recipient will be required to meet applicable performance criteria, such as but not limited to:

- A. Jobs created and payroll agreements.
- B. Wage requirements.
- C. Capital investment.
- D. Compliance with income based rental requirements or home sale cost requirements.
- E. Compliance with all applicable governmental laws, rules and regulations.
- F. Compliance with any other conditions outlined in the agreement.

The City reserves the right to conduct an audit to assure compliance with the economic development incentive agreement. The City may discontinue any ongoing incentives and require the incentives already received to be repaid in full or in part, as set forth in the Payment-in-Lieu-of-Tax Agreement, if performance criteria are not met.

Whenever practicable, the City will include "clawback" provisions (relating to repayment or cessation of incentives) in all incentive agreements, and the City may exercise such provisions when the terms of the incentive agreements have not been met.

Payments-In-Lieu-of-Taxes (PILOTs):

Any applicant receiving tax abatements may be required to make payments in lieu of taxes equal to the amount of property tax abated. This amount may include tax payments levied on the property prior to the improvements. Said PILOT payments shall be payable to the Sedgwick County Treasurer for distribution to all local taxing jurisdictions which levy taxes on the abated property.

An applicant may also be required to make PILOT payments at any time in the event of non-compliance with the conditions imposed by the economic development incentive agreement, as an alternative to complete cancellation of the tax abatement.

Annual Reporting

Annual reporting is required as a condition of any incentive. Developers shall provide an accounting to the City no later than 120 days following the end of the calendar year or the organization's fiscal year as applicable. For speculative building incentives, the annual report shall provide an account of all lease activity within the spec project including the names of all companies, square footage occupied and prior location of company.

Economic development incentives may not be transferred or otherwise conveyed to another party without prior approval of the City Council.

V. INCENTIVE PROGRAMS AND PLANS

1. Industrial Revenue Bonds (IRBs)

Industrial Revenue Bonds are a mechanism to achieve either a property tax abatement, a sales tax exemption, or both. Projects must qualify under the eligibility criteria in Section II.

The City is authorized under State law to grant tax abatements in connection with the issuance of Industrial Revenue Bonds (IRBs). The City, as issuer, will not issue bonds for projects located outside of its organizational boundaries unless the project is located in an industrial district or the requesting entity has its primary headquarters located within the city's organizational boundaries.

A. Property Tax Abatement

Property taxes may be abated for new improvements to real property and for newly acquired items of personal property not otherwise exempt under Kansas law, used by an eligible business in connection with an expansion or relocation of the business' operations. Land and existing buildings are not generally eligible for property tax abatement. Existing buildings may only be considered for tax abatement if the building has been vacant for at least two years and is acquired by a party not related to the previous owner. Exceptions may be made for buildings used by target industries as determined by the most recent economic development strategic/cluster analysis for Sedgwick County/Wichita and in cases where reuse of the building within two years is deemed unlikely. Otherwise, no existing property will be removed from the tax rolls.

The term of tax abatement on real taxable property improvements under these guidelines shall be an initial term of five years, plus an additional five years subject to review and approval at the end of the initial term. Tax abatement on eligible items of personal property shall be limited to a term of five years.

The recommended percentage of property taxes to be abated shall be cumulative, based on new job creation, capital investment by the eligible business, and additional considerations as described in Section III.

B. Sales Tax Abatement

Sales tax exemptions may be granted for eligible purchases financed by Industrial Revenue Bonds (IRBs) and are subject to approval by the City. A sales tax exemption may be granted for projects with or without a property tax exemption. No benefit/cost analysis is required for projects seeking a sales tax exemption only.

2. Economic Development Exemption (EDX) -Property Tax Abatement

The City of Derby is authorized under state law to grant tax abatements on private business property under Article 11 of the state constitution that enables economic development exemptions (EDX) for certain types of businesses. EDX abatements are limited by state law to:

1. *Expanding Manufacturing.* Determined by appropriate NAICS codes.
2. *Research and Development.* The conducting of research, development or testing for aviation, scientific, medical, food product or industrial purposes.
3. *Warehousing and Distribution.* Business that creates or retain jobs. Majority of goods stored/shipped must be destined for end-users located outside the Wichita MSA.

3. Speculative Building

A speculative building is a building developed and constructed without any preleasing in place. Construction commences without a prelease when the developer believes there is so much demand for that type of building in that market or submarket that a lease commitment is bound to come through. In order to encourage commercial growth in Derby through capital investment and job creation, economic development incentives may be offered for speculative buildings.

Eligible speculative building projects may qualify for property tax abatement as follows:

A. Industrial Building:

An industrial building is a structure used primarily for manufacturing, research and development, production, maintenance, and storage or distribution of goods or both, that meets the following criteria.

- Minimum 25,000 square foot building.
- Minimum clear height of 28'.
- Building must be constructed upon a site that is appropriately platted and zoned, with access to necessary municipal services. The project must obtain all required City approvals, including site plan review, building plan review, building permit and required inspections, and a certificate of occupancy.
- Construction must begin within 180 days of Council approval and be complete within 18 months of Council approval.
- The property tax abatement is 95% for 1st five years and 50% for 2nd five years if 50% or more is leased to an eligible tenant.
- May include office space ancillary to an industrial use.

B. Flex Facility:

A flex facility is an industrial building designed to be used in a variety of ways. It is usually located in an industrial park setting. Specialized flex buildings can include service centers, showrooms, offices, warehouses and more.

- Minimum 15,000 square foot building.
- Minimum of 30% office space.
- Building must be constructed upon a site that is appropriately platted and zoned, with access to necessary municipal services. The project must obtain all required City approvals, including site plan review, building plan review, building permit and required inspections, and a certificate of occupancy.
- Construction must begin within 180 days of Council approval and be complete within 18 months of Council approval.
- The property tax abatement is 95% for 1st five years and 50% for 2nd five years if 50% or more is leased to an eligible tenant.

C. Office Building:

An office building is a Class A building structure providing environments that are conducive to the performance of management and administrative activities, accounting, marketing, information processing, consulting, human resources management, financial and insurance services, educational and medical services, and other professional services.

- Minimum 15,000 square foot building (office space). The building may be mixed use but the minimum square footage applies only to office space.
- Building must be constructed upon a site that is appropriately platted and zoned, with access to necessary municipal services. The project must obtain all required City approvals, including site plan review, building plan review, building permit and required inspections, and a certificate of occupancy.
- Construction must begin within 180 days of Council approval and be complete within 18 months of Council approval.
- The property tax abatement is 95% for 1st five years and 50% for 2nd five years if 50% or more is leased to an eligible tenant.

4. Fee Waivers and Fee Reductions

In order to encourage re-investment and redevelopment, the City has eliminated or reduced various fees in specific targeted areas. The waived or reduced fees may be revised from time to time as part of the City's fee resolution. The applicant is responsible for costs associated with planning approvals such as document recording fees & certified ownership lists. Waived or reduced fees are available in the following areas:

- West End Business Park.
- Redevelopment of the Pleasantview Elementary School site.
- Buckner Business District
- Area included in the K-15 Area Plan.
- All commercially zoned areas where, as determined by the Zoning Administrator, development was initiated before 1996.

5. Housing Development and Reinvestment Housing Incentive District (RHID) Policy

Policy Introduction

As the City of Derby ("Derby" or the "City") continues to invest in the needs of our growing population and community, it faces housing challenges and opportunities. The Vision Derby 2040 Comprehensive Plan addresses housing and neighborhoods and indicates that the future success of Derby will depend on its ability to diversify its housing options to meet the needs of a variety of age groups and income ranges.

Derby Housing Study

A housing analysis in Vision Derby 2040 was completed prior to the 2020 Census. The Derby Housing Study was prepared by RDG based on an analysis of 2020 Census data, current building permit data, and input from stakeholders.

Derby continues to experience a shortage of housing in various price ranges as higher income households lack options and compete with lower income households for the same units. The development community has responded with additional duplexes and townhomes but demand remains high for both rental and ownership options. Existing wait lists and limited vacancies indicate that the demand is not being met. The shortage of housing is likely to persist at both a metro level and within Derby. Current building activity will not address the shortage, nor is it likely to create a private market reaction to create more moderately priced owner or renter units. Due to the lack of private market response to produce units and specifically to produce a variety of units, the city and its partners are addressing the need to provide incentives and share risk in the production and maintenance of housing.

Reinvestment Housing Incentive District (RHID)

In 2021, KHRC and the Office of Rural Prosperity launched the state's first comprehensive housing needs assessment in nearly 30 years. A lack of quality, affordable housing is widely recognized as one of the state's biggest barriers to growth and development. The comprehensive assessment was identified as the crucial first step in addressing the state's housing needs and identifying development priorities.

The Reinvestment Housing Incentive District Act (K.S.A. 12-5241 *et seq.*) is intended to encourage the development and renovation of housing in communities by authorizing cities and counties to finance certain improvements and provide reimbursements to developers for eligible expenses in building housing. RHID captures the incremental increase in property taxes created by the development project for up to 25 years. With a population of less than 60,000, the City is eligible to use RHIDs.

Financing of public infrastructure shall be provided by the applicant through petitions for special assessments and/or privately placed financing, with RHID funds used to reduce special assessment debt levied on the development and to reimburse the developer for privately financed infrastructure. (In unusual circumstances, other financing tools, such as publicly issued revenue bonds, may be used at the sole discretion of the City.)

Eligibility

Housing projects for which at least 30% of the units are affordable to households with an income of no more than 80% of the Area Median Income are eligible. Other housing projects that meet a community need identified by the most recent housing study also may be eligible based on the following eligibility criteria. For grant programs for which the City is eligible to submit only one application per cycle, the Desirable Project Criteria below will be used to select the highest priority project for grant application submittal.

- No incentive shall be granted if the incentive would create, in the judgment of the governing body, an unfair advantage for one housing developer over another within the City.
- Housing incentives granted by the City shall be subject to the “but-for” principle, meaning that the incentive must make such a difference in determining whether or not the housing is constructed that the housing would not otherwise be constructed if it were not for the availability of the incentive. It is the policy of the governing body that housing developers should not be subsidized with public funds, the indirect consequences of tax incentives, unless some public good results and the public subsidy can reasonably be expected to make a significant difference in achieving housing growth and diversity within the City.
- The applicant must be current in its payment of ad valorem property taxes (including special assessments) to be considered for any public incentive.

Minimum Eligibility Criteria for Other Projects: To be eligible for public incentives, a housing development project that does not provide at least 30% of the units which are affordable to households with an income of no more than 80% of the Area Median Income must meet the following minimum eligibility criteria.

- The project must contain a minimum of 20 dwelling units.
- At least 30% of the units are offered at a “below market” rate as identified in the current Derby Housing Study. Currently, below market units are \$250,000 or less for owner-occupied and \$1,000 per month or less for renter-occupied units.
- No incentive shall be granted if the incentive would create, in the judgment of the governing body, an unfair advantage for one housing developer over another within the City.
- Housing incentives granted by the City shall be subject to the “but-for” principle, meaning that the incentive must make such a difference in determining whether or not the housing is constructed that the housing would not otherwise be constructed if it were not for the availability of the incentive. It is the policy of the governing body that housing developers should not be subsidized with public funds, the indirect consequences of tax incentives, unless some public good results and the public subsidy can reasonably be expected to make a significant difference in achieving housing growth and diversity within the City.
- The applicant must be current in its payment of ad valorem property taxes (including special assessments) to be considered for any public incentive.

Desirable Project Criteria: Housing projects that meet the minimum eligibility criteria for public incentives will be evaluated on whether or not the proposed project achieves public policy goals of the City. Projects will be evaluated on the basis of the following desirable project criteria, with projects accomplishing the most public policy goals being eligible for greater levels of public incentives.

Criterion	Range	Score	Weight	Points
Immediately available water and sewer service	0-3		1	
Directly connected to existing development	0-3		1	
Pedestrian and bicycle connections provided to employment, shopping, park, school, and/or community services	0-3		1	
New to City housing type is provided	0-3		2	
Minimum percentage of below market units is exceeded	0-3		3	
Presence of resident amenities including useful open space	0-3		1	
Provides housing for a mixture of income levels	0-3		1	
Provides a mixture of housing types	0-3		1	
Provides housing for the elderly or disabled	0-3		2	
Provides a mixture of commercial and residential uses	0-3		1	
Below market rate units contain two or more bedrooms	0-3		3	
Includes rehabilitation or reuse of existing structures	0-3		1	
Project timeline addresses an immediate housing need	0-3		1	
Location within a Special Development Area	0-3		2	
Maximizes special assessments and minimizes public incentives	0-3		3	
Total Points				

Projects will be scored regarding the extent to which the proposed project achieves public policy goals of the City as follows:

- 0 – Does not achieve the criteria
- 1 – Partially achieves the criteria
- 2 – Mostly achieves the criteria
- 3 – Fully achieves the criteria

It is anticipated that most projects will have public infrastructure financed by a mixture of special assessment bonds and RHID tax allocations to reimburse the developer for private financing. The term of special assessment financing will be determined by the City’s public improvement financing policy. The extent to which a proposed project that achieves public policy goals of the City will be eligible for a reimbursement of the RHID tax allocation for the project as follows:

- 20 points or less – project does not qualify for RHID
- 20-29 points – 10-year maximum tax allocation period
- 30-39 points – 15-year maximum tax allocation period
- 40-49 points – 20-year maximum tax allocation period
- 50 points or more – 25-year maximum tax allocation period

Below market rate units are required to be maintained at the relevant below market rate for the entire tax allocation period or until the maximum reimbursement is reached, whichever is first. A maximum reimbursement amount will be established for the project, and total reimbursement shall not exceed the maximum amount, even if time remains in the tax allocation period.

RHID Housing Project Assistance Process and Guidelines

For a developer to take advantage of the incentive, the property must be within an established RHID. The City establishes an RHID and the incentives by:

1. Updating the Housing Needs Analysis (HNA), if necessary.
2. Set the physical boundaries of the RHID.
3. Adopt a resolution to make certain findings and request Secretary of Commerce approval of the proposed boundaries, if necessary.
4. Create a development plan and negotiate a development agreement.
5. Adopt a resolution describing the proposed housing development project and information required by the RHID Act and to provide for a public hearing.
6. Hold public hearing on the proposed housing development project and pass Ordinance establishing the RHID and adopting the district plan. Approve the development agreement.
7. Send RHID documentation to County and School District officials after expiration of the 30-day nullification period.

Housing Subdivision Infrastructure

The tax allocation can be used to reimburse the developer for the costs of the following infrastructure. The maximum amount of the tax allocation and the maximum term of the reimbursement will be established by development agreement.

- Sidewalks
- Sanitary Sewers
- Site Preparation
- Storm Drainage
- Streets
- Traffic Control Signals
- Water System

VI. Special Development Areas and Districts

1. Special Development Areas

Businesses are encouraged to locate and/or expand within the Special Development Areas shown in section VIII. To foster such action, businesses may be recommended for a 30% additional tax abatement for locating within a Special Development Area, if the project accomplishes the goals and is consistent with the policies of one or more of the following Special Development Areas.

K-15 Area Plan

The K-15 Area Plan encompasses the area generally along the east side of Highway K-15, from Patriot Ave. south to Meadowlark Blvd. The purpose of this plan is to assess the existing strengths and weaknesses of the area, identify barriers to development, and present opportunities to improve the area's economic vitality.

West End Development Plan

The City of Derby completed the West End Development Plan to examine existing strengths and weaknesses of the West End, to identify barriers to development and opportunities for removing barriers by making targeted improvements with the goal of maximizing the area's value to the community. The West End Development Plan recommends actions and implementation strategies to focus on unlocking the West End's long-term potential.

Buckner Business District

The City rezoned much of the Buckner Business District corridor in 2009 to allow mixed-uses on both sides of the street. Residential properties were located on one side of the street and businesses on the opposite. The intention of the zoning provides property owners the opportunity to continue as residential dwellings or convert to commercial use. The character of the street and scale of development, along with higher than local street traffic counts, make Buckner an attractive location for many types of small businesses. Through the zoning designation, the City allows opportunities for property owners to make improvements to the property. The concept and components of the Buckner Business District are on pages 80-81 of the Vision Derby 2040 Comprehensive Plan.

Park2Park Cultural Corridor

Derby has established the framework for developing a unique, park-oriented urban district with its development of two signature city parks – Warren Riverview Park and Madison Avenue Central Park. A district that links these two parks enhances parts of the original center, increases the connection of the city to its riverfront, dedicates space for medium-density housing with convenient services, and creates the walkable image center that Derby residents desire. The concept and components of the “Park2Park Cultural Corridor” are on pages 83-92 of the Vision Derby 2040 Comprehensive Plan.

K-15 Business District

The K-15/Baltimore Avenue segment from the N. Buckner Street intersection to Market Street is Derby’s central business district consisting primarily of free-standing commercial buildings, usually with single occupants, and multi-tenant commercial strips. The goal of the K-15 Business District is to reuse vacant or underutilized sites while retaining existing commercial development. Goals include improving the overall image of the district, including the K-15 streetscape and pedestrian environment; increasing safety and function by reducing or eliminating access conflicts and reducing friction between local traffic and through movements; and making more effective use of vacant or inefficiently used land. The concept and components of the “K-15 Business District” are on pages 93-97 of the Vision Derby 2040 Comprehensive Plan.

2. Special Development Districts

The City is authorized under state law to create the following special development districts to encourage economic development in the city.

Tax Increment Financing District (TIF)

Tax Increment Financing (TIF) is a financing and development tool that allows future incremental real property taxes generated by new development to pay for costs of construction of public infrastructure and other improvements. TIF is designed to encourage development of blighted, substandard and economically underutilized areas that would not be developed without public assistance.

Sales Tax and Revenue Bond District (STAR)

Sales Tax and Revenue (STAR) Bonds are a financing tool that allows Kansas municipalities to issue bonds to finance the development of major commercial, entertainment and tourism projects. The bonds are paid off through the sales tax revenue generated by the development within the district. The intent is to increase regional and national visitation to Kansas.

Reinvestment Housing Incentive District (RHID)

A Reinvestment Housing Incentive District (RHID) is a program designed to aid developers in building housing by assisting in the financing of public improvements. RHID captures the incremental increase in real property taxes created by a housing development project for up to 25 years. In order to take advantage of the incentive, property must be located within an established RHID. Districts are defined by the City based on housing needs and criteria outlined in the Housing Development and Reinvestment Housing Incentive District Policy.

Community Improvement Districts (CID)

The Community Improvement District program enables financing of certain projects through special assessments or a dedicated CID sales tax. Projects can be funded with general or special obligation bonds, or on a pay-as-you-go basis.

A CID is formed by the petition of landowners within the proposed CID. According to the CID Act, a petition to create a CID must be signed by the owners of at least 55% of the total land area and total assessed property value within the proposed district. However, it is the standard of the City that only petitions signed by 100% of property owners will be accepted. In cases in which no special sales tax is requested (i.e. only special property tax assessments are requested), the City Council may create the requested CID without notice or a public hearing. If a special sales tax is requested, the City Council must give notice and hold a public hearing pursuant to the CID Act.

Transportation Development Districts (TDD)

A Transportation Development District (TDD) is a special taxing district whereby a petition of 100% of the landowners in an area request either the levy of special assessments or the imposition of a sales tax of up to 1% on goods and services sold within a given area. Upon creation of a TDD by a municipality, the revenue generated by TDD special assessments or sales tax under Kansas law may pay the costs of transportation infrastructure improvements in and around the new development.

VII. APPLICATION PROCESS, EVALUATION AND FEES

1. Application Process:

Applying for incentives is a multi-step process. Because of the unique nature of each project and each economic development incentive, an applicant or petitioner seeking an economic development incentive is strongly encouraged, prior to submitting an application or documentation, to contact the City to discuss the project, eligibility, submission requirements and timing. A date for submission to the governing body will be selected by staff based upon available dates and staff work levels.

The application process formally begins when a complete application is accepted and appropriate fees are received by the City. The process requires staff review, may require a benefit-cost analysis or other economic evaluation Community Development Advisory Board review; a public hearing or other actions; and/or City Council consideration. The applicant shall provide a complete application on a form provided by the City.

2. Application Evaluation & Review

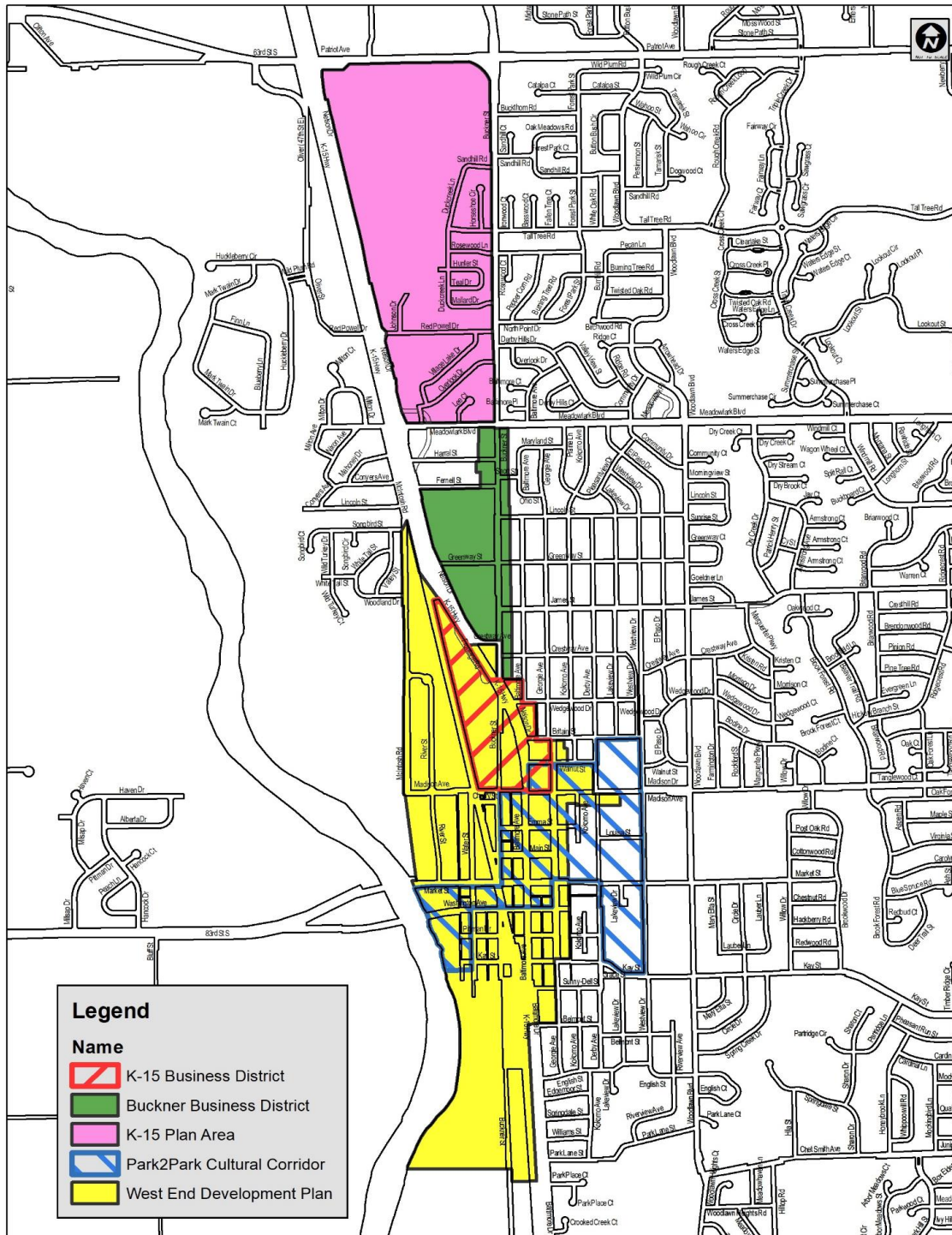
Following receipt of a complete application and any applicable fee, the following steps are required.

1. Staff review.
2. Community Development Advisory Board review and consideration.
3. City Council review and consideration, including any required public hearings.

3. Application Fees

Application fees are in accordance with the current City Fee Resolution. Any costs incurred by the applicant prior to approval of any incentive will not be reimbursable by any incentive funding but depending on the incentive request and applicable laws, the applicant may be reimbursed from bond proceeds or revenues. Requests for local incentives may require a benefit/cost analysis or other economic evaluation be completed prior to consideration. A designated agent on behalf of the City will conduct the analyses and any fees associated with the analysis is the responsibility of the applicant. No benefit/cost analysis is required for projects seeking a sales tax exemption only, or for 501(C)(3) organizations, unless required in other sections of these guidelines. Costs incurred by the City associated with outside Bond Counsel and a Financial Advisory shall be the responsibility of the applicant. Fees charged are to defray the cost of internal staff, external consultants, analysis, public notices and mailings necessary to administer and process applications. The overall goal of application fees is to ensure that the administration and processing of incentive applications are revenue neutral to the City.

VIII. Special Development Areas and District Map



IX. State of Kansas Incentive Programs

In addition to local financial incentives, the State of Kansas offers a wide array of services and resources to help businesses locate, expand, hire, invest and grow in Kansas. For more information, visit the Kansas Department of Commerce website at [KansasCommerce.gov/](https://www.kansascommerce.gov/), or view the KDOC Kansas Business Incentives Brochure [Issuu.com/KDCmarketing/docs/kansas-business-incentives-brochure?fr=sYjVmOTI5NDgzODM](https://issuu.com/KDCmarketing/docs/kansas-business-incentives-brochure?fr=sYjVmOTI5NDgzODM).



611 Mulberry Road, Suite 300
 Derby, KS 67037
 Phone 316-788-6632

**Application for
 Economic Development
 Incentives**

Fee: **\$2,500**

Application Date: MARCH 26, 2026

I. APPLICANT INFORMATION:

A. Contact Information

Applicant Name: CORY SHACKELFORD / SHANE PULLMAN

Applicant Title: MANAGING MEMBERS

Company Name: STONE CREEK RESIDENCES, LLC

Company DBA: SAME

Address (street #, suite #): 1617 N. WATERFRONT PARKWAY, SUITE 110

City / State / Zip: WICHITA, KS 67206

Applicant Phone No.: 316-308-3989; PULLMAN 316-640-7375

Email: _____

Business Structure:

- | | | |
|---|---|--|
| <input type="checkbox"/> Corporation (C Corp) | <input type="checkbox"/> Franchise | <input type="checkbox"/> Partnership |
| <input type="checkbox"/> Corporation (S Corp) | <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> Cooperative | <input type="checkbox"/> Non-Profit | <input type="checkbox"/> Other _____ |

Principal owners and/or officers of the company (include name and title):

<u>CORY SCHACKELFORD</u>	<u>MANAGING MEMBER</u>
<u>SHANE PULLMAN</u>	<u>MANAGING MEMBER</u>
<u>JOHN GREENSTREET</u>	<u>MEMBER</u>
<u>RON WATKINS</u>	<u>MEMBER</u>

II. PROJECT INFORMATION

A. Location of proposed project (street address or legal description):

LOT 1, BLOCK A, STONE CREEK 6TH ADDITION

B. Size of proposed project (square foot):

BUILDINGS: 143,416 SQ. FT.; SITE: 261,360 SQ. FT.; 6 ACRES

C. Percentage of the facility the applicant will occupy:

100% OWNED, ALL RESIDENTIAL UNITS WILL BE LEASED

D. Type of use planned for the project:

- | | |
|---|---|
| <input type="checkbox"/> Corporate Headquarters | <input type="checkbox"/> Research & Development |
| <input type="checkbox"/> Commercial Redevelopment | <input type="checkbox"/> Transportation |
| <input checked="" type="checkbox"/> Housing | <input type="checkbox"/> Tourism |
| <input type="checkbox"/> Manufacturing | <input type="checkbox"/> Warehousing |
| <input type="checkbox"/> Medical Services | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Service Sector | _____ |

E. Type of Construction and size:

- New construction, free-standing building Size: 6 Residential Buildings; Clubhouse
- New construction, expansion of existing building Size: _____
- Purchase/Remodel of existing building: Size: _____

F. List of products or services to be provided:

144 units of Affordable Housing; 72 2-BR Units, 72 3-BR Units.

Amenities – Clubhouse with Fitness Center, Gathering Room with Catering Kitchen, Property Management Office. Pool, Playgrounds.

III. POLICY CONSIDERATIONS:

- A. No incentive shall be granted if the incentive would create, in the judgment of the governing body, an unfair advantage for one business over another competing business within the City.
- B. Any incentive granted by the City is subject to the “but-for” principle. The incentive must make such a difference in determining the establishment or expansion of the business that the business would not otherwise be established or expanded in the City, if it were not for the availability of the incentive. It is the policy of the governing body that private business should not be subsidized with public funds, the indirect consequences of tax incentives, unless some public good results and the public subsidy can reasonably be expected to make a significant difference in achieving economic growth and the creation of new jobs within the City.

Rate of Return with incentives: The incentives allow the required Debt Service Coverage Ratio (DSCR) of 1.20 to be achieved in order to make the project financially feasible.

Rate of Return without incentives: Without the incentives, the Debt Service Coverage Ratio (DSCR) falls below the required 1.20 DSCR to 1.15 DSCR, which makes the project financially infeasible.

C. The applicant/business must be current in its payment of ad valorem property taxes (including special assessments) to be considered for any public incentive.

— The applicant does not currently own any property in the city of Derby, Kansas

Owns the property proposed for development —

• STEPPES AT ARK VALLEY LLC

— TAX PAYMENTS ARE CURRENT

— KANSAS SECRETARY OF STATE BUSINESS FILING — ACTIVE + IN GOOD STANDING

• STONE CREEK RESIDENCES LLC

— KANSAS SECRETARY OF STATE BUSINESS FILING —

— ACTIVE AND IN GOOD STANDING

D. Attach the following documents to the application:

- Applicant/Firm's financial audits for past two years.
- Applicant/Firm's most recent annual financial report.
- Applicant/Firm's financial statements for current fiscal year. _____
- Resume information for applicant/firm principals. _____
- Pre-qualification Questionnaire.
- Firm Data Sheet and Benefit-Cost Analysis from CEDBR.
- Sources and uses of funds.
- 10-year financial projections (pro forma) with and without incentives.

E. The City Council will consider the following:

- How new jobs match skills available in the local labor market
- Provide economic diversification
- Utilize local products or materials
- Provide a beneficial impact of revitalization or redevelopment
- Compatibility of business location with land use
- The economic and employment benefits to residents

Provide the following information (attach a separate page if needed):

N/A

1. How well do the new jobs match skills available in the local labor market?

2. Does the firm utilize labor skills of unemployed persons in the community?

3. How does the business improve the diversification of the economy of the city and its environs?

4. Will the business utilize local products or services? How?

5. Is the business located in a revitalization or redevelopment area? Explain **NO**

6. Is the project location compatible with the City's land use and development plans? Explain **YES**

7. Are existing infrastructure and essential public services available? **YES** / No. Explain:

8. Are there additional direct or indirect public costs to the city and to other local units of government, such as the cost of extension of public services? Explain **NO**

Special Assessments
Water + Sanitary Extensions - Petition
PAID

9. Explain the extent to which the economic and employment benefits accrues to the residents and taxpayers who indirectly "subsidize" the business as a result of the foregone tax revenue.

F. Housing projects must be within an established Reinvestment Housing Incentive District (RHID) and meet eligibility, minimum & desirable, criteria. Select applicable criteria:

30% of the units will be affordable to households with an income of no more than 80% of the Area Median Income are eligible. List percent of affordable units:

Project will not provide at least 30% of the units which are affordable to households with an income of no more than 80% of the Area Median Income.

The project will contain a minimum of 20 dwelling units. List number of units:

144 Affordable Housing Units; 100 Units target those households with an income no more than 60% of Area Median Income (AMI); 44 Units target those households with an income ~~no more~~ than 40% of Area Median Income (AMI)

At least 30% of the units will be offered at a "below market" rate as identified in the current Derby Housing Study. Currently, below market units are \$250,000 or less for owner-occupied and \$1,000 per month or less for renter-occupied units. List number/percent of units:

Housing projects that meet the minimum eligibility criteria for public incentives will be evaluated on whether or not the proposed project achieves public policy goals of the City. Projects will be evaluated on the basis of the following desirable project criteria, with projects accomplishing the most public policy goals being eligible for greater levels of public incentives.

Desirable Project Criteria

1. Is water and sewer service immediately available? Yes / No. Explain:

Yes. Water lines installed along Triple Creek. Sanitary sewer installed on the north side of Lot 1, Block A

2. Is the new development directly connected to existing development? Yes / No. Explain:

Yes. Vacant lot connected to residential Stone Creek Addition

3. Are pedestrian and bicycle connections provided to employment, shopping, park, school, and/or community services? Yes / No. Explain:

Yes. Proposed project is within easy walking / biking distance to shopping, schools, medical facilities and community services.

4. Will the development provide a housing type new to the city? Yes / No. Explain:
Yes. The project will provide 144 Affordable Housing Units to new and existing residents of Derby, Kansas. 100 Units will be offered at rents to accommodate those that earn 60% of AMI and 44 Units will be offered at rents to accommodate those that earn 40% of AMI.

OR LESS

5. Will the minimum percentage of below market units be exceeded? Yes / No. Explain:
Yes. 100% of the 144 Units will be reserved for those households that earn 60% or less of the Area Median Income.

6. Will the presence of resident amenities include useful open space? Yes / No. Explain:
Yes. The Residents of Stone Creek Residences will enjoy an amenity package that offers a landscaped courtyard, pool and playgrounds. Additionally, Residents can use the Fitness Center on a 24/7 basis.

7. Will the project provide housing for a mixture of income levels? Yes / No. Explain:
Yes. 100 Units will be available to those that earn 60% of Area Median Income (AMI) and 44 Units for those that earn 40% of Area Median Income (AMI)

8. Will the project provide a mixture of housing types? Yes / No. Explain:
Yes. 72 Units will be two-bedroom / two bath units and 72 units will be three bedroom / two bath units. This unit mix is ideal for families in need of safe, new housing in proximity to all things of importance to families.

9. Will the project provide housing for the elderly or disabled? Yes / No. Explain:
Yes. While the project is targeting Families, the Elderly population will be welcome as well. And, Yes, the disabled will have units available for those with disabilities. The project will have 8 units designed to strict ADA / UFAS standards for those with disabilities as well as 3 units designed to strict standards for those individuals who are visually and/or hearing impaired.

10. Will the project provide a mixture of commercial and residential uses? Yes / No. Explain:
No. The project will be 100% residential.

11. Will the below market rate units contain two or more bedrooms? Yes / No. Explain:
Yes. 100% with 72 two-bedroom units and 72 three-bedroom units.

12. Will the project Include rehabilitation or reuse of existing structures? Yes / No Explain:
No. 100% new construction.

13. Will the project timeline address an immediate housing need? Yes / No. Explain:
Yes. The Market Study by Novogradac indicates a Capture Rate of 3%. Defined, that means for every 100 qualified potential residents, we only have to capture 3. A 3% Capture Rate is extraordinarily low, which indicates a deep demand for the units we will be offering. It is equally noteworthy that the project addresses needs identified in the Derby commissioned housing study conducted to inform the Derby 2040 strategic plan.

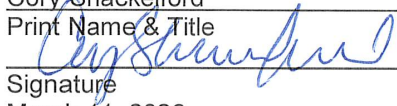
14. Is the project located within a Special Development Area? Yes / No. Explain:
No.

15. Will the project maximize special assessments and minimizes public incentives? Yes / No.
 Explain:
Yes.

G. AGREEMENTS

I understand that the conditions set forth in the City of Derby Incentives Policy will apply, unless otherwise agreed to by the Derby City Council. I acknowledge that I have read and that I understand those requirements.

Cory Shackelford

 Print Name & Title


 Signature
 March 11, 2026

 Date

IV. Pre-qualification Questionnaire

A. The City of Derby requires entities seeking public incentives in connection with an economic development project to complete a pre-qualification questionnaire. Responses will be verified by City staff prior to seeking City Council approval, and will remain confidential to the fullest extent permitted by the Kansas Open Records Act. If necessary, follow-up information may be requested. Inquiries pertaining to this questionnaire should be directed to the Development Manager.

To assure timely approval of a project, every question should be answered completely and accurately. Additional pages may be attached if needed. Please provide the following information:

Name of Entity Stone Creek Residences, LLC_____

Date of formation: February 13, 2025_____

List the entity EIN Number: 33-2473244_____

Under the laws of which state is the entity formed? Kansas_____

Is the status of the entity still valid? Yes_____

List the type of entity (e.g. LLC, Corporation, Partnership, Sole Proprietorship, Nonprofit):

LLC_____

List any other names under which the partnership has done business, or by which they may be known.

B. Provide the following information for every individual who is either an owner or partner:

Name Cory Shackelford_____		Position Member_____	
-------------------------------	--	-------------------------	--

SSN or Taxpayer ID# XXXXXXXXXX _____	Date of Birth MM/DD/YYYY _____	Percent Ownership 35%_____	Years of Ownership New Entity_____
--	--	-------------------------------	---------------------------------------

Name Ronald M. Watkins_____		Position Member_____	
--------------------------------	--	-------------------------	--

SSN or Taxpayer ID# XXXXXXXXXX _____	Date of Birth MM/DD/YYYY_____	Percent Ownership 25%_____	Years of Ownership New Entity_____
--	----------------------------------	-------------------------------	---------------------------------------

Name Shane M. Pullman_____		Position Member_____	
-------------------------------	--	-------------------------	--

SSN or Taxpayer ID# XXXXXXXXXX _____	Date of Birth MM/DD/YYYY_____	Percent Ownership 20%_____	Years of Ownership New Entity_____
--	----------------------------------	-------------------------------	---------------------------------------

Name John D. Greenstreet_____		Position Member_____	
----------------------------------	--	-------------------------	--

SSN or Taxpayer ID# XXXXXXXXXX _____	Date of Birth MM/DD/YYYY_____	Percent Ownership 20%_____	Years of Ownership New Entity_____
--	----------------------------------	-------------------------------	---------------------------------------

Date 10/19/2009 Person John D. Greenstreet Jurisdiction Kansas

Details

Built a hotel in Wichita, Kansas, which opened one week before 9/11. The hotel was highly leveraged, and I experienced substantial negative cash flow for a number of years. I was unable to continue financially supporting the property and was forced to file bankruptcy. That incident along with the mortgage meltdown sealed my fate in that regard. Since that time my real estate brokerage business has been vibrant and I have built and sold numerous single family homes.

Date Person Jurisdiction

Details

Date Person Jurisdiction

Details

F. List all civil lawsuits in which the entity and/or any owners have been involved.

Date Individual Jurisdiction

Details

Date Individual Jurisdiction

Details

Date Individual Jurisdiction

Details

Date Individual Jurisdiction

Details

G. Does the entity, or any owner or officer listed above currently owe any delinquent taxes to any governmental jurisdiction, and/or are there any current outstanding warrants or tax liens for unpaid taxes? No. Explain:

H. Does the entity, or any owner or officer listed in this section have any outstanding garnishments, levies, mechanic's liens, or outstanding child support? No. Explain

I. In the last five years, has the entity been cited or assessed penalties by OSHA for any serious, willful or repeated violations? No. Explain:

J. In the last five years, has a finding of discrimination been made against the entity, during any administrative or legal process? Any relevant findings would include discrimination against its employees, subcontractors, vendors or suppliers. No. Explain:

K. Has any owner or officers identified above ever registered as a lobbyist or legislative agent to influence federal or state legislation? No. Explain:

L. Has any owner or partner made contributions to any candidate for the Derby City Council? No.

M. List family members of any owner or partner employed by the City of Derby:
None.

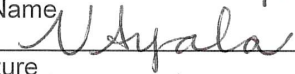
V. CERTIFICATION STATEMENT

The undersigned is duly authorized to execute this Pre-qualification Questionnaire on behalf of the firm. The undersigned also:

1. Certifies that to the best of its knowledge and belief, the information being submitted the City of Derby is true and correct and that there are no omissions of material fact or information that render any response to be false or misleading and there are no misstatements of fact in any of the responses.
2. Certifies that the applicant is in compliance with all applicable laws, regulations, ordinances and orders of public authorities.
3. Certifies that the applicant is not in default under the terms and conditions of any grant or loan agreements, leases, or financing arrangements with any of its creditors.
4. Understands that the contents of each proposal submitted will remain confidential to the fullest extent permitted by the Kansas Open Records Act.
5. Authorizes the City of Derby and any of its agents to conduct a background investigation based on the application, including but not limited to a criminal history check, reference check and credit check.

Cory Shackelford, Member
Print Name & Title

Signature
March 11, 2026
Date

Notarized by:
Vivienne Ayala
Print Name

Signature
March 20th 2026
Date





STATE OF KANSAS
OFFICE OF SECRETARY OF STATE

Formation of Domestic Limited Liability Company

Business ID: 10019270

Business Name: Stone Creek Residences LLC

Resident Agent

Cory Shackelford

Registered Office Address

6446 E. Central #192
Wichita, KS 67206

Signatures

Cory Shackelford - Signature of Authorized Person



STATE OF KANSAS
OFFICE OF SECRETARY OF STATE
INFORMATION REPORT

Business ID: 7719669
Business Name: THE STEPPES AT ARK VALLEY, LLC
Reporting Year: 2026

Principal Office Address

6446 E. Central #192
Wichita, KS 67206 USA

Name and address of each member who owns 5% or more of capital.

CORY SHACKELFORD 6446 E. Central #192 Wichita, KS 67206 USA
SHAUN ISHAM 6446 E. Central #192 Wichita, KS 67206 USA

Signatures

Signature of Authorized Person Cory M. Shackelford

Limited Liability Company Articles of Organization

The name of the Limited Liability Company:

The Steppes at Ark Valley, LLC

File date: 03/27/2014

File time: 22:38:06

Business Entity ID Number: 7719669

Registered Office in Kansas:

- 6505 E Central Ave
- #192
- Wichita, Kansas
- 67206

Name of the resident agent at the registered office:

Cory M. Shackelford

Mailing address for official mail:

- The Steppes at Ark Valley, LLC
- 6505 E Central Ave
- #192
- Wichita, KS
- 67206 USA

Name of the organizer(s):

Cory M. Shackelford

I/We declare under penalty of perjury under the laws of the state of Kansas that the foregoing is true and correct.

Execution date: 03/27/2014

The signature(s) of the organizer(s):

Cory M. Shackelford

Cory M. Shackelford



I, Kris W. Kobach, Secretary of State of Kansas, do hereby certify that this is the true and correct copy of the original document filed electronically on 03/27/2014.

Kris W. Kobach

Kansas Secretary of State

Memorial Hall, 1st floor - 120 SW 10th Ave. - Topeka, Kansas 66612-1594
phone: (785) 296-4564 - email: kssos@kssos.org - url: www.kssos.org



CEDBR-FISCAL IMPACT MODEL - RESULTS



1845 Fairmount St.
Wichita, Kansas 67260-0121
(316) 978-3225

DATE OF ANALYSIS 4/8/2026
TIME OF ANALYSIS 2:09 PM

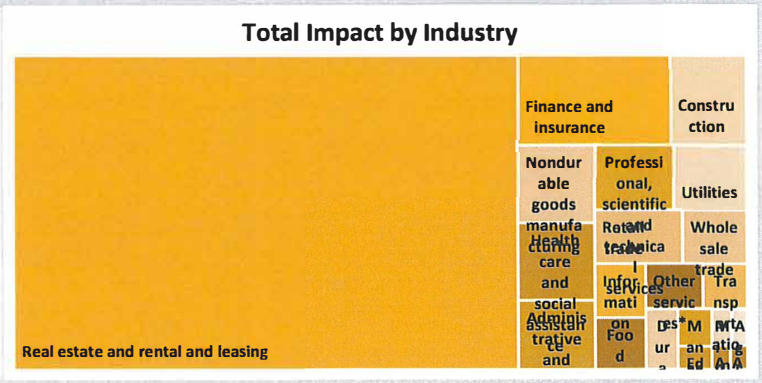
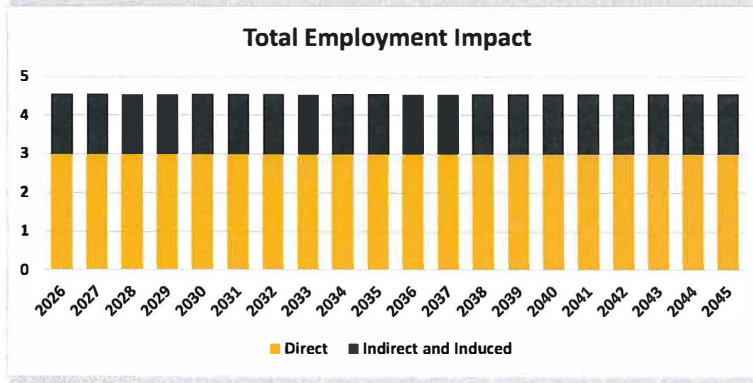


FIRM IMPACT

VERSION OF ANALYSIS V3

FIRM SUMMARY		
Company Name	Stone Creek Residences, LLC	
	10-year period	20-year period
Number of new jobs	3	3
Amount of payroll	\$1,287,050	\$3,016,737
Amount of capital investment	\$26,335,000	\$26,335,000
Land	\$500,000	\$500,000
Buildings	\$25,760,000	\$25,760,000
Machinery and Equipment	\$75,000	\$75,000
Substitution percentage	0.0%	OVERRIDE
Firm NAICS code	531000 Real estate	

IMPACT SUMMARY			
	Construction	Firm	
	Total	10-year period	20-year period
Jobs			
Direct	212	3	3
Total	382	5	5
Payroll earnings			
Direct	\$12,880,000	\$1,287,050	\$ 3,016,737
Total	\$21,127,064	\$2,577,188	\$ 6,040,714
Multiplier			
Jobs	1.81	1.51	
Earnings	1.64	2.00	



FISCAL IMPACT

INCENTIVE SUMMARY					
	City	County	State	School District	Special District
	Derby	Sedgwick	Kansas	260 Derby	Select
Tax abatement	\$ 1,832,193	\$ 1,134,857	\$ 830,760	\$ 1,381,380	\$ -
Sales tax exemption	\$ 70,429	\$ 36,226	\$ 842,075		
Forgivable loans	\$ -	\$ -	\$ -		
Infrastructure	\$ -	\$ -	\$ -		
Cash value all other incentives	\$ -	\$ -	\$ -		
HPIP			\$ -		
PEAK			\$ -		
Training dollars			\$ -		
State: Other			\$ 7,177,319		
Total	\$ 1,902,621	\$ 1,171,083	\$ 8,850,154	\$ 1,381,380	\$ -



TAX ABATEMENT PARAMETERS	
<i>Real Property</i>	
Number of years	10
Percentage	60.0%
<i>Personal Property</i>	
Number of years	0
Percentage	0.0%

Share of Incentives - by Government Entity



	City		County		State	
	Derby		Sedgwick		Kansas	
	10-year period	20-year period	10-year period	20-year period	10-year period	20-year period
Present value of net benefits	\$1,069,620	\$2,890,104	\$644,817	\$1,762,606	(\$4,586,770)	(\$3,517,298)
<i>Rate of Return on Investment</i>						
Net public benefits	\$1,069,620	\$2,890,104	\$644,817	\$1,762,606	(\$4,586,770)	(\$3,517,298)
Public costs	\$1,594,191	\$1,594,191	\$980,042	\$980,042	\$8,332,859	\$8,337,090
ROI	67.1%	181.3%	65.8%	179.9%	-55.0%	-42.2%
<i>Benefit-Cost Ratio</i>						
Public benefits	\$2,663,811	\$4,484,295	\$1,624,859	\$2,742,648	\$3,746,088	\$4,819,792
Public costs	\$1,594,191	\$1,594,191	\$980,042	\$980,042	\$8,332,859	\$8,337,090
Benefit-Cost Ratio	1.67	2.81	1.66	2.80	0.45	0.58

A 10-year period accounts for a business or economic cycle. Estimates beyond that period of time include increased risk and decreased accuracy due to market volatility and changes in public policy.

A benefit-cost ratio over 1 equates to public benefits being greater than public costs during the period.

	School District		Special District	
	260 Derby		Select	
	10-year period	20-year period	10-year period	20-year period
Present value of net benefits	\$246	\$814,890	\$0	\$ -
<i>Rate of Return on Investment</i>				
Net public benefits	\$246	\$814,890	\$0	\$0
Public costs	\$1,156,224	\$1,161,459	\$0	\$0
ROI	0.0%	70.2%	NA	NA
<i>Benefit-Cost Ratio</i>				
Public benefits	\$1,156,470	\$1,976,349	\$0	\$0
Public costs	\$1,156,224	\$1,161,459	\$0	\$0
Benefit-Cost Ratio	1.00	1.70	NA	NA

In the preparation of this report, the Center for Economic Development and Business Research assumed that all information and data provided by the applicant or others is accurate and reliable. CEDBR 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 CEDBR to make predictive forecasts, estimates and/or 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 CEDBR 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. CEDBR does not assume any responsibility for any and all decisions made or actions taken based upon the FORWARD-LOOKING STATEMENTS provided by CEDBR.

CEDBR-FISCAL IMPACT MODEL - RESULTS



1845 Fairmount St.
Wichita, Kansas 67260-0121
(316) 978-3225

DATE OF ANALYSIS 4/8/2026
TIME OF ANALYSIS 2:09 PM

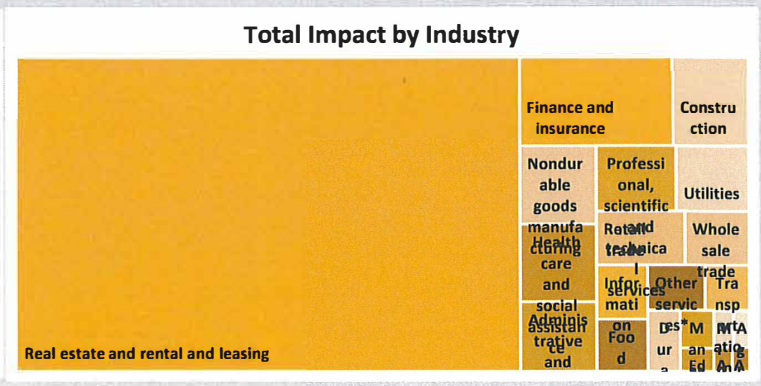
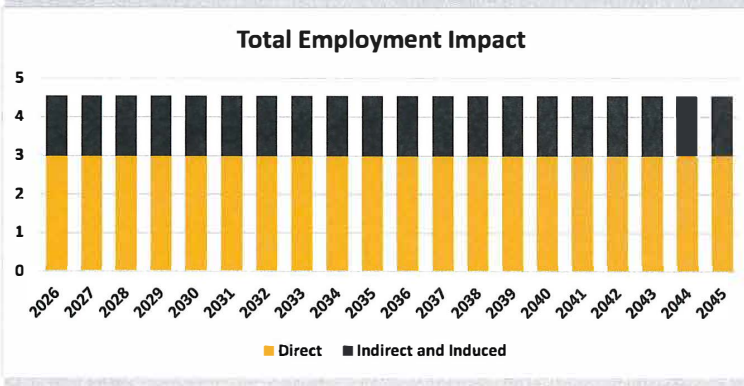


FIRM IMPACT

VERSION OF ANALYSIS V3

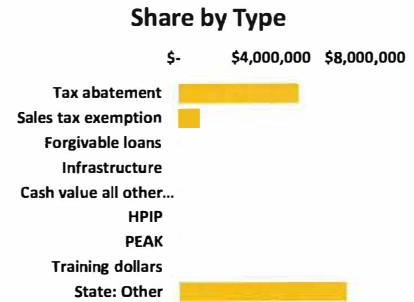
FIRM SUMMARY		
Company Name	Stone Creek Residences, LLC	
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Machinery and Equipment	\$75,000	\$75,000
Substitution percentage	0.0%	OVERRIDE
Firm NAICS code	531000 Real estate	

IMPACT SUMMARY			
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	Total	10-year period	20-year period
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Total	\$21,127,064	\$2,577,188	\$ 6,040,714
Multiplier			
Jobs	1.81	1.51	
Earnings	1.64	2.00	



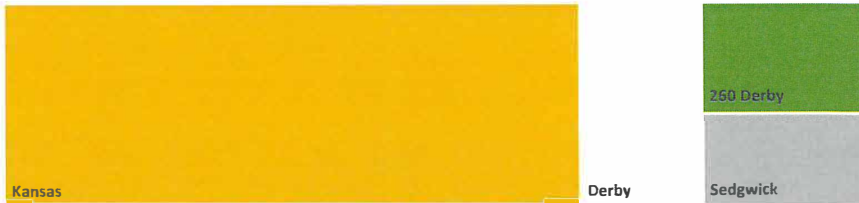
FISCAL IMPACT

INCENTIVE SUMMARY					
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HPIP			\$ -		
PEAK			\$ -		
Training dollars			\$ -		
State: Other			\$ 7,177,319		
Total	\$ 1,902,621	\$ 1,171,083	\$ 8,850,154	\$ 1,381,380	\$ -



TAX ABATEMENT PARAMETERS	
<i>Real Property</i>	
Number of years	10
Percentage	60.0%
<i>Personal Property</i>	
Number of years	0
Percentage	0.0%

Share of Incentives - by Government Entity



CITY - FISCAL IMPACT - Derby							A 10-year period accounts for a business or economic cycle. Estimates beyond that period of time include increased risk and decreased accuracy due to market volatility and changes in public policy.	
	Total		General Fund		Debt Service			
	10-year period	20-year period	10-year period	20-year period	10-year period	20-year period		
Present value of net benefits	\$1,069,620	\$2,890,104	\$707,340	\$1,974,424	\$362,280	\$915,679		
<i>Rate of Return on Investment</i>								
Net public benefits	\$1,069,620	\$2,890,104	\$707,340	\$1,974,424	\$362,280	\$915,679		
Public costs	\$1,594,191	\$1,594,191	\$1,127,907	\$1,127,907	\$466,284	\$466,284		
ROI	67.1%	181.3%	62.7%	175.1%	77.7%	196.4%		
<i>Benefit-Cost Ratio</i>								
Public benefits	\$2,663,811	\$4,484,295	\$1,835,247	\$3,102,331	\$828,564	\$1,381,964	A benefit-cost ratio over 1 equates to public benefits being greater than public costs during the period of time.	
Public costs	\$1,594,191	\$1,594,191	\$1,127,907	\$1,127,907	\$466,284	\$466,284		
Benefit-Cost Ratio	1.67	2.81	1.63	2.75	1.78	2.96		
	County		State		School District		Special District	
	10-year period	20-year period	10-year period	20-year period	10-year period	20-year period	10-year period	20-year period

Present value of net benefits	\$644,817	\$1,762,606	(\$4,586,770)	(\$3,517,298)	\$246	\$814,890	\$0	\$-
Rate of Return on Investment								
Net public benefits	\$644,817	\$1,762,606	(\$4,586,770)	(\$3,517,298)	\$246	\$814,890	\$0	\$0
Public costs	\$980,042	\$980,042	\$8,332,859	\$8,337,090	\$1,156,224	\$1,161,459	\$0	\$0
ROI	65.8%	179.9%	-55.0%	-42.2%	0.0%	70.2%	NA	NA
Benefit-Cost Ratio								
Public benefits	\$1,624,859	\$2,742,648	\$3,746,088	\$4,819,792	\$1,156,470	\$1,976,349	\$0	\$0
Public costs	\$980,042	\$980,042	\$8,332,859	\$8,337,090	\$1,156,224	\$1,161,459	\$0	\$0
Benefit-Cost Ratio	1.66	2.80	0.45	0.58	1.00	1.70	NA	NA

In the preparation of this report, the Center for Economic Development and Business Research assumed that all information and data provided by the applicant or others is accurate and reliable. CEDBR 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.

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CEDBR-FISCAL IMPACT MODEL - FIRM DATA SHEET

COMPANY INFORMATION

VERSION OF ANALYSIS V3

Company name or project name	Stone Creek Residences, LLC
Contact name	Shane Pullman
Contact telephone number	(316)-640-7375
Contact e-mail address	Pullman.Properties@outlook.com
Company NAICS Code - <i>Please select a NAICS code from the list provided. Model parameters are set based on the NAICS selected.</i>	531000 Real estate
Substitution Override	0.00%
Year of application	2025

SITE LOCATION

Street Address	NEC Triple Creek Dr./Patriot Ave
City	Derby
County	Sedgwick
School District	260 Derby
Special District	Select

If incentives are being requested for more than one physical location, and these locations are in different taxing jurisdictions, then a separate firm data sheet must be filled out for each location. If the property is located in a special taxing district or industrial zone, please contact CEDBR.

REAL PROPERTY CONSTRUCTION AND IMPROVEMENTS - If construction is expected to significantly exceed 12-months allocate expenditures to multiple expansions.

Expansion:	#1	#2	#3	#4	#5	
Year of expansion	2026					Building: Annualized appreciation / depreciation rate:
Market value of firm's initial NEW OR ADDITIONAL investment in:						0%
Land	\$500,000					Automated Assumption (On/Off)
Building and improvements	25,760,000					
Furniture, fixtures and equipment (including machinery)	\$75,000					
Initial construction or expansion:						
Cost of construction at the firm's new or expanded facility	\$25,760,000	\$0	\$0	\$0	\$0	
Share of materials	50%	50%	0%	0%	0%	Off
Share of salaries	50%	50%	0%	0%	0%	Off
Amount of taxable construction materials purchased in:						
City	\$12,880,000	\$0	\$0	\$0	\$0	On
County (should include city amount)	\$12,880,000	\$0	\$0	\$0	\$0	On
State (should include city and county amounts)	\$12,880,000	\$0	\$0	\$0	\$0	On
Amount of taxable furniture, fixtures and equipment purchased in:						
City	\$75,000	\$0	\$0	\$0	\$0	On
County (should include city amount)	\$75,000	\$0	\$0	\$0	\$0	On
State (should include city and county amounts)	\$75,000	\$0	\$0	\$0	\$0	On

OPERATIONS

First Year of Full Operations As a Result of This Project 2026

New or additional :	Sales	Purchases
Year 1	\$1,705,655	\$451,169
Year 2	\$1,705,655	\$463,894
Year 3	\$1,739,768	\$476,984
Year 4	\$1,774,563	\$490,450
Year 5	\$1,810,055	\$504,302
Year 6	\$1,846,256	\$518,554
Year 7	\$1,883,181	\$533,216
Year 8	\$1,920,845	\$548,299
Year 9	\$1,959,261	\$564,748
Year 10	\$1,998,447	\$643,163
Year 11	\$2,038,416	\$661,489
Year 12	\$2,079,184	\$698,345
Year 13	\$2,120,768	\$699,748
Year 14	\$2,163,183	\$720,740
Year 15	\$2,206,447	\$742,362
Year 16	\$2,250,576	\$764,633
Year 17	\$2,295,587	\$787,572
Year 18	\$2,341,499	\$811,200
Year 19	\$2,388,329	\$835,535
Year 20	\$2,436,095	\$860,602
Automated Assumption (On/Off)	On	On
<i>Percent of these sales subject to sales taxes in the:</i>	<i>Sales</i>	<i>Purchases</i>
City	0.0%	25.0%
County	0.0%	25.0%
State	0.0%	25.0%
Annual net taxable income, as a percent of sales, on which state corporate income taxes will be computed:		10.0%

EMPLOYMENT						
Number of NEW employees to be hired each year as a result of this project	Kansas Total (Net new each year)	#Out-of-State	#Out-of-county (From KS)	Remote Worker (out-of-state)	Weighted AVG Annual Salary	Weighted AVG Bonus & Overtime
Year 1	3	0	0	0	37423.33333	\$0
Year 2	0	0	0	0	\$38,546	\$0
Year 3		0	0	0	\$39,702	\$0
Year 4		0	0	0	\$40,893	\$0
Year 5		0	0	0	\$42,120	\$0
Year 6		0	0	0	\$43,384	\$0
Year 7		0	0	0	\$44,685	\$0
Year 8		0	0	0	\$46,026	\$0
Year 9		0	0	0	\$47,407	\$0
Year 10		0	0	0	\$48,829	\$0
Year 11		0	0	0	\$50,294	\$0
Year 12		0	0	0	\$51,803	\$0
Year 13		0	0	0	\$53,357	\$0
Year 14		0	0	0	\$54,957	\$0
Year 15		0	0	0	\$56,606	\$0
Year 16		0	0	0	\$58,304	\$0
Year 17		0	0	0	\$60,053	\$0
Year 18		0	0	0	\$61,855	\$0
Year 19		0	0	0	\$63,711	\$0
Year 20		0	0	0	\$65,622	\$0
Automated Assumption (On/Off)		On	On		On	On
Notes	FTE: 40-hours=1; 20-hours=0.5	The assumption will be based on county specific labor slack and historic migration trends.		Only include workers related to this project.	Include future raises (Nominal values)	Include future increases (Nominal values)

VISITORS - Include customers, vendors and company employees from other locations in the count of visitors

Number of ADDITIONAL visitors expected as a result of this project	Out-of-county	In county
Year 1	288	-
Year 2	288	-
Year 3	288	-
Year 4	288	-
Year 5	288	-
Year 6	288	-
Year 7	288	-
Year 8	288	-
Year 9	288	-
Year 10	288	-
Year 11	288	-
Year 12	288	-
Year 13	288	-
Year 14	288	-
Year 15	288	-
Year 16	288	-
Year 17	288	-
Year 18	288	-
Year 19	288	-
Year 20	288	-

	Out-of-county	In county
Number of days	2.0	0.0
Number of nights	1.0	0.0

Percent of visitors traveling:

on business	50%
for leisure	50%

Percentage of visitor's expenditures spent in:

	Out-of-county	In county
the same city	100%	0%
the same county	100%	0%
in Kansas	100%	0%

Net fiscal impact:

PAYMENT BY THE COMPANY TO TAXING JURISDICTIONS - Such as payments in lieu of taxes

Firm payments to the:	City	County	State	School District
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				
Year 6				
Year 7				
Year 8				
Year 9				
Year 10				
Year 11				
Year 12				
Year 13				
Year 14				
Year 15				
Year 16				
Year 17				
Year 18				
Year 19				
Year 20				

CEDBR-FISCAL IMPACT MODEL - INCENTIVE INFORMATION

CONTACT INFORMATION FOR CEDBR REGARDING INCENTIVE AMOUNTS

Contact name	
Contact telephone number	
Contact e-mail address	

SALES TAX EXEMPTION ON CONSTRUCTION MATERIALS

	Yes/No	% funded by IRB
EXPANSION #1	yes	100.0%
EXPANSION #2	no	0.0%
EXPANSION #3	no	0.0%
EXPANSION #4	no	0.0%
EXPANSION #5	no	0.0%

SALES TAX EXEMPTION FOR OPERATIONS

Value of sales tax exemption for OPERATIONS:	City	County	State
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			
Year 11			
Year 12			
Year 13			
Year 14			
Year 15			
Year 16			
Year 17			
Year 18			
Year 19			
Year 20			

PROPERTY TAX ABATEMENT

Property tax abatement - Real property land and buildings	
Number of Years	10
Percentage	60.0%
Property tax abatement - Machinery and equipment	
Number of Years	0
Percentage	0.0%

FORGIVABLE LOANS - Cash value			
Forgivable loans (cash value):	CITY	COUNTY	STATE
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			
Year 11			
Year 12			
Year 13			
Year 14			
Year 15			
Year 16			
Year 17			
Year 18			
Year 19			
Year 20			
INFRASTRUCTURE IMPROVEMENTS - Cash value			
	CITY	COUNTY	STATE
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			
Year 8			
Year 9			
Year 10			
Year 11			
Year 12			
Year 13			
Year 14			
Year 15			
Year 16			
Year 17			
Year 18			
Year 19			
Year 20			

OTHER INCENTIVES - Cash value				
	CITY	COUNTY	STATE	
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				
Year 6				
Year 7				
Year 8				
Year 9				
Year 10				
Year 11				
Year 12				
Year 13				
Year 14				
Year 15				
Year 16				
Year 17				
Year 18				
Year 19				
Year 20				
STATE PROGRAMS - Cash value				
	HPIP	PEAK	TRAINING	OTHER
Year 1				\$ 2,870,928
Year 2				\$ 4,306,391
Year 3				
Year 4				
Year 5				
Year 6				
Year 7				
Year 8				
Year 9				
Year 10				
Year 11				
Year 12				
Year 13				
Year 14				
Year 15				
Year 16				
Year 17				
Year 18				
Year 19				
Year 20				

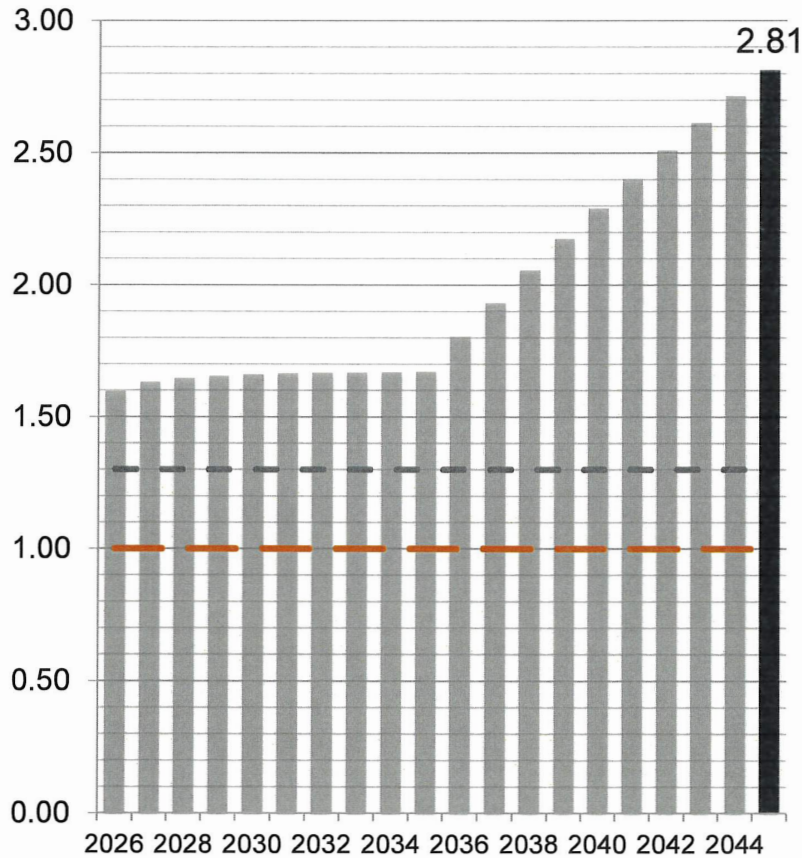


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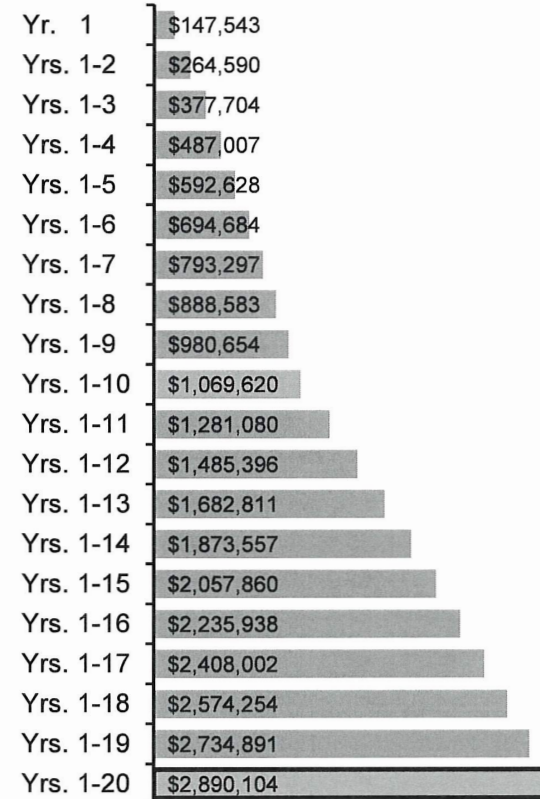
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 4/8/2026

Derby - Total

Benefit-Cost Ratio



Present Value of Net Benefits



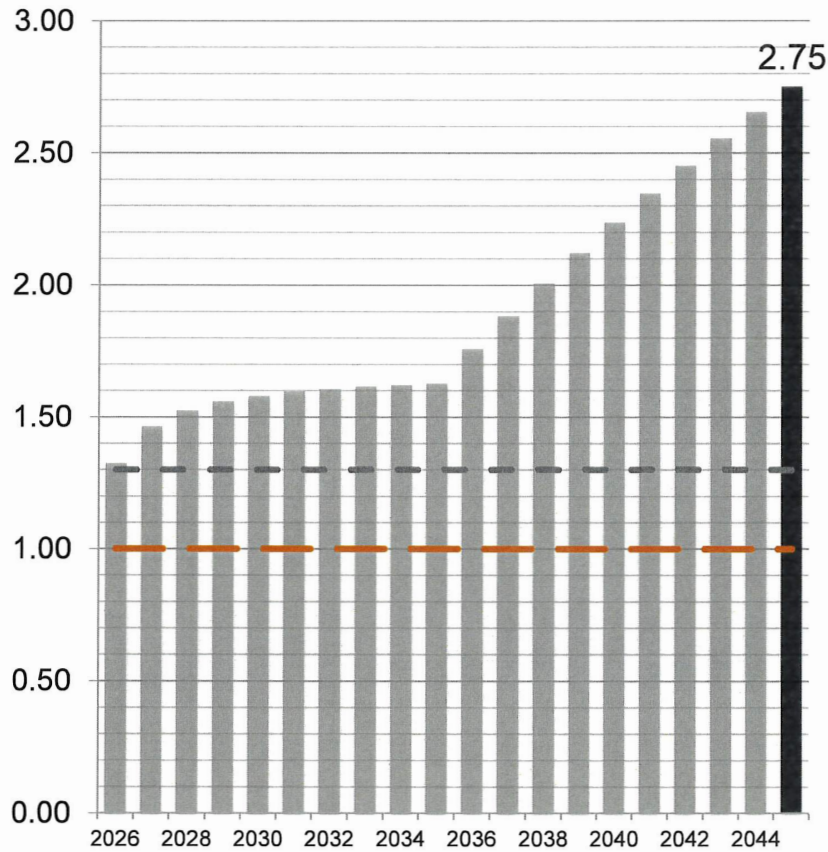


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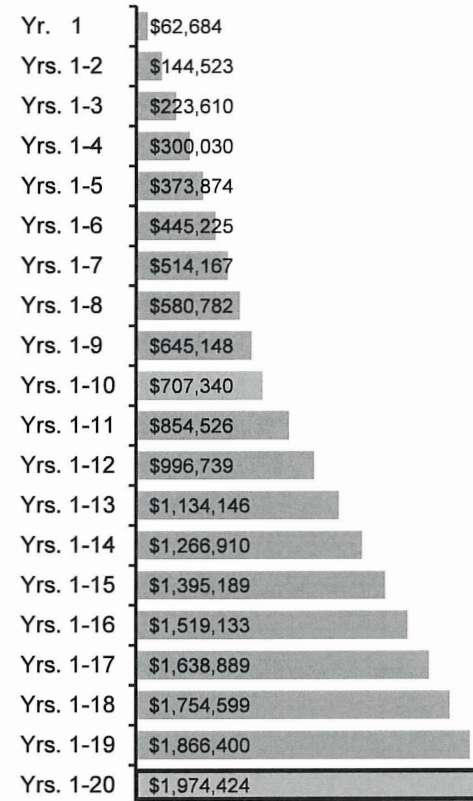
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Derby - General Fund

Benefit-Cost Ratio



Present Value of Net Benefits



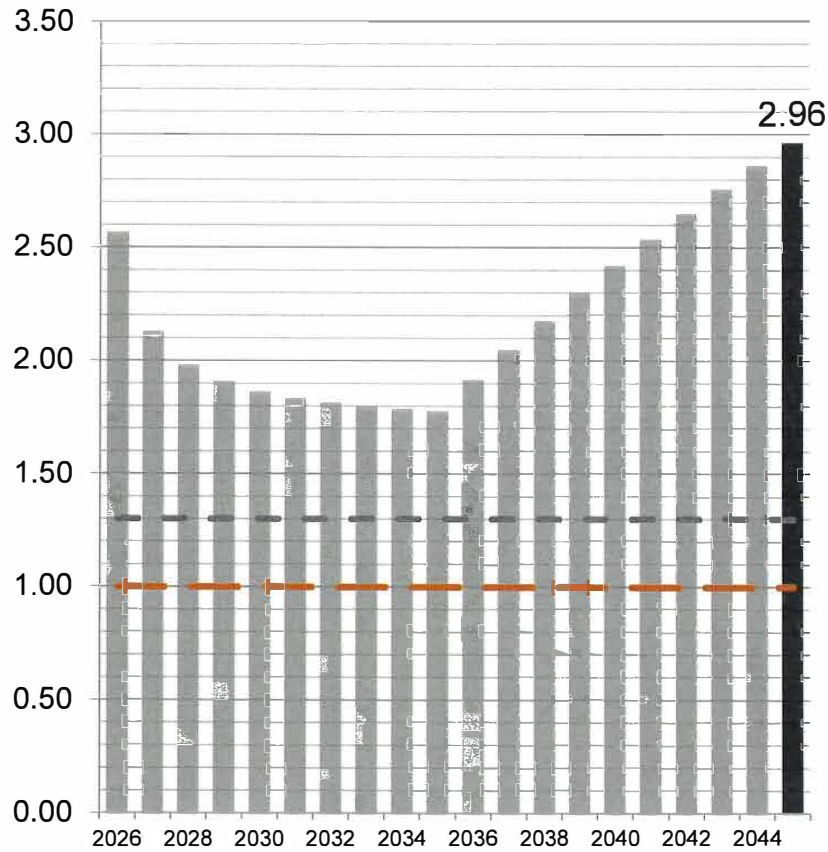


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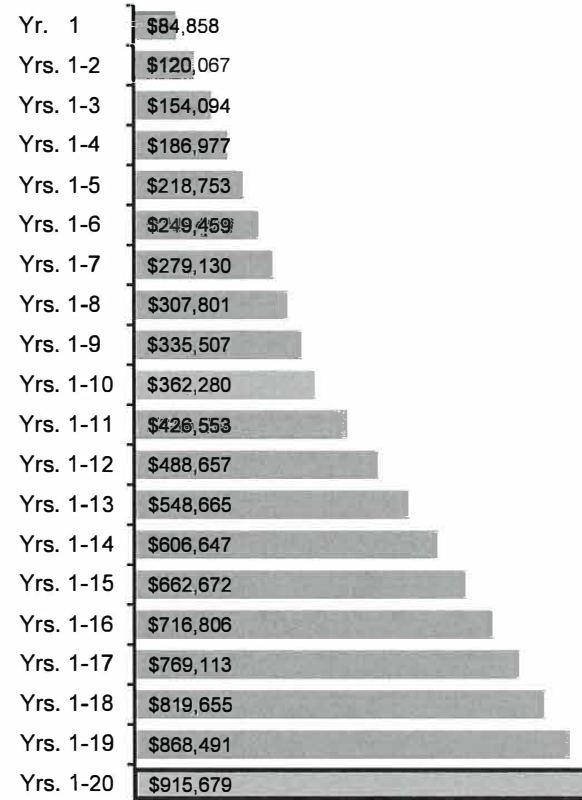
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Derby - Debt Service

Benefit-Cost Ratio



Present Value of Net Benefits



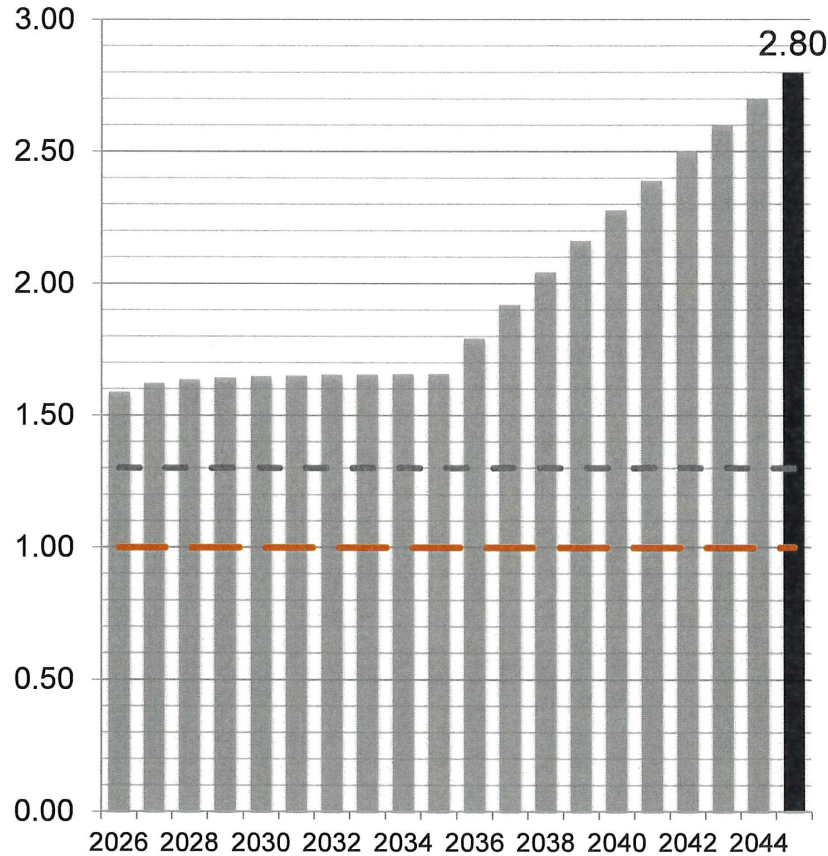


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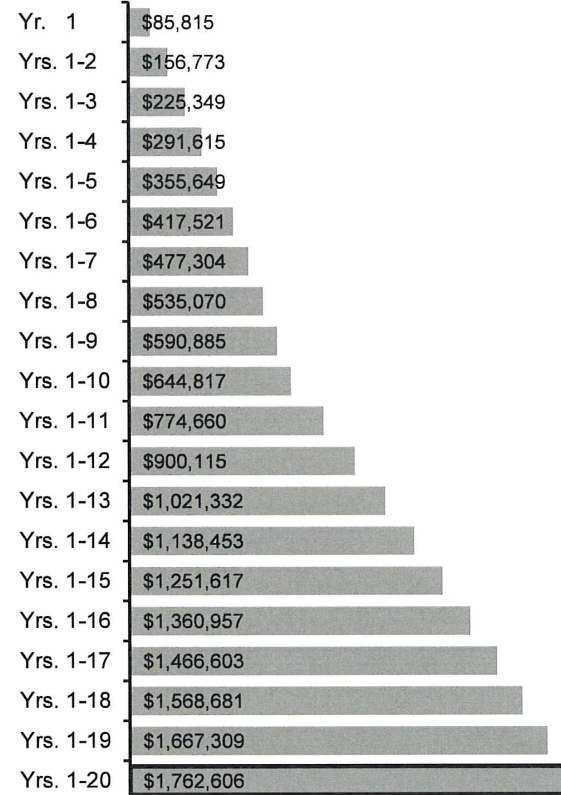
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Sedgwick

Benefit-Cost Ratio



Present Value of Net Benefits



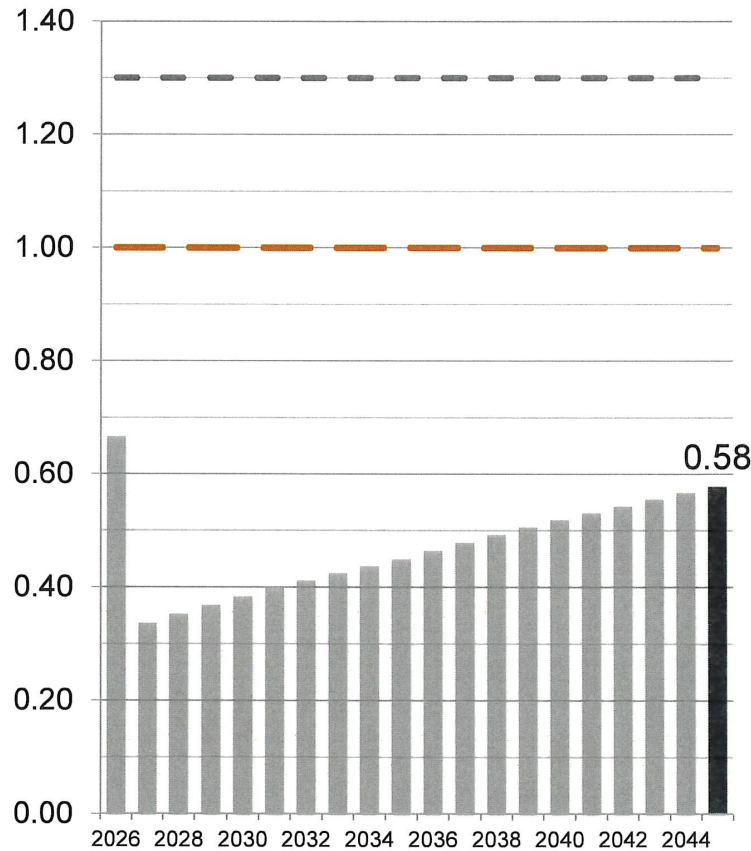


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Project or Company Name: Stone Creek Residences, LLC
 4/8/2026

Kansas

Benefit-Cost Ratio



Present Value of Net Benefits

Yr. 1	-\$1,235,863
Yrs. 1-2	-\$5,173,293
Yrs. 1-3	-\$5,092,881
Yrs. 1-4	-\$5,014,625
Yrs. 1-5	-\$4,938,457
Yrs. 1-6	-\$4,864,315
Yrs. 1-7	-\$4,792,135
Yrs. 1-8	-\$4,721,857
Yrs. 1-9	-\$4,653,421
Yrs. 1-10	-\$4,586,770
Yrs. 1-11	-\$4,464,947
Yrs. 1-12	-\$4,346,723
Yrs. 1-13	-\$4,231,983
Yrs. 1-14	-\$4,120,612
Yrs. 1-15	-\$4,012,503
Yrs. 1-16	-\$3,907,550
Yrs. 1-17	-\$3,805,649
Yrs. 1-18	-\$3,706,704
Yrs. 1-19	-\$3,610,617
Yrs. 1-20	-\$3,517,298

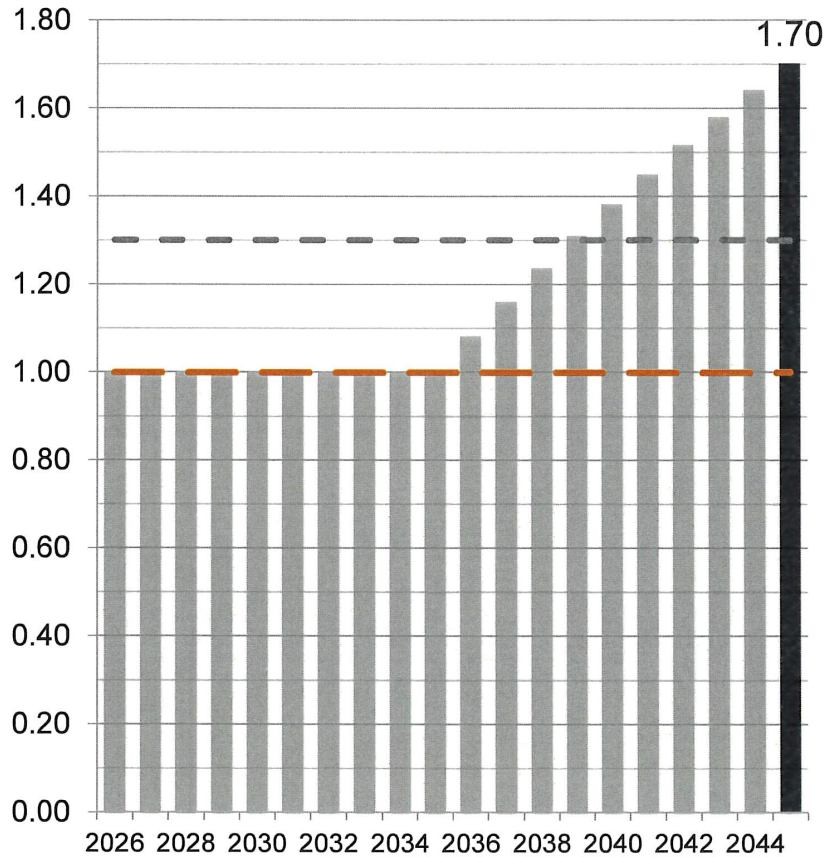


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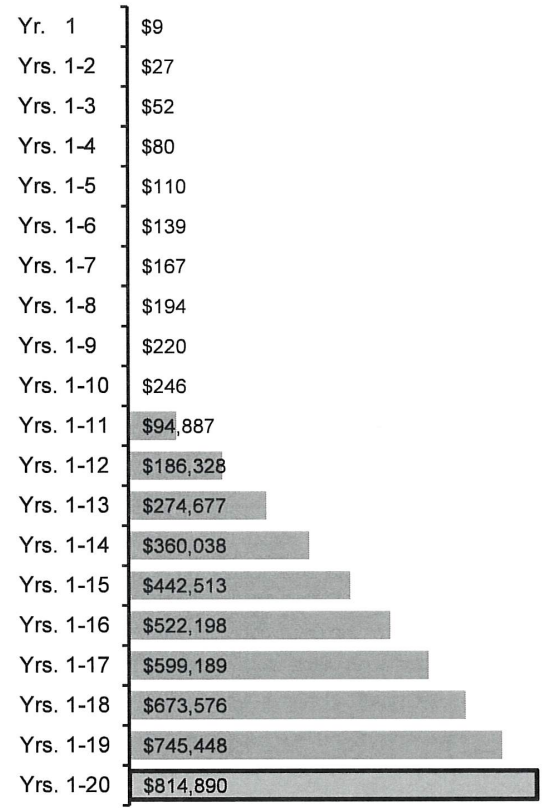
Project or Company Name: Stone Creek Residences, LLC
 4/8/2026

260 Derby

Benefit-Cost Ratio



Present Value of Net Benefits



New Business Item



Subject: Economic Development Manager Report
Meeting: Community Development Advisory Board - 06 May 2026
Presented by: Marcia Hartman, Economic Development Manager

BACKGROUND:

Development Performance Measures	Current Report Period March - April 2026	2026 YTD (January - April)	2025 YTD (January - April)
Derby Business Requests for Assistance	40	90	79
New Business and other Requests for Assistance	25	53	62
Commercial Facade Improvement Program Assistance	2	3	8

- **Economic Development Plan Initiatives:**
 - Delivered the contract to the buyer for the sale of a WEBP lot.
 - CDAB voted unanimously to recommended approval to Council of the sale of a WEBP lot to Mid Continent Controls. Council will consider the recommendation at its April 28 meeting.
 - Coordinated a WEBP lot switch with an existing business previously approved for a lot sale. The Council approved the parcel change at its April 14 meeting.
 - Participated in quarterly Small Business Consortium meetings.
 - Attended a Regional EDO meeting.
 - Reviewed two economic development incentive request applications.
- **Development Miscellaneous:**
 - 614 businesses have renewed their 2026 business registration.
 - 9 businesses remain delinquent and will be contacted to achieve compliance.
 - 29 businesses registered in 2025 have closed.
 - 21 new businesses have registered January - April.
 - Discussed business development plans and ideas with two prospects interested in the WEBP.

RECOMMENDED MOTION:

- Receive and File the report.