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July 16, 2004

Carl Gipson
City of Wichita, Dept. of Engineering
7th Floor, City Hall
455 N. Main
Wichita, KS 67202

Re: Todd Fox - East Kellogg at Zelda

Dear Carl:

Mr. Fox has directed that I initiate negotiation with the City regarding the City's request to acquire 40 feet for future right-of-way from Mr. Fox's property on East Kellogg at Zelda.

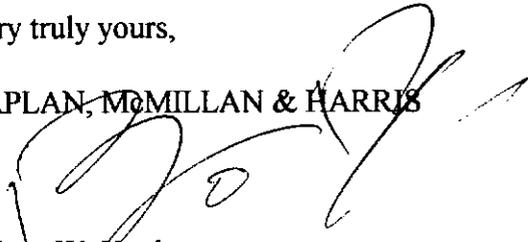
Although Todd does not have revised site plans at this time, in the event we can come together on the price and land use issues, including Mr. Fox's continued possession until needed by the City, he is willing to make the necessary adjustments to his site plan to accommodate a 40 foot right-of-way take.

Please refer this matter to the City staff individual who will be initiating these discussions and ask that that individual contact me for an initial meeting. Mr. Fox is partially motivated by the fact that he needs to commence his construction as soon as possible. I assume once you have the commitment for the 40 feet we can expedite the building permit. Also I will need a letter from the City advising that if an acquisition cannot be made by contract, that the City intends to initiate eminent domain proceedings.

Thank you for your courtesy and prompt response.

Very truly yours,

KAPLAN, McMILLAN & HARRIS


Robert W. Kaplan

RWK/atb

RECEIVED

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CITY - ENGINEERING

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cc: Todd Fox
Wes Darnell/Wilson Darnell Mann P.A.
Phil Meyer/Baughman Co., P.A.
Grant Tidemann/ J.P. Weigand & Sons, Inc.



6111 S.W. 29th Street
 Topeka, Kansas 66614
 Phone (785) 272-4706
 Fax (785) 272-4736
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LETTER OF TRANSMITTAL

TO: City of Wichita Dept. of Public Works 465 N. Main, 7th Floor Wichita, KS 67202 ATTENTION: Carl L. Gipson, P.E., Spec. Proj. Engineer	DATE: August 17, 2004	PROJECT NO.: 01-026
	SUBJECT: US 54 (East Kellogg) NE corner of Kellogg/Zelta	

WE ARE SENDING YOU: Attached Under Separate Cover

VIA: U.S.P.S. Courier Service Picked Up Hand Delivered Parcel Post Service _____

THE FOLLOWING ITEMS:

COPIES	SHEETS	DATED	DESCRIPTION
1	1	8/16/04	Tract Map Showing Property Lines Tract 002
1	1	8/16/04	Tract Map with Topo Tract 002
1	1	8/16/04	Description of Property to be Acquired.

THESE ITEMS ARE TRANSMITTED:

- | | | |
|--|---|---|
| <input type="checkbox"/> For Your Approval | <input type="checkbox"/> Reviewed | <input type="checkbox"/> Resubmit _____ Copies for Review |
| <input checked="" type="checkbox"/> For Your Use | <input type="checkbox"/> Furnished as Noted | <input type="checkbox"/> Submit _____ Copies for Distribution |
| <input checked="" type="checkbox"/> As Requested | <input type="checkbox"/> Returned for Corrections | <input type="checkbox"/> Return _____ Corrected Prints |
| <input type="checkbox"/> For Review and Comment | <input type="checkbox"/> _____ | |

COMMENTS:

The limits of the land to be acquired were based on information that has been previously developed.

COPY TO: _____ **SIGNED:** _____
 George A. Purtle, P.E.

TRACT 002

August 16, 2004

Part of Lot 2
Reynolds Addition
City of Wichita, Sedgwick County, Kansas

Permanent Road Right-of-Way

Beginning at the southwest corner of said Lot 2; thence northerly along the west lot line a distance of 44.3 feet; thence easterly a distance of 130 feet to a point on the east lot line 45.9 feet from the south lot line; thence to the southeast corner of said Lot 1, thence westerly along the south lot line of said Lot 2 to the point of beginning, containing 5,863 square feet more or less.

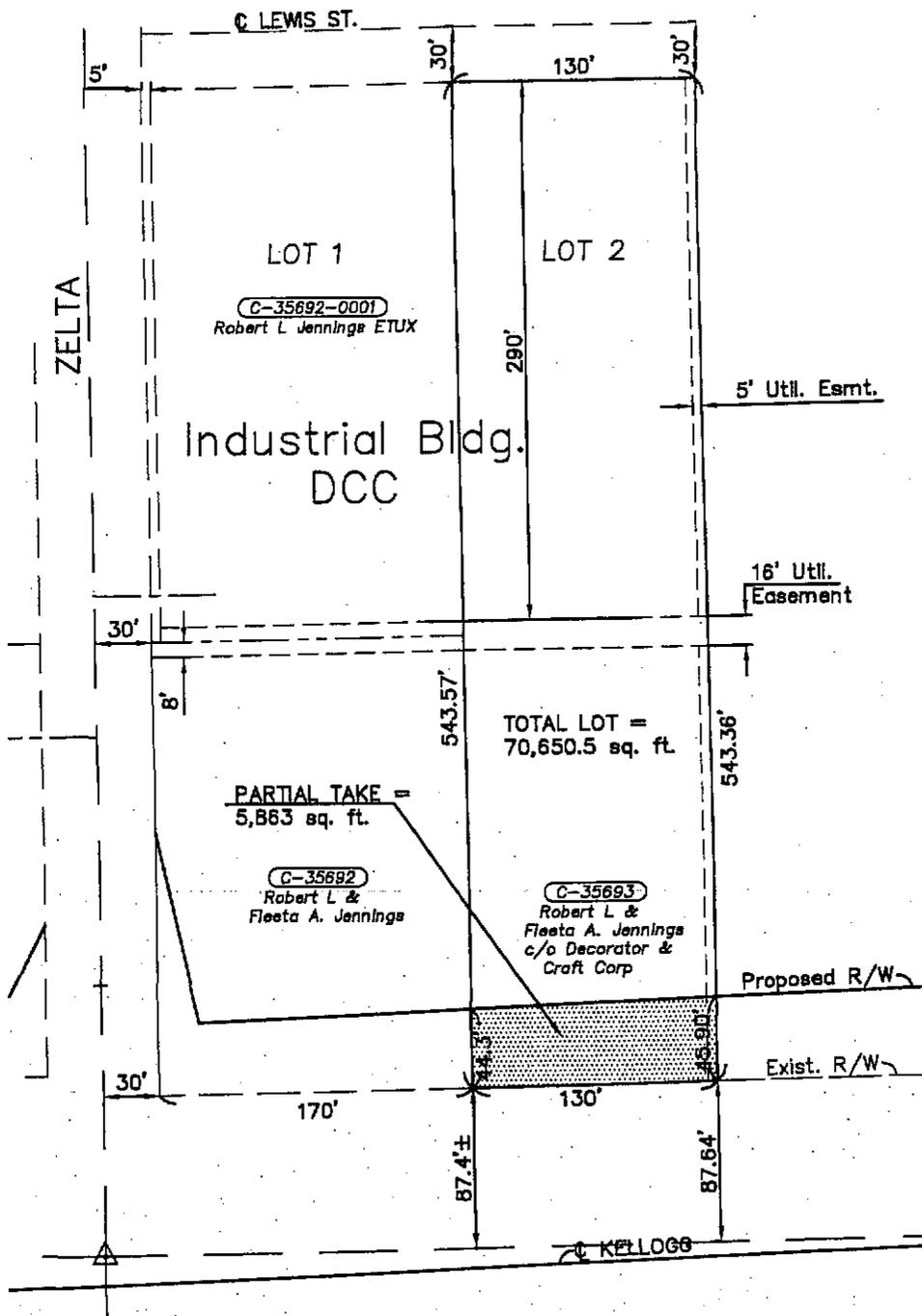
Note:

Bearings and distances shown are based upon the Tax Map Number M1 87 of the S.E. ¼ SEC. 22 TWP. 27S. R.2E. prepared under the supervision of the Sedgwick County Clerk. Distance calls shown in the descriptions are measured perpendicular to the corresponding lot line.

TRACT 002

August 16, 2004

Lot 2
Reynolds Addition
City of Wichita, Sedgwick County, Kansas



\\00019152\TRACT MAPS\ZELTA NEZ.dwg 8/16/2004 4:30:50 PM CDT



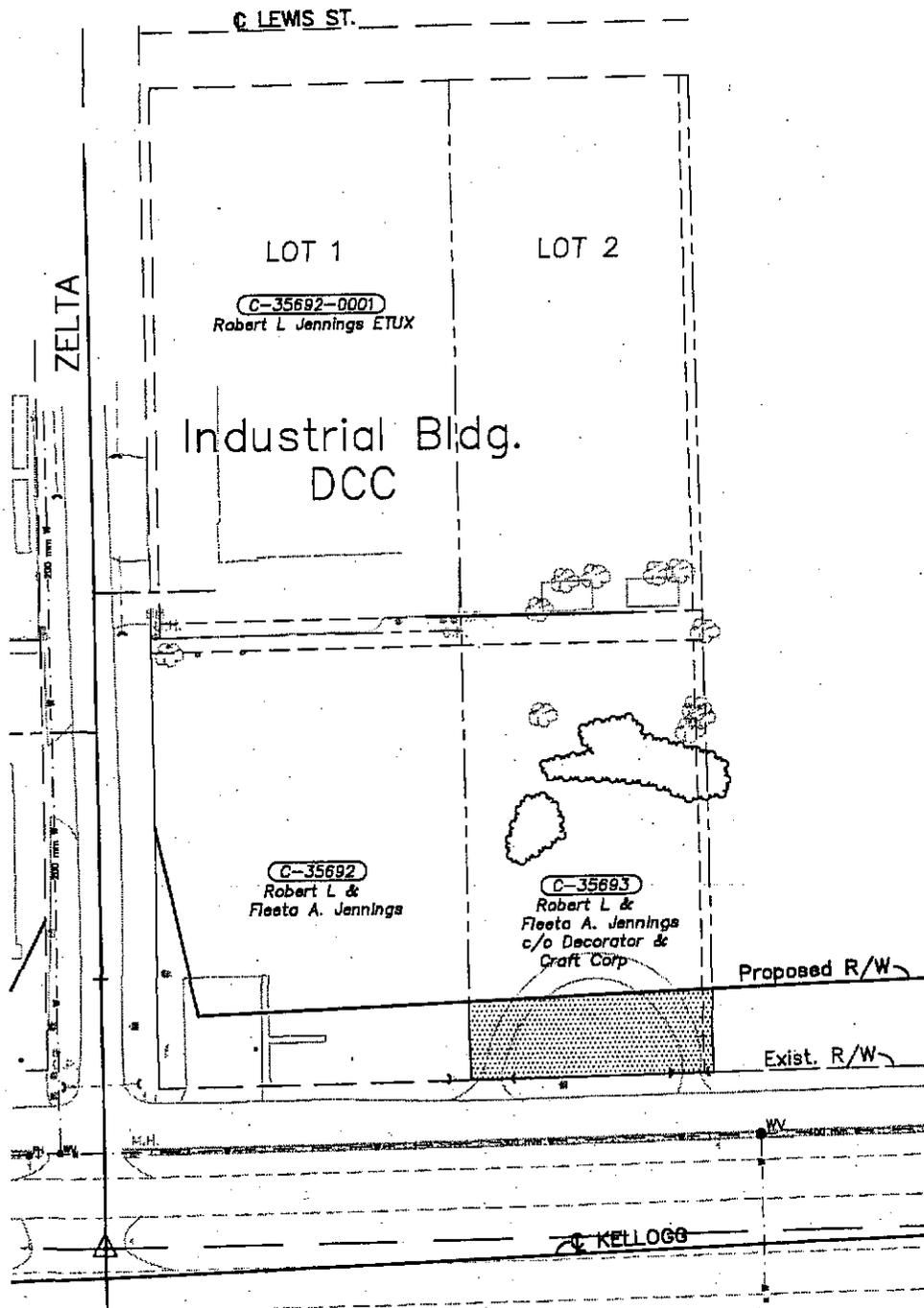
Cook, Flatt & Strobel
ENGINEERS, P.A.

City of Wichita

TRACT 002

August 16, 2004

Lot 2
Reynolds Addition
City of Wichita, Sedgwick County, Kansas



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ENGINEERS, P.A.

City of Wichita



INTEROFFICE MEMORANDUM

TO: Property Acquisition Committee
FROM: John C. Philbrick, Property Management Director
SUBJECT: Partial Acquisition - Northeast Corner of Kellogg and Zelta
DATE: September 17, 2004

Owner - Fox Collision

Property Address - 12012 East Kellogg

Property Description - Conner lot zoned for general commercial use with approximately 73,200 square feet. Property is being redeveloped with an automotive repair facility. The future expansion of Kellogg will require a strip of land from the front of the property ranging in depth from 29 feet on the west to 46 feet on the east. A triangular corner clip will also be required. The total square footage required is 13,968.

Appraised Value - County value is approximately \$4.50 per square foot. Parcels immediately across Kellogg in the Lowes/Walmart development have sold for \$10.00-\$11.25 per square foot.

Proposed Settlement Amount - The seller has proposed a trade of the property above for the City-owned parcel at the southwest corner of Kellogg and Hoover. The seller also requests \$13,275 to offset costs he has or will incur to move his building back from the right-of-way. The City owned tract is also zoned General Commercial and contains approximately 25,000 square feet. The site is currently occupied by a billboard. The billboard lease pays \$4,400 per year and expires September 30, 2006.

Estimated Cost of Project

Background - The City has been reevaluating the tract since 1994. Offers of \$40,000, \$50,000 and \$62,850 have been received. No qualifying offers were received in the 2003 sales program with a \$75,000 minimum price.

The tract will be needed for the I-49/Greenwich Interchange project, which is not scheduled for construction for some time.

Analysis - The acquisition tract has corner exposure and is at the traffic signal but is on the opposite side of Kellogg from the Lowes/Walmart project making the value less than the comparable. Assuming a value of \$8.00 per square foot for the acquisition tract produces a value of \$111,744. Reducing this amount by the \$13,275 in reimbursables results in a net of \$98,469 as the trade value of the City tract. This is well above any prior offers.

This analysis does not take into account any cost for damage to the remainder of the site. Even without any damages, the trade is beneficial for the City.

Handwritten notes: \$800,000, 702 341, 401 357, Armour

Also, there is no attempt to determine the increase in cost if the owner is allowed to develop into the right-of-way and the property is acquired as a full take of a developed tract when the project is initiated. Based on prior acquisitions, a full take would likely cost \$1,000,000 to \$2,000,000.

Recommendation – It is recommended that the swap be approved.