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THE CITY OF WICHITA

OFFICE OF Director of Engineering

DATE August 28, 1981

**TO Honorable Board of City Commissioners
(Through E. H. Denton, City Manager)**

FROM R. W. Bruggeman, Director of Engineering

**SUBJECT Item 2, Section I - City Commission
Meeting of September 1, 1981**

The following information is being submitted in response to the issues raised by Mr. Schaefer at the August 18th and August 25th City Commission meetings regarding the assessments for the Towne West Shopping Center.

The Planning Commission recommended at the June 29, 1976 City Commission meeting that the improvements for the Towne West development be financed as follows:

City of Wichita	\$ 500,000.00
Special Assessments	98,907.00
Towne West Developer	<u>1,811,437.00</u>
Total	\$ 2,410,344.00

Right-of-way in the amount of \$83,617.00 was not included in the motion of the Planning Commission.

The action of the City Commission at the June 29, 1976 City Commission meeting was "that the City of Wichita pick up the right-of-way costs (\$83,617.00) and that any state funds received be applied to reduce the cost to the developer (estimated to be \$443,000.00) resulting in the funding to be as follows:

City of Wichita	\$ 583,617.00
Special Assessments	98,907.00
Developer	1,368,437.00"

The plat of Towne West Square Addition was presented to the City Commission at their meeting of December 13, 1977 along with petitions for improvement of streets and drainage in connection with the plat. The minutes reflect the \$1.4 million commitment made by the developer.

The City Commission was advised at their July 17, 1979 City Commission meeting that state funding participation in the amount of \$443,000.00 was not available as the state had decided not to proceed with the at-grade improvements for the Kellogg/West intersection. The state planned an approximate \$7 million dollar

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grade separation improvement for this intersection. A report was presented which provided for an additional need of \$332,053.00 for the improvement of the streets in the Towne West area. Mr. B. J. Kingdon stated that the owner would be acceptable to a 50 - 50 split of the \$332,053.00 funding shortage. The action of the City Commission was to approve an allocation based on a 50 - 50 split of the shortage and that overages, if any, will be paid fully by the developer and not by the City-at-large.

The street improvement projects, their estimated cost, the actual construction cost to Towne West and to the City, the temporary financing cost to Towne West and to the City, and the totals are presented in Attachment I. The totals presented on Attachment I indicate that the actual construction cost to Towne West and the estimated construction cost of West Street for Towne West totals \$1,392,226.00. The actual construction cost to the City and the estimated construction cost of West Street to the City totals \$558,520.00. These totals are slightly less than the \$1,400,000.00 commitment by Towne West and the \$583,617.00 commitment by the City.

Attachment I indicates a total of \$256,160.00 for temporary financing by Towne West and \$76,474.00 temporary financing by the City.

The drainage for Towne West was discussed and approved at the February 10, 1976 City Commission meeting:

"Mr. Schaefer presented the following proposal from the developers of Towne West:

Total projected cost of drainage	\$ 2,250,000.00
Pump station (City-at-large)	<u>985,550.00</u>
Total for Area "A" to pay	\$ 1,264,450.00
Federal Funds	<u>466,050.00</u>
Total Assessment	\$ 798,400.00
Towne West Assessment	\$ 413,400.00
Towne West agrees to pay additional	<u>125,000.00</u>
Towne West Total Payment	\$ 538,400.00

which would leave approximately \$3,500.00 per acre for the remainder of the area to bear."

The resolution providing for this improvement was approved by the City Commission on the 22nd day of May, 1979. This resolution provided that Towne West Square Addition shall pay $\frac{5384}{7984}$ of the estimated \$2,727,200.00 drainage improvement

less the cost of the pump station and the federal funds. The actual cost of drainage construction amounted to \$2,470,000.99 with temporary note interest of \$361,641.05.

The actual cost of drainage construction resulted in a cost per acre for the remainder of the property in Area "A" at a cost of \$4,440.00 per acre instead of the \$3,500.00 per acre cost that was presented in the February 10, 1976 meeting. The actual cost of drainage construction resulted in a comparable increased cost to the Towne West development.

In our review of the minutes of the various City Commission meetings when this matter was acted upon, the estimated cost of improvements that the Towne West developers committed to, did not, at any time, include construction interest cost.



R. W. Bruggeman
Director of Engineering

RWB:gr

Attachment

ATTACHMENT I

TOWNE WEST - CITY OF WICHITA COST

Project	Total Estimate		Actual Construction		Temporary Financing	
	Special Assessments		Towne West	City	Towne West	City
Tracy (Taft to Maple)	\$ 244,052.00		\$ 116,892.00	\$ 7,594.00	\$ 16,678.00	\$ 1,019.00
Tracy Kellogg Drive to Taft) Right-of-way	200,000.00		150,065.00	94.00	23,724.00	--
Taft (Tracy to Florence)	71,000.00		9,252.00	--	1,315.00	--
Taft (Florence to West)	76,975.00		25,580.00	6,099.00	3,494.00	836.00
Maple (I-235 to McCommas) Drainage Right-of-way	820,739.00		643,331.00	78,379.00	125,260.00	15,260.00
Kellogg (Anna to Tracy)	152,452.00		144,340.00	118,479.00	25,700.00	21,096.00
West (Estimate) (Taft to Maple)	<u>219,721.00</u>		<u>196,312.00</u>	<u>178,688.00</u>	<u>39,262.00</u>	<u>35,738.00</u>
Totals	\$ 1,784,939.00		\$1,392,226.00	\$ 558,520.00	\$ 256,160.00	\$ 76,474.00

THE CITY OF WICHITA

OFFICE OF Director of Engineering

DATE August 28, 1981

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(Through E. H. Denton, City Manager)

FROM R. W. Bruggeman, Director of Engineering

SUBJECT Item 2, Section I - City Commission Meeting of September 1, 1981

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Copy also given to Robert Lindback

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Totals	\$ 1,784,939.00	\$1,392,226.00	\$ 558,520.00	\$ 256,160.00	\$ 76,474.00

281,719.48
257,585.3
24,180.95

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/1984

	Estimated 5/9/78 <small>(72.6 TW) (74.9 other) (147.5 Acres)</small>	Estimated 5/29/79 <small>(72.6 TW) (74.9 other) (147.5 Acres)</small>	Actual 7/7/81 <small>(70.2 TW) (75.3 other) (145.5 Acres)</small>	Temp. Note Int.	
Area "A"					
Total Cost	\$ 2,388,571.00	2,727,179.00	2,470,954.99	+ 361,641.05	= 2,832,596.04
Pump Station	1,066,427.00	1,243,738.00	906,020.67	+ 132,642.91	= 1,038,663.58
Collection System	1,322,144.00	1,483,441.00	1,564,934.32	+ 228,998.14	= 1,793,932.46
EDA Grant by Area	502,500.00	503,070.00	538,500.00		= 538,500.00
Special Assessment	819,644.00	980,571.00	1,026,434.32	+ 228,998.14	= 1,255,432.46
T.W.S Cost/Acre	7,613.00	9,106.00	9,860.00		12,060.00
Bal. Area "A" Cost/Acre	3,563.00	4,262.00	4,440.00		5,430.00
Area "C"					
Total Cost	2,090,320.00 <small>(292.3 Acres)</small>	2,596,021.00 <small>(292.3 Acres)</small>	2,012,312.38 <small>(259.6 Acres)</small>	+ 295,007.03	= 2,307,324.41
Big Slough + Sheridan Ditch	642,188.00	755,628.00	604,789.03	+ 88,647.49	= 693,436.52
Collection System	1,448,132.00	1,840,393.00	1,407,528.35	+ 206,359.54	= 1,613,887.89
EDA Grant by Area	997,500.00	996,930.00	961,500.00		= 961,500.00
Special Assessment	450,632.00	843,463.00	446,028.35	+ 206,359.54	= 652,387.89
Cost/Acre	1,541.00	2,886.00	1,720.00		2,513.00
Areas "A" + "C"					
Total Assessment	1,270,276.00 <small>(439.8 Acres)</small>	1,823,834 <small>(439.8 Acres)</small>			1,907,820.35
Total City Share	1,708,615.00	1,999,366			1,732,100.10
EDA Grant	1,500,000.00	1,500,000			1,500,000.00
1/2 Cost	4,478,891.00	5,323,200.00			5,139,920.45

THE CITY OF WICHITA

OFFICE OF CITY MANAGER

DATE August 31, 1981

TO The Honorable Board of City Commissioners

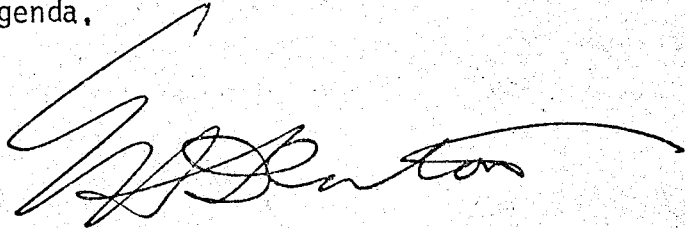
FROM E. H. Denton, City Manager

SUBJECT Towne West Special Assessments

Attached are copies of memoranda from the Director of Law and the Director of Engineering.

The Director of Engineering reports that a review of the records does not reflect any limitation on that portion of paving and drainage costs to be assessed to Towne West or any discussion concerning interest costs from the issuance of temporary notes for the construction. The Director of Law reports that the petitions and resolutions control as to the amount of assessment Towne West is obligated to pay and that it is always contemplated that temporary note interest will be charged to the landowners' proportionate share of the project.

It is recommended that the Commission approve the proposed assessments as shown on the September 1, 1981, agenda.



E. H. Denton
City Manager

EHD/tpd

Attachment

cc: John Dekker, Director of Law

✓ R. W. Bruggeman, Director of Engineering

REFERENCE: ITEM #292a - CM

AGENDA FOR: SEP 1 1981

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