



EXTENDED SPECIAL ASSESSMENT FINANCING PROGRAM

June 2008

PROGRAM DESCRIPTION: The City Council has approved offering 20-year special assessment financing - on a case-by-case basis in special situations for 1) residential developments with extraordinary development costs and 2) existing Wichita residential neighborhoods without municipal services (sewer, water, storm sewers, paving). The purpose of this program is to keep special assessment financing from creating a financial burden for buyers who purchase homes in developments that have incurred higher than typical development costs due to extraordinary development situations.

APPLICATION PROCESS:

Applications may not be submitted for review until all of the bids for the project have been received. Each application for 20-year special assessment financing must include submittal of a complete [20-Year Assessment Project Profile Application](#). The Profile will provide the developer's responses to the following issues:

- Price range of properties in subdivision.
- Estimated monthly per lot cost for the special assessment taxes calculated (and labeled) for both 15 and 20-year assessments.

The developer is required to also include the following supporting material with the application:

- A cover letter providing the following information:
 - Brief introduction of the developer and subdivision, including location.
 - A list and detailed description of excessive infrastructure costs that qualify the project(s) for 20 year special financing.
- Marketing materials provided to consumers, including renderings and prices for the available house plans, and a copy of the subdivision plat showing lot sales.
- Two spreadsheets showing the costs per lot spread on both 15 and 20-year assessments.
 - One detailed spreadsheet with special assessment totals per lot and project.
 - One summary spreadsheet with the monthly special assessments by project.
 - Spreadsheets should be provided using the [standardized format](#).
 - Costs should be separated by project type and include the project number.
- Calculations for 15 and 20-year assessments should be based on the most recent bond sale [interest rates](#).

Development Assistance Center
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Phone: 316.268.4371 ■ Fax: 316.268.4519

Revised: June 2008



Projects in existing neighborhoods without municipal services are eligible for 20-year special assessment financing, with the approval of the City Engineer. In the case of new infill projects, the developer or his agent must submit a written request for 20-year financing at the time the infrastructure petitions are submitted. Requests should be sent to Joni Chamberlain, Engineering Division (JChamberlain@wichita.gov) and a copy to Cathy Gilley, Finance Department (cgilley@wichita.gov). For existing neighborhoods without municipal services, Engineering will prepare the petition, required notification and documentation.

Acceptable monthly range for 15-year special assessment financing: Projects within these monthly ranges will not be approved for 20-year special assessment financing:

Price Range of Property:	Monthly Special Assessment:
Up to \$100,000	\$100 maximum
\$100,001 - \$120,000	\$110 maximum
\$120,001 - \$150,000	\$135 maximum
\$150,001 - \$200,000	\$150 maximum
\$200,001 - \$300,000	\$160 maximum
\$300,001 - \$450,000	\$175 maximum
\$450,001 - \$600,000	\$190 maximum
\$600,001 - and up	\$220 maximum

Development cost drivers that may affect the project include:

- Sewer extensions
- Sewer lift stations
- Erosion controls around ponds and lakes
- Dams and weirs
- City sidewalks
- Collector streets
- Drainage improvements and mass grading
- Bridges
- Accel and Decel lanes
- Signalization costs
- NPDES compliance costs
- Sealing of retention ponds
- Engineering costs
- Paving of roads to entrance of subdivisions

Cost drivers (unless required by platting) that will not typically be considered to qualify a project for 20-year special assessment financing:

- Soil testing
- Water wells
- Landscaping
- Mailboxes
- Temporary access roads

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- Temporary utility costs
- Entry monuments and fencing (inclusive of walls)
- Lighting of walking paths
- Pools
- Park and play areas
- Clubhouses
- Art and statuary
- Grass (sod)
- Flagpoles

After the receipt of the Project Profile and other documentation, the committee will evaluate the application and invite the developer to discuss his application with the committee. After that discussion occurs, the committee will recommend approval or denial of the application to the City Council.

REVIEW/APPROVAL PROCESS: The City Council has appointed a committee consisting of City Council members, developers, and City staff to review and approve the applications for 20-year special assessment financing for new developments. The committee will meet quarterly to review the applications that have been received and recommend approval or denial of each application. The submittal and [meeting schedules](#) are based on the bond sale calendar. Applications are due the Friday three weeks prior to the meeting in order to provide the review committee adequate time to review the applications. The developer must be present at the review meeting for the application to be considered. The consulting engineer or other agents are welcome to attend with the developer.

If conflicts of interest arise for any member of the committee in the review of an application, another representative from the member's affiliate will be appointed to serve on the review committee for consideration of the particular application.

For further information and submittal of completed applications, contact Mark Elder, Development Analyst, City Manager's Office, 455 N. Main, Wichita, KS 67202. Phone: 268-4627; fax: 219-6414; email: Melder@wichita.gov.