

City of Wichita
Douglas & Hillside Redevelopment District
College Hill Urban Village
Project Plan

December 7, 2006

Prepared by City of Wichita
Economic Development Office

I N D E X

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2. Redevelopment District Plan
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*Comprehensive Financing Feasibility Study for the
College Hill Urban Village Project
within the
Douglas and Hillside Redevelopment District
City of Wichita, Kansas*

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Overview

Sections 12-1770 through 12-1780 of the Kansas Statutes (“the Act”) provide a means for cities to finance all or a portion of public infrastructure and redevelopment costs with incremental real estate and sales taxes. The purpose of the Act is to “promote, stimulate and develop the general and economic welfare of the State of Kansas and its communities, and to assist in the development and redevelopment of blighted areas and deteriorating areas which are not yet blighted, but may be so in the future, located within cities...”.

A city may exercise the powers conferred under the Act provided that the governing body of the city has adopted a resolution finding that the specific area sought to be developed or redeveloped is a blighted area, a conservation area or was designated an enterprise zone prior to July 1, 1992. In addition, the city must find that the conservation, development or redevelopment of such an area is necessary to promote the general and economic welfare of the city.

One or more redevelopment projects may be undertaken within the District. Kansas Statutes require projects to be completed within 20 years from transmittal of the redevelopment project plan pursuant to K.S.A. 12-1776, with the exception of environmental investigation and remediation projects which must be completed within 20 years from the date the City enters into a consent decree with the Kansas Department of Health and Environment or the U.S. Environmental Protection Agency, unless the County and School District have expressly consented to a 10-year extension of the term.

For each redevelopment project undertaken within the District, a redevelopment project plan (“the Project Plan”) must be prepared in consultation with the City Planning Commission. The Project Plan must include the following:

1. A summary or copy of the Comprehensive Financial Feasibility Study.
2. A reference to the statutorily required district plan for the District.
3. A description and map of the area to be redeveloped (“the Project”).
4. The Relocation Assistance Plan (if applicable).
5. A detailed description of all buildings and facilities proposed to be constructed or improved.
6. Any other information the City deems necessary to advise the general public of the intent of the Project Plan.

The Comprehensive Financial Feasibility Study (this document) must show that the benefits derived from the specified redevelopment project will exceed the costs, and that the income therefrom will be sufficient to pay for the applicable project costs. Benefits are determined to be the aggregate revenues of the redevelopment project including increment income, assessment income, interest income, private party contributions and any other available funding sources. Costs are determined to be the total of eligible project expenditures as defined by K.S.A. 12-1770a, including the payment of principal and interest of debt used to finance the redevelopment project.

Pursuant to all the provisions of the Act, the City of Wichita has, by Ordinance No. 47-098 dated August 15 2006, found a portion of the City to be a conservation area and that redevelopment of the area is necessary to promote the general and economic welfare of the City. With adoption of Ordinance No. 47-098, the City established and designated such area as the Douglas and Hillside Redevelopment District (“the District”). The District boundaries are shown in Exhibit I. Ordinance No. 47-098 also includes the statutorily required district plan for the redevelopment of the District.

The City is currently considering the adoption of a Project Plan for the proposed College Hill Urban Village Project within the designated Douglas and Hillside Redevelopment District (“the Project”). The Project consists of the development of a 14-story high-rise residential condominium tower, located on the west side of Rutan Avenue between Victor Place and First Street, over 50 brownstone-type row houses, a four-story building of residential flats and retail buildings with loft apartments above. Adoption of the Project Plan will allow the City to finance eligible Project costs associated with the redevelopment of property located in the vicinity of Rutan Avenue and Victor Place (the “Project Area”) as depicted in Exhibit I. Specifically, the City will reimburse the of purchase land, assist with the site preparation, and provide public improvements, such as streets, utilities and park areas, as its contribution to the Project.

The City will provide public funding, including tax increment financing and special assessment financing, to finance the a portion of the costs of acquiring land, demolition and various public improvements. The City will enter into a development agreement with College Hill Urban Village LLC, a local development group which will develop, own and operate the Project.

General Description of Tax Increment

Property tax increment financing involves the creation of an increment (increase over a base value) in the real estate taxes that are generated from a defined geographic area of a community. Upon establishment of a redevelopment district, the total assessed value of all taxable real estate within the district for that year is determined. This valuation is referred to as the district's "Original Assessed Value". Property taxes attributable to the district's Original Assessed Value are annually collected and distributed by the county treasurer to the appropriate city, county, school district and all other applicable taxing jurisdictions in the same manner as other property taxes.

As new development occurs within the redevelopment district, the total assessed value of the district, in any given year, will normally exceed its Original Assessed Value. Property taxes generated by applying the sum of the property tax rates of all applicable taxing jurisdictions to the incremental increase in assessed value (over and above the Original Assessed Valuation) is referred to as the "property tax increment". All property tax increment is collected by the County and distributed to the City to be deposited in a special tax increment fund.

Sales tax increment financing involves the creation of an increment (increase over a base value) in the local sales taxes that are generated from a defined geographic area of a community. Upon establishment of a redevelopment district, a base value of local sales tax collections within the district is determined. As new commercial development occurs within the redevelopment district, sales tax collections are expected to increase above the base value. Pursuant to city law governing the use of local sales tax revenue, the City does not intend to collect incremental sales tax revenues as "sales tax increment".

Tax increment funds may only be used to pay for certain statutorily-defined eligible project costs, including principal and interest on debt issued, in whole or in part, to finance eligible project costs within the redevelopment district. Such debt includes notes, special obligation bonds, full faith and credit tax increment bonds, and other debt instruments. The City intends to issue its full faith and credit tax increment bonds to finance Project costs that are eligible for tax increment financing.

Project Description

Prior to the commencement of redevelopment, the District and Project Area included several smaller retail stores, medical office buildings and a drive-in restaurant, located mainly along Douglas and Hillside Avenues, and some older single-family homes located mainly on Victor Place and First Street. Until it was recently demolished, the area included a high-rise office building at Douglas and Rutan that served as the original location of the Wichita Clinic and later as the regional offices of the Kansas Department of Social and Rehabilitative Services. Redevelopment will consist demolition of remaining structures in the Project Area and development of a 14-story high-rise tower, with 87 residential condominium units and underground parking, over 50 brownstone-type row houses with built-in 2-car garages, a four-story building of residential flats and retail buildings with loft apartments above, with adjacent parking lots.

Projected Revenues (Benefits) Captured Assessed Value

It is the City's intention to use the property tax increment generated by the District to pay the debt service on general obligation bonds issued by the City to finance its contribution to the Project. The property tax increment is based on the District's increase in assessed value over its Original Assessed Value. This increase in value is expected to be recorded in January 2008, 2009 and 2010 and is referred to as the Captured Assessed Value.

The Total Assessed Value for the District as of January 1, 2010 is estimated to be \$7,576,876. The Original Assessed Value of the District, as assessed in January 2006 for taxes payable in 2006-2007, is \$672,061, according to data provided by the City of Wichita Geographic Information Service Office. Therefore, the Captured Assessed Value of the TIF District as of January 1, 2010 is estimated to be \$6,904,815.

For the purpose of this analysis, it is assumed that the Total Assessed Value of the District will not increase or decrease during the 17 years following 2010.

Property Tax Rates

In order to determine the amount of tax increment generated by the District in any given year, the Captured Assessed Value of the District must be multiplied by the sum of the tax rates for all *applicable* taxing jurisdictions for that year. For taxes levied in 2006 and payable in 2007, the applicable rate is 94.564 mills as shown below. The State of Kansas rate of 1.5 mills and the statewide education levy of 20 mills are not applicable to TIF and have been omitted from the following total:

<u>Jurisdiction</u>	<u>Mill Rate</u> <u>(2006)</u>
City of Wichita	31.953
Sedgwick County	31.315
USD No. 259	<u>31.296</u>
 TIF-Applicable Mill Rate	 94.564

Projected Property Tax Increment

The projected property tax increment generated by the District is shown in column 7 of Exhibit III. Such projections are based on captured assessed values derived from captured assessed valuations and tax rates as previously discussed. It is assumed that Project construction will begin before the end of 2007 and be completed before the end of 2009, and therefore achieve full valuation by January 1, 2010. It is estimated that the maximum annual property tax increment will be \$652,947 starting in 2011.

All tax increment shall be allocated and paid by the Sedgwick County Treasurer to the City Treasurer in the same manner and at the same time as normal property taxes. All such taxes increment must be deposited in a special fund of the City for the payment of eligible redevelopment costs.

Projected Expenditures (Costs)

A projected budget for the eligible project costs in the Project Area is listed Below.

Sources	
Par Amount of Bonds	\$4,950,000.00
Uses	
Land Acquisition	\$3,050,000.00
Demolition	100,000.00
Site Improvements	1,300,000.00
Financing and Other Costs	<u>500,000.00</u>
	\$4,950,000.00

It is anticipated that all eligible project costs will be financed with general obligation (full faith and credit) tax increment financing bonds issued by the City. Exhibit IV illustrates a \$4,950,000 taxable general obligation tax increment bond issue sold in early 2009.

Conclusions

Kansas Statutes require that the Comprehensive Financial Feasibility Study must demonstrate that the benefits derived from the Project will exceed the costs, and that the income therefrom will be sufficient to pay for all eligible project costs. As previously discussed, Exhibit III illustrates the projections of tax increment through the year 2024. Net tax increment revenue is available to pay debt service on outstanding general obligation bonds issued to finance eligible project costs.

Exhibit IV (Projected Bond Cash Flow Report) illustrates that projected tax increment from the District will be sufficient to pay for all eligible project costs including the projected debt service on general obligation bonds issued to finance such costs. As such, this report demonstrates that the revenues (benefits) of the District and Project Area exceed the expenditures (costs).

Douglas & Hillside Redevelopment District

City of Wichita, Kansas

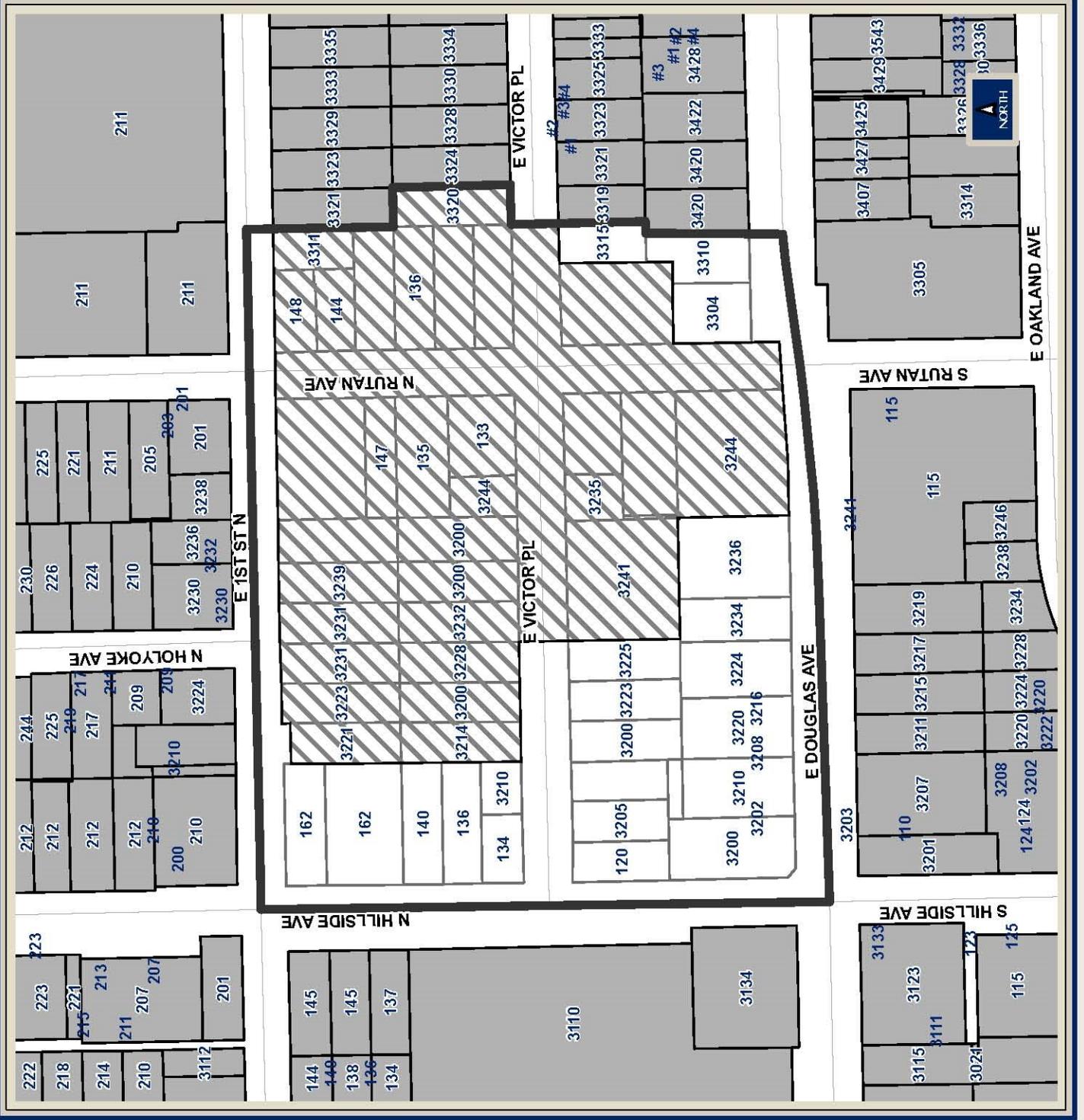
-  Douglas & Hillside Redevelopment District
-  College Hill Urban Village Project Area
-  Property Parcels outside Redevelopment District

Software: ArcGIS9.2
Hardware: Printer: Xerox 7200DN

Map Data Source: Property Parcels provided by Sedgwick County GIS.

Road Centerlines provided by City of Wichita

Location: x:\giswork\projwork\redoug_hills\dmg.d
Printed: 11/29/2006
We warrant that while the City of Wichita Data Center Geographical Information System Department has no indication and reason to believe that there are inaccuracies in information incorporated in the base map, the Data Center GIS per



Assumptions Report

City of Wichita, Kansas
Douglas and Hillside Redevelopment District
College Hill Urban Village Project

Description of Project Area	See Map (Exhibit I)
Original Appraised Value (1/1/06)	\$3,107,425
Original Assessed Value (1/1/06)	672,061
Projected Appraised Value (1/1/10)	\$61,817,932
Projected Assessed Value (1/1/10)	7,576,876

<u>2006 Mill Rates (2007 Pay)</u>	<u>Total</u>	<u>TIF Applicable</u>
City of Wichita	31.953	31.953
Sedgwick County	31.315	31.315
USD No. 259	51.296	31.296
State of Kansas	1.500	NA
Total	113.387	94.564

<u>Project</u>	<u>Land</u>	<u>Improvements</u>	<u>Total</u>
College Hill Urban Village			
Appraised Value (1/1/10)	\$1,066,348	\$58,855,195	\$59,921,547
Assessed Value (1/1/10)	165,441	6,969,347	7,134,788

Property Value Inflation Rate	0.00%
Annual City Administration	\$0.00

Bonding Assumptions:

Tax Status	Taxable
Dated Date	8/1/09
First Interest Payment	3/1/10
First Maturity Date	9/1/10
Last Maturity Date	9/1/24

Projected Tax Increment Report

City of Wichita, Kansas
Douglas and Hillside Redevelopment District
College Hill Urban Village Project

Levy & Appraised Year (1)	Year Taxes Distributed (2)	Total Assessed Value (3)	Original Assessed Value (4)	Captured Assessed Value (5)	Mill Rate (6)	Tax Increment Collected (a) (7)	Less: City Admin. Fee (9)	Net Tax Increment (10)
2008	2009	1,716,883	672,061	1,044,822	94.564	98,803	0	98,803
2009	2010	6,576,545	672,061	5,904,484	94.564	558,352	0	558,352
2010	2011	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2011	2012	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2012	2013	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2013	2014	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2014	2015	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2015	2016	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2016	2017	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2017	2018	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2018	2019	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2019	2020	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2020	2021	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2021	2022	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2022	2023	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2023	2024	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947
2024	2025	7,576,876	672,061	6,904,815	94.564	652,947	0	652,947

Projected Bond Cash Flow Report

City of Wichita, Kansas
Douglas and Hillside Redevelopment District
College Hill Urban Village Project

Annual Period Ending (1)	Principal (2)	G.O. Taxable Rate (3)	Interest (4)	P&I (5)	Net Tax Increment (7)	Annual Balance (8)	Cumulative Balance (9)
9/1/2009					98,803	98,803	98,803
9/1/2010	120,000	6.50%	348,563	468,563	558,352	89,789	188,592
9/1/2011	220,000	6.50%	313,950	533,950	652,947	118,997	307,589
9/1/2012	235,000	6.50%	299,650	534,650	652,947	118,297	425,886
9/1/2013	250,000	6.50%	284,375	534,375	652,947	118,572	544,457
9/1/2014	270,000	6.50%	268,125	538,125	652,947	114,822	659,279
9/1/2015	285,000	6.50%	250,575	535,575	652,947	117,372	776,651
9/1/2016	305,000	6.50%	232,050	537,050	652,947	115,897	892,548
9/1/2017	325,000	6.50%	212,225	537,225	652,947	115,722	1,008,270
9/1/2018	345,000	6.50%	191,100	536,100	652,947	116,847	1,125,117
9/1/2019	370,000	6.50%	168,675	538,675	652,947	114,272	1,239,389
9/1/2020	390,000	6.50%	144,625	534,625	652,947	118,322	1,357,711
9/1/2021	415,000	6.50%	119,275	534,275	652,947	118,672	1,476,383
9/1/2022	445,000	6.50%	92,300	537,300	652,947	115,647	1,592,030
9/1/2023	470,000	6.50%	63,375	533,375	652,947	119,572	1,711,602
9/1/2024	505,000	6.50%	32,825	537,825	652,947	115,122	1,826,724
	4,950,000		3,021,688	7,971,688	9,699,609	1,727,921	

Bond Issue Summary	
Dated Date	8/1/2009
Bond Years	46,487.50
Average Maturity	9.39
Annual Interest	3,021,688
Issuance Costs	10,000
Net Interest Cost	3,021,688
Net Interest Rate	6.50%

<u>Sources</u>	
Par Amount of Bonds	4,950,000
<u>Uses</u>	
Eligible Project Costs	4,500,000
Issuance Costs	50,000
Temporary Note Interest	400,000
	4,950,000

REDEVELOPMENT DISTRICT PLAN FOR THE REDEVELOPMENT OF THE DOUGLAS & HILLSIDE REDEVELOPMENT DISTRICT THROUGH TAX INCREMENT FINANCING

August 8, 2006

SECTION 1: PURPOSE

A district plan is required for inclusion in the establishment of a redevelopment district under K.S.A. 12-1771. The district plan is a preliminary plan that identifies proposed redevelopment project areas within the district, and describes in a general manner the buildings, facilities and improvements to be constructed or improved.

SECTION 2: DESCRIPTION OF TAX INCREMENT INCOME

Projects financed through tax increment financing typically involve the creation of an “increment” in real estate property tax income. The increment is generated by segregating the assessed values of real property located within a defined geographic area such that a portion of the resulting property taxes flow to the City to fund projects in the redevelopment district, and the remaining portion flows to all remaining taxing jurisdictions. The portion of property taxes flowing to the City is determined by the increase in the assessed value of the properties within the redevelopment district as a result of the new development occurring within the same area. When the current aggregate property tax rates of all taxing jurisdictions are applied to this increase in assessed property value from new development, increment income is generated. Public improvements within the district and other qualified expenditures are funded by the City and repaid over a specified period of time with this increment income. The property taxes attributable to the assessed value existing prior to redevelopment, the “original valuation,” continue to flow to all taxing jurisdictions just as they did prior to redevelopment. This condition continues for the duration of the established district, as defined by statute, or until all eligible project costs are funded, whichever is of shorter duration.

SECTION 3: BUILDINGS AND FACILITIES

The proposed redevelopment district is located within the city limits of Wichita, Kansas. The district is bounded on the south by Douglas Avenue, on the west by Hillside Avenue, on the north by 1st Street North and includes property adjacent to Rutan Avenue on the east (see Exhibit “A” attached hereto). The district includes several smaller commercial retail stores, medical office buildings and a drive-in restaurant, located mainly along Douglas and Hillside Avenues, and some older single-family residential homes located mainly on Victor and First Street. Until it was recently demolished, it also included a high-rise office building at Douglas and Rutan that served as the original location of the Wichita Clinic and later as the regional offices of the Kansas Department of Social and Rehabilitative Services.

The proposed redevelopment district is an area that meets the criteria for designation as a

“conservation area” as defined by state law governing the establishment and financing of redevelopment districts. Property located within conservation areas are legally eligible for establishment of a redevelopment district.

SECTION 4: REDEVELOPMENT AND PROJECT AREAS

It is anticipated that the portion of the redevelopment district that was once occupied by the Wichita Clinic/SRS building and parking lots, and certain other adjacent property, will be designated as the “project area” under the redevelopment project plan, which must be adopted by the City Council by a 2/3 majority vote before the expenditure of any tax increment financing funds. The plans for redevelopment of the project area generally calls for construction of a high-rise apartment/condo building with an attached parking structure, brownstone-type town homes and retail space.

Tax increment financing may be used to pay for the purchase of real estate and site preparation including the demolition of structures and utility relocations, as well as on public infrastructure improvements, such as streetscape, public parking, utility extensions, landscaping and public plazas. Tax increment financing may not be used for construction of any buildings owned by or leased to a private, nongovernmental entity.

SECTION 5: CONCLUSION

After the establishment of the redevelopment district, any redevelopment projects to be funded with tax increment financing will be presented to the Governing Body for approval through the adoption of a Redevelopment Project Plan. The Project Plan will identify the specific project area located within the established tax increment financing district and will include detailed descriptions of the projects as well as a financial feasibility study showing that the economic benefits out-weigh the costs. The Project Plan must be reviewed by the Metropolitan Planning Commission and submitted to a public hearing following further notification of property owners and occupants, before it can be adopted by a two-thirds majority vote of the Governing Body. Only then can tax increment income be spent on the redevelopment projects.

Tax increment financing does not impose any additional taxes on property located within the redevelopment district. All property within the district is appraised and taxed the same as any other property. However, if property within the district increases in value as a result of redevelopment, the resulting increment of additional tax revenue is diverted to pay for a portion of the redevelopment costs.

Proposed Douglas & Hillside Redevelopment District

City of Wichita, Kansas

-  Proposed Douglas & Hillside Redevelopment District
-  Property Parcels within Redevelopment District
-  Property Parcels outside Redevelopment District

Software: ArcGIS 9.2
 Hardware:
 Printer: Xerox 7200DN

Map Data Source:
 Property Parcels provided by Sedgwick County GIS.

Road Centerlines provided by City of Wichita

Location: x:\giswork\projwork\nraidoug_hlisd.mxd
 Printed 05/25/2006

It is understood that while the City of Wichita Data Center Geographical Information Systems Department have no indication and reason to believe that there are inaccuracies in information incorporated in the base map, the Data Center-GIS per



EXHIBIT "A"

Douglas & Hillside Redevelopment District

LEGAL DESCRIPTION OF PROPOSED COLLEGE HILL URBAN VILLAGE PROJECT AREA

All property located between Douglas Avenue on the south, First Street North on the north, Hillside Avenue on the west and Rutan Avenue on the east, within the I.R.R. Subdivision; and lots 2, 4, 6, 8, 10 and 12 on Rutan Avenue in Roembach's Addition; and beginning at the northeast corner of Lot 1 on Rutan Avenue in College Hill Addition, then east 151.25 feet, then south 150 feet then west 151.25 feet, then north 150 feet to the point of beginning; and beginning at the southwest corner of College Park on Douglas Avenue, then east 137 feet; then north 130 feet, then east 13 feet, then north 106.75 feet, then west 150 feet, then south 236.75 feet to the point of beginning; in Wichita, Sedgwick County, Kansas.

RELOCATION ASSISTANCE PLAN

(K.S.A. 12-1777)

1. Assistance for the relocation of persons, families or businesses from property acquired by the City of Wichita in conjunction with the College Hill Urban Village Redevelopment Project has been negotiated and included in the purchase price of property to be acquired.
2. No persons or families residing in the Project Area will be displaced as a result of the proposed redevelopment project unless and until there is a suitable housing unit available and ready for occupancy by such displaced person or family at rents within their ability to pay. Such housing units shall be suitable to the needs of such displaced persons or families and must be a decent, safe, sanitary and otherwise standard dwelling.
3. There are no retailers, as defined by K.S.A. 79-3702, and amendments thereto, that will be relocated from the redevelopment district as a result of the College Hill Urban Village Project.

Douglas & Hillside Redevelopment District

DESCRIPTION OF PROPOSED COLLEGE HILL URBAN VILLAGE PROJECT

The College Hill Urban Village Project consists of the acquisition of real property and demolition and removal of the existing structures in the Project Area (see attached district map) and the construction of five major project components and associated infrastructure and landscaping (see attached Site Plan). The Project Area is currently owned by or under contract to Loveland Properties, L.L.C. The five project components include:

1. **Northeast Brownstone Complex** – located at the northeast corner of Victor and Rutan, the residential condominium complex will consist of multi-level brownstone-type row houses with incorporated 2-car garages and storm shelters. Amenities may include guest parking, common landscaped areas, pool and recreation shelter. Construction is anticipated to begin in mid 2007 and be completed in the spring of 2008 at an estimated construction cost of approximately \$5.1 million.
2. **Condominium Tower and Brownstone Complex** – located at the northwest corner of Victor and Rutan, the residential condominium complex will consist of a central high-rise tower with underground resident parking and surface parking for guests, and adjacent multi-level brownstone-type row houses with incorporated 2-car garages and storm shelters. The high-rise condominium tower will include units varying in size of approximately 1,000 SF and up. Lower levels of the tower will contain service and amenity areas that may include offices, common multi-purpose rooms, fitness center and pool. Construction is anticipated to begin in the fourth quarter of 2007 and be completed in the first quarter of 2009 at an estimated construction cost of approximately \$30.5 million.
3. **West Brownstone Complex** – located immediately west of the high-rise condominium tower, the residential condominium complex will consist of multilevel brownstone-type row houses with incorporated 2-car garages and storm shelters. Amenities may include guest parking, common landscaped areas, pool and recreation shelter. Construction is anticipated to begin in the first quarter of 2008 and be complete in the fourth quarter of 2008 at an estimated construction cost of approximately \$4.6 million.
4. **South Retail/Residential Complex** – located generally at the northwest corner of Douglas and Rutan, south of the high-rise condominium tower, the retail/residential condominium complex will consist of a multi-story mixed-use building along Douglas at the corner of Rutan, multi-level brownstone type row houses with

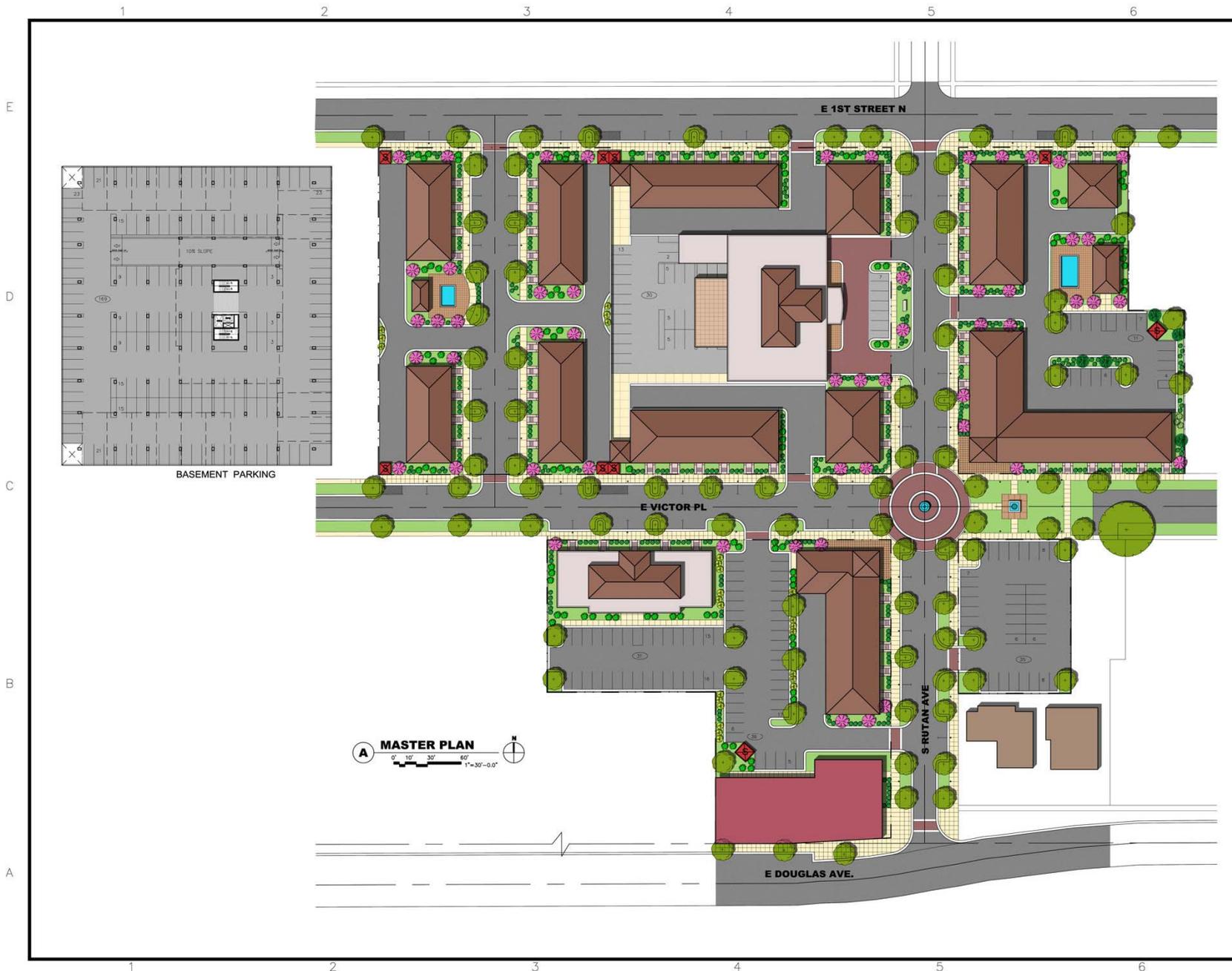
incorporated 2-car garages and storm shelters and retail space at the corner of Rutan and Victor, and a multi-story building of flats facing Victor. Depending on market demand, the brownstone component and flat component may be replaced with additional retail/office space or other uses allowable under the PUD. The flats building will be supported with surface parking and the retail space will have dedicated parking lots containing approximately 69 cars. Construction is anticipated to begin in the second quarter of 2008 and be completed in the second quarter of 2009 at an estimated construction cost of approximately \$6.7 million.

5. **Public Improvements** – will include reconstruction of Victor Place and Rutan Avenue, including a round-about with public art at the intersection of the two street, utility relocation, landscaping and decorative street lights in the public right-of-way, two public parking lots and the conversion of a short segment of Victor Place east of Rutan into a public park area. Construction is expected to start in October 2007 and be completed in July 2008, at an estimated cost of \$1.3 million.

USE OF TAX INCREMENT FINANCING

The City of Wichita has undertaken the legal steps necessary to establish a redevelopment district pursuant to state laws (K.S.A. 12-1770 *et seq.*) in order to use tax increment financing ("TIF") to fund a portion of the redevelopment project costs, subject to a development agreement with College Hill Urban Village, L.L.C. ("CHUV LLC"). Upon adoption of this project plan, the City will have established its authority under state law to issue general obligation bonds to finance the TIF-funded improvements, which bonds will be repaid from the incremental increase in property taxes resulting from the redevelopment of the Project Area. The TIF-funded improvements consist of the following:

- **Property Acquisition** – The City will purchase or reimburse CHUV LLC for acquisition of the property within the Project Area, for a total cost not-to-exceed \$3,050,000.
- **Demolition costs** – The City will pay the costs of demolished the remaining structures located within the Project Area, at an estimated cost of \$100,000.
- **Public improvements** – The City will undertake the construction of the public improvements listed above, at an estimated cost of \$1,300,000.
- **Total TIF** – funded costs -- \$4,450,000.



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 DATE: 11/15/06

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CONDOS ON DOUGLAS

Work	Date	Description

MASTER PLAN

Job No.	1142.000	1
Date	11/15/06	OF
Drawn	NSS	
Checked		1 of 1

College Hill Urban Village - Site Plan



College Hill Urban Village - Bird's Eye View



College Hill Urban Village - Retail/Lofts at Douglas and Rutan



 **Gossen Livingston**
Architecture

 **LOVELAND**
PROPERTIES

College Hill Urban Village - View from Roundabout



 **Gossen Livingston**
Architecture

 **LOVELAND**
PROPERTIES

College Hill Urban Village - Rutan Ave.



 **GossenLivingston**
Architecture

 **LOVELAND**
PROPERTIES

College Hill Urban Village - Victor Place

RESOLUTION

A RESOLUTION OF THE WICHITA-SEDGWICK COUNTY METROPOLITAN AREA PLANNING COMMISSION FINDING THAT THE CITY OF WICHITA, KANSAS REDEVELOPMENT PROJECT KNOWN AS THE DOUGLAS AND HILLSIDE REDEVELOPMENT DISTRICT IS CONSISTENT WITH THE COMPREHENSIVE GENERAL PLAN FOR THE DEVELOPMENT OF THE CITY OF WICHITA, KANSAS.

WHEREAS, by Ordinance No. 47-098 adopted August 15, 2006, and published August 17, 2006, the City of Wichita established a redevelopment district pursuant to K.S.A. 12-1770 et. seq., as amended, known as the Douglas and Hillside Redevelopment District; and

WHEREAS, the City, by Resolution No. 06-342 passed June 6, 2006, adopted a redevelopment district plan which identifies proposed redevelopment project areas and proposed buildings and facilities to be constructed or improved; and

WHEREAS, the City of Wichita proposes to undertake a Redevelopment Project within the Douglas and Hillside Redevelopment District, known as the College Hill Urban Village Project, consisting of a high-rise residential tower, several brownstone-typ row houses, retail space, flats and loft apartments, and related public improvements as set out in the Redevelopment Project Plan; and

WHEREAS, the City has prepared a Redevelopment Project Plan for said Project in accordance with K.S.A. 12-1772 and is considering the adopting of the Plan; and

WHEREAS, a relocation assistance plan under K.S.A. 12-1777 is included in the Redevelopment Project Plan; and

WHEREAS, K.S.A. 12-1772 provides that any City proposing to undertake a redevelopment project within a redevelopment district shall prepare a redevelopment project plan in consultation with the planning commission of the City; and

WHEREAS, the City's proposed redevelopment project plan has been presented to and reviewed by the Wichita-Sedgwick County Metropolitan Area Planning Commission;

NOW, THEREFORE, BE IT RESOLVED BY THE WICHITA-SEDGWICK COUNTY METROPOLITAN AREA PLANNING COMMISSION:

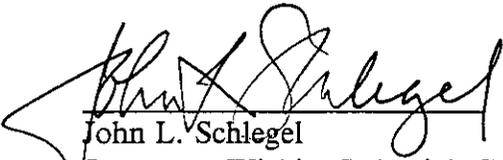
SECTION 1. It is hereby, after due consideration, found that the redevelopment project plan for the redevelopment project known as the College Hill Urban Village Project is consistent with the comprehensive general plan for the development of the City of Wichita, Kansas.

PASSED AND APPROVED by the Wichita-Sedgwick County Metropolitan Area Planning Commission, this 7th day of December, 2006.

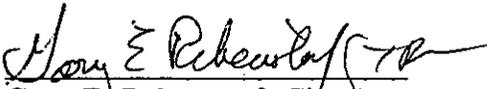
(Seal)


CHAIRMAN OF THE WICHITA-
SEDGWICK COUNTY METROPOLITAN
AREA PLANNING COMMISSION

ATTEST:


John L. Schlegel
Secretary, Wichita-Sedgwick County
Metropolitan Area Planning Commission

APPROVED AS TO FORM:


Gary E. Rebenstorf, City Attorney