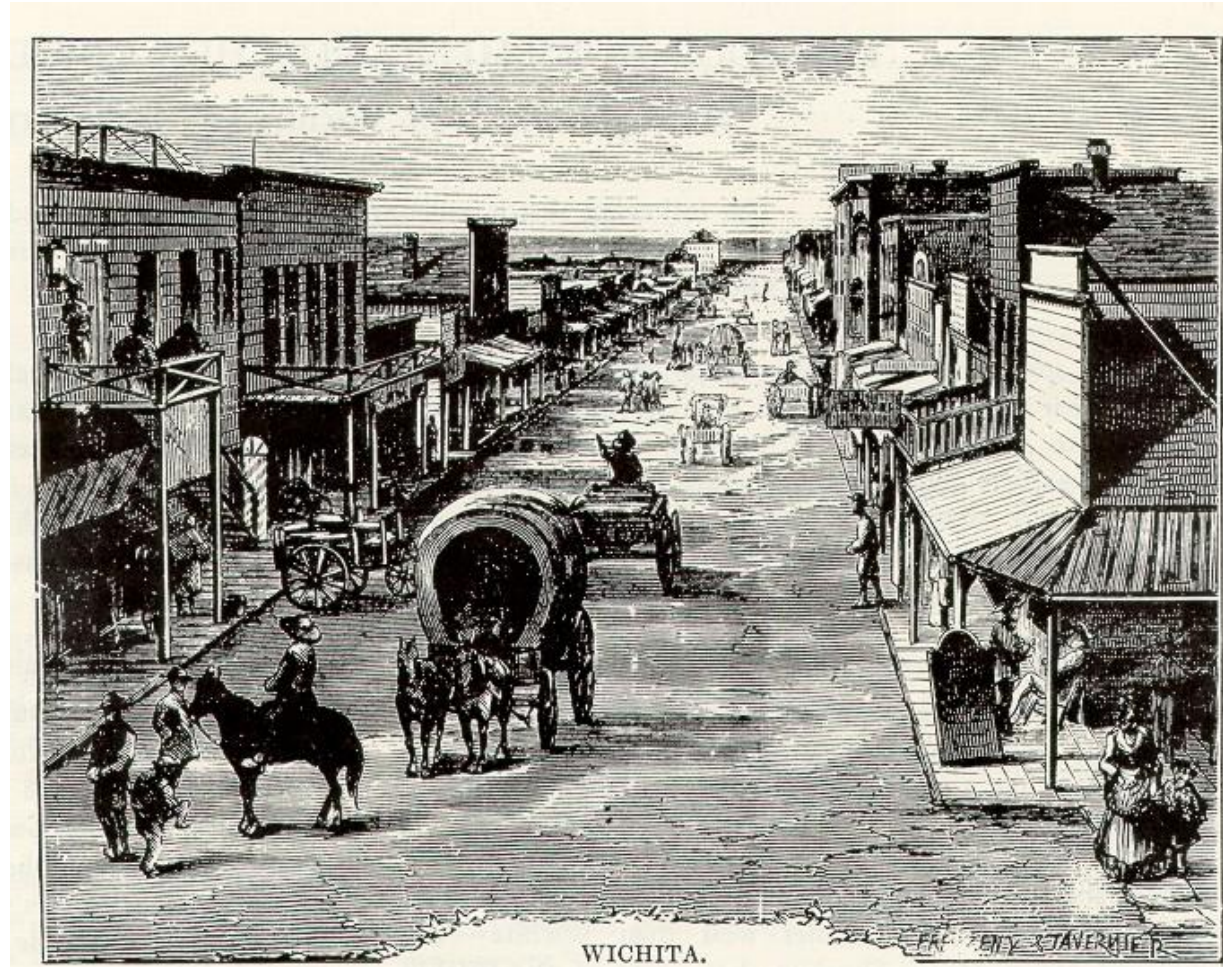


History of Economic Development in Wichita



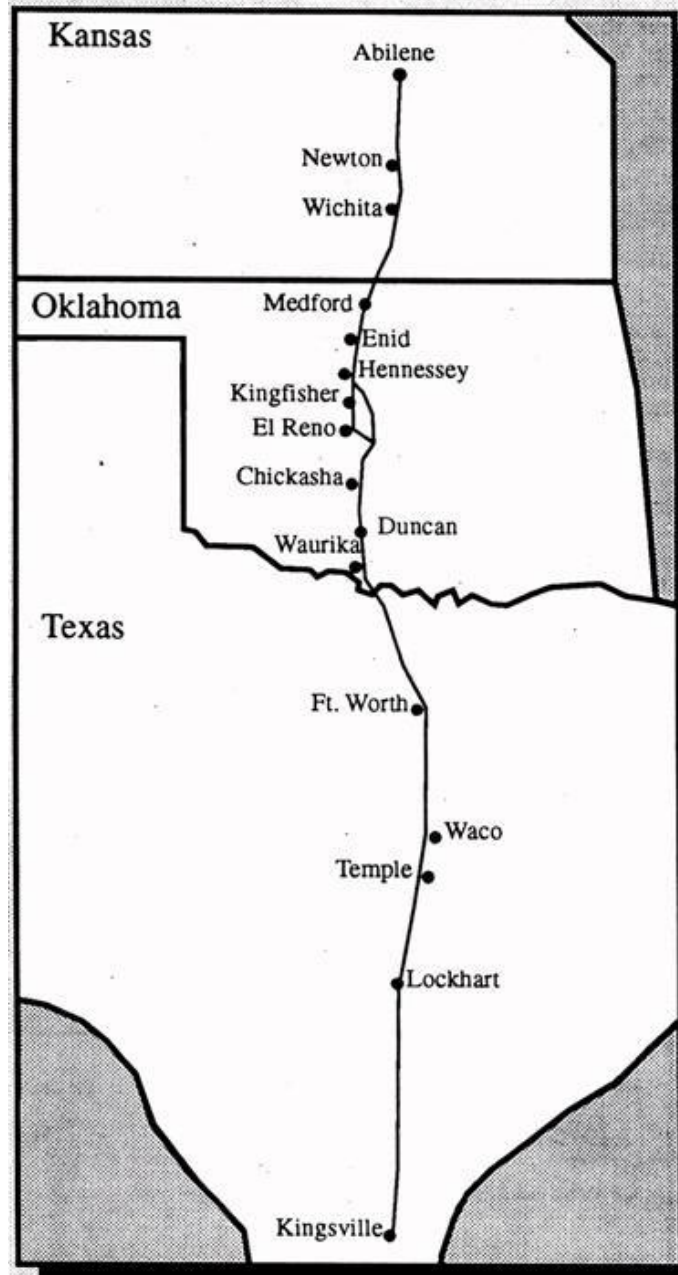
Wichita's First Incentives 1871



Competition for the Texas Cattle Trade



Chisholm Trail



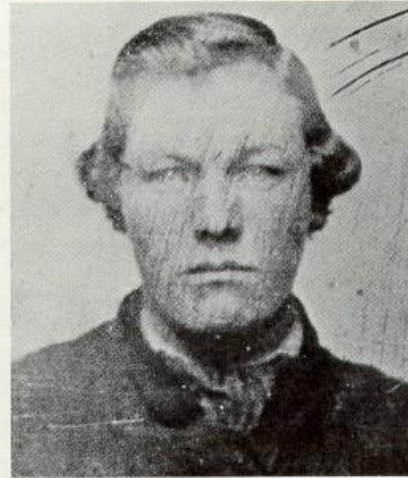
The Four Horsemen of Wichita



James R. Mead
1836-1910



N. A. English
1830-1892



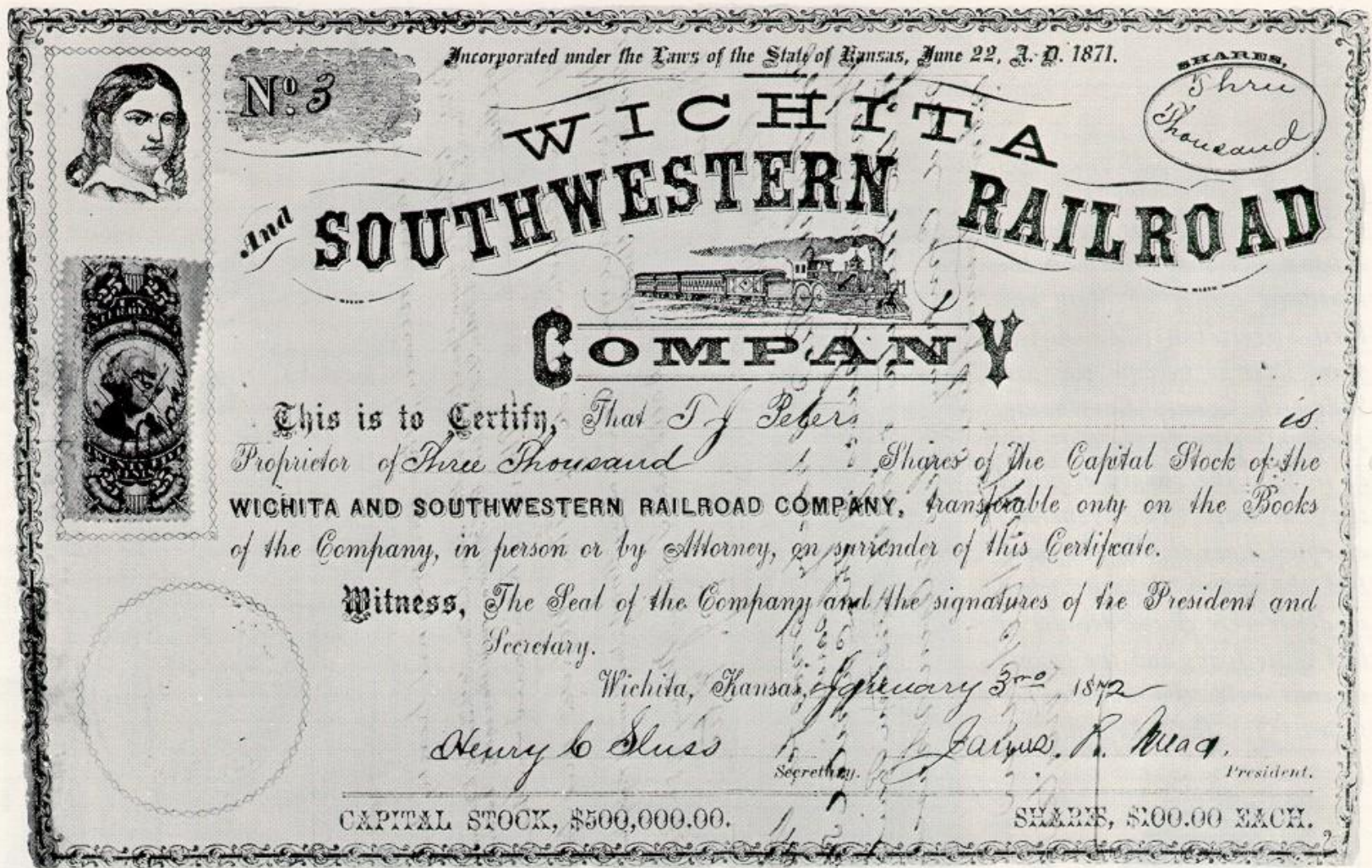
MIKE MEAGHER
1871 - 1874, 1875 - 1877

*no
photo
found*

J. M. Steele

Four Horsemen's Incentive Package

- A full-service town with all the modern amenities
- Safe passage across farmland
- Compensation for damages
- A "handsome consideration"
(aka cash incentive)



The following year, J.R. Mead started a new railroad
...with help from Sedgwick Co's first bond issue

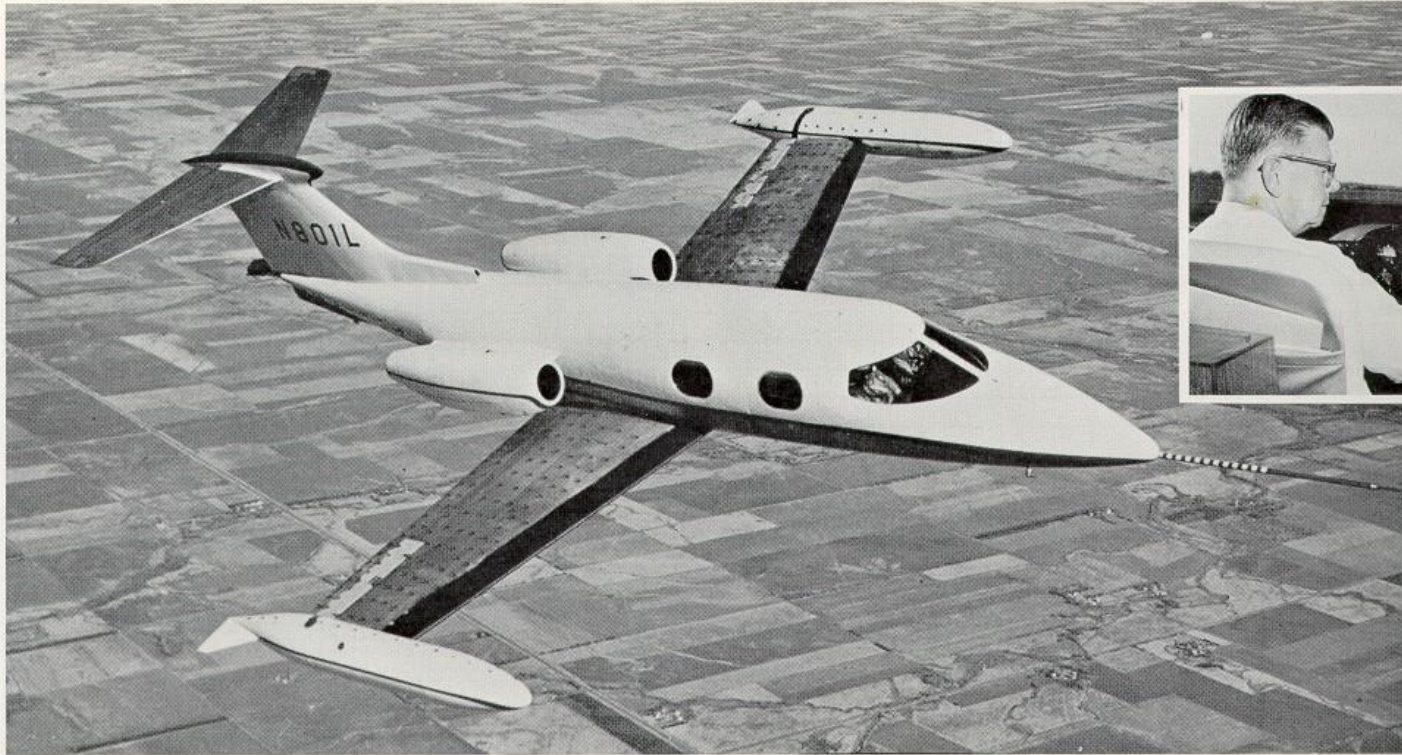
Wichita was on its way...



Wichita Economic Development in Modern Times

- Began in 1962 with 1st IRB Issue to LearJet
- Since then more than 300 IRB issues
- Totaling more than \$6 billion
- Smallest \$300,000
- Largest \$350 million

Industrial Revenue Bonds



Wichita's First IRB: LearJet 1960s

(Inset: Bill Lear)

Industrial Revenue Bonds

The Lear Jet IRB illustrates the “but for” question that is central to all economic development initiatives: absent the local support, it is not likely that Bill Lear would have relocated his operation from Switzerland to Wichita and the company would still be here after 50 years... the investment paid off.

Wichita's First IRB: Lear Jet Plant 1960s

(Inset: Bill Lear)

Use of IRBs and Abatements to Grow Boeing's Presence in Wichita





Boeing's Presence in Wichita

- Started in 1930s with Stearman
- Stearman Trainer production in WWII caused Wichita's largest growth spurt
- Wichita became major BMAC plant
- In 1977, Boeing sent Lionel Alford to decide whether to keep Wichita plant open
- Wichita offered IRBs and tax abatements



Boeing's Growth under Lionel Alford

- In 1978, Boeing employed 7,800 - grew to over 30,000 in late 1980s
- In 1978, City issued \$200 Million in IRBs - since then over \$3.5 Billion to acquire additional real and personal property (Boeing buys its own bonds)
- According to Lionel Alford: without IRBs and tax abatement, Boeing would not be in Wichita today.



Boeing 737s being built in Wichita
(Inset: Lionel Alford)



- In 2005, Boeing finally did decide to divest much of its Wichita plant
- Having grown to almost 1,000 acres with real estate value of \$300 million (not counting billions in machinery)
- Boeing sold its Commercial Aircraft operations to Onex, which became Spirit Aerosystems
- Still over 15,000 employed on South Oliver



The Future is Bright

City of Wichita Economic Development

