

CENTER CITY SOUTH DISTRICT PLAN AMENDMENT:

On May 16, 2017, the City of Wichita voted 7-0 to seek amendment to the District Plan for the Center City South TIF District. This action begins a thirty day clock within which Sedgwick County and/or USD 259 may take action to affect the proposed change. Prior to June 14, 2017; BOCC may take one of the following actions:

1. Vote by simple majority to approve the amendment to the District Plan.
2. Vote by simple majority to veto the amendment to the District Plan.
3. Take no action, which allows the amendment to the District Plan to take effect.

CENTER CITY SOUTH TIF DISTRICT:

1. Created in 2007
 - a. Covered Exchange Place Area Only
2. Expanded to include Arena Area in 2008
 - a. Conditions for BOCC Approval of expanded TIF District
 - i. Restricted TIF eligible expenditures
 1. Specific street improvements; including streetscape, lighting, signage
 2. New parking facilities with a \$10 million cap on TIF expenditures for parking
 - ii. TIF Incremental revenues shared: 70% go to TIF; 30% go to tax authorities based on tax levies
 - iii. County Participation since 2010 in Center City South \$429,000
 1. \$110,000 in Exchange Place
 2. \$319,000 in Arena
3. District Plan Proposed Change
 - a. Allow for expenditures in Naftzger Park
 - i. Plan is to create an urban park that will be designed to maximize the space and provide opportunities for programming the space for different events.
 - ii. Naftzger family supports the proposed improvements
 - iii. City staff, police (HOT Team), Council member Williams, WDDC and others are working together with several churches to find other meal locations and offer needed resources for the park's homeless population.
 - iv. Meetings with Union Station have been held to discuss connecting the two areas. The sidewalk under the railroad bridge will continue to connect both venues. Partnering on several events is planned to maximize space and minimize duplication.
 - v. Statutorily TIF eligible expenditures
 - vi. No Change to Current County TIF Contribution
 - vii. New Project Plan

ADVERSE EFFECT ANALYSIS

1. Potential loss of tax revenue would hinder effective future delivery of public services.

- a. In tax year 2016, Sedgwick County's levy/contribution for the Center City South TIF District is \$68,000. The proposed amendment to the District Plan will not change the TIF tax levy, nor the contributions made to the TIF by any participating tax authority. The change allows the City of Wichita to utilize TIF funds for Naftzger Park improvements. Such expenditures were not included in the agreed upon expenditures when Center City South was expanded.*
- b. If the park improvements spur additional private sector development and subsequent increases in the tax base, the County, City and USD 259 will share 30% of any increase in the incremental taxes that result.*

2. Proposed project is economically feasible without county funding support.

- a. Current plans are to create an open, urban park with a stage that is designed for events, rather than the current park configuration.*
- b. Estimated project costs are approximately \$1.5 million. The TIF projections indicate revenue sufficient to repay \$1.5 million in costs funded with bonds. City staff estimates for a fully functional urban park are as high as \$3 million. The initial work to convert the park into an urban park will be set at \$1.5 million, financed by TIF bonds. The additional \$1.5 million, total \$3 million, would only be paid on a pay-as-you-go basis if TIF revenue exceeds the amount necessary to make payments on the TIF bonds.*
- c. The park is in need of major improvements to update it for urban park use, however the City does not have funds today to make these improvements and would not be able to do this project without TIF. With a new design the park can function to its potential and have a large impact in the downtown area.*

3. Proposed private equity funding is insufficient to effect default risk.

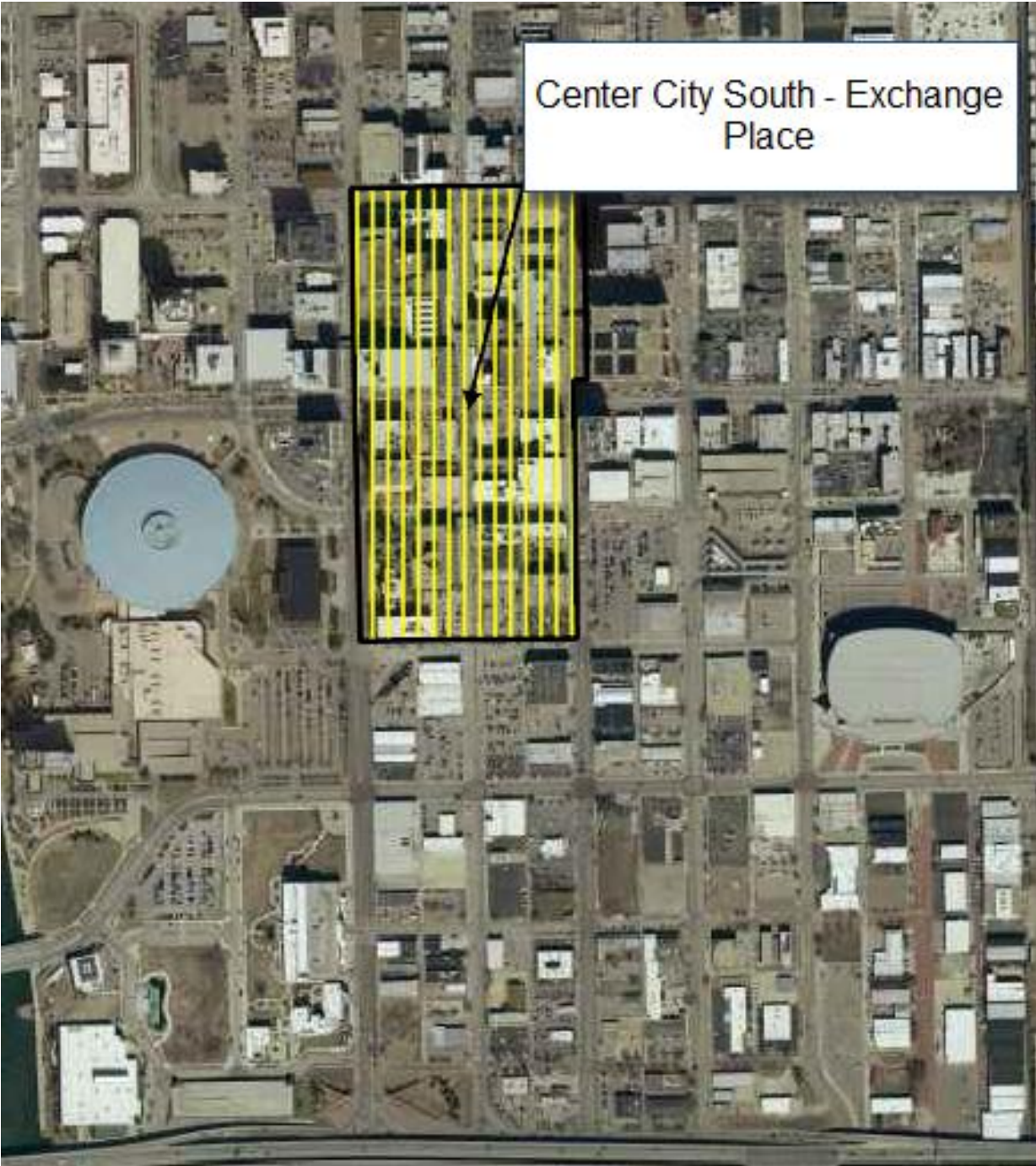
- a. No adverse effect can be determined since no private equity funding is included in the project to change Naftzger Park.*

4. Costs to county government are greater than benefits to county government.

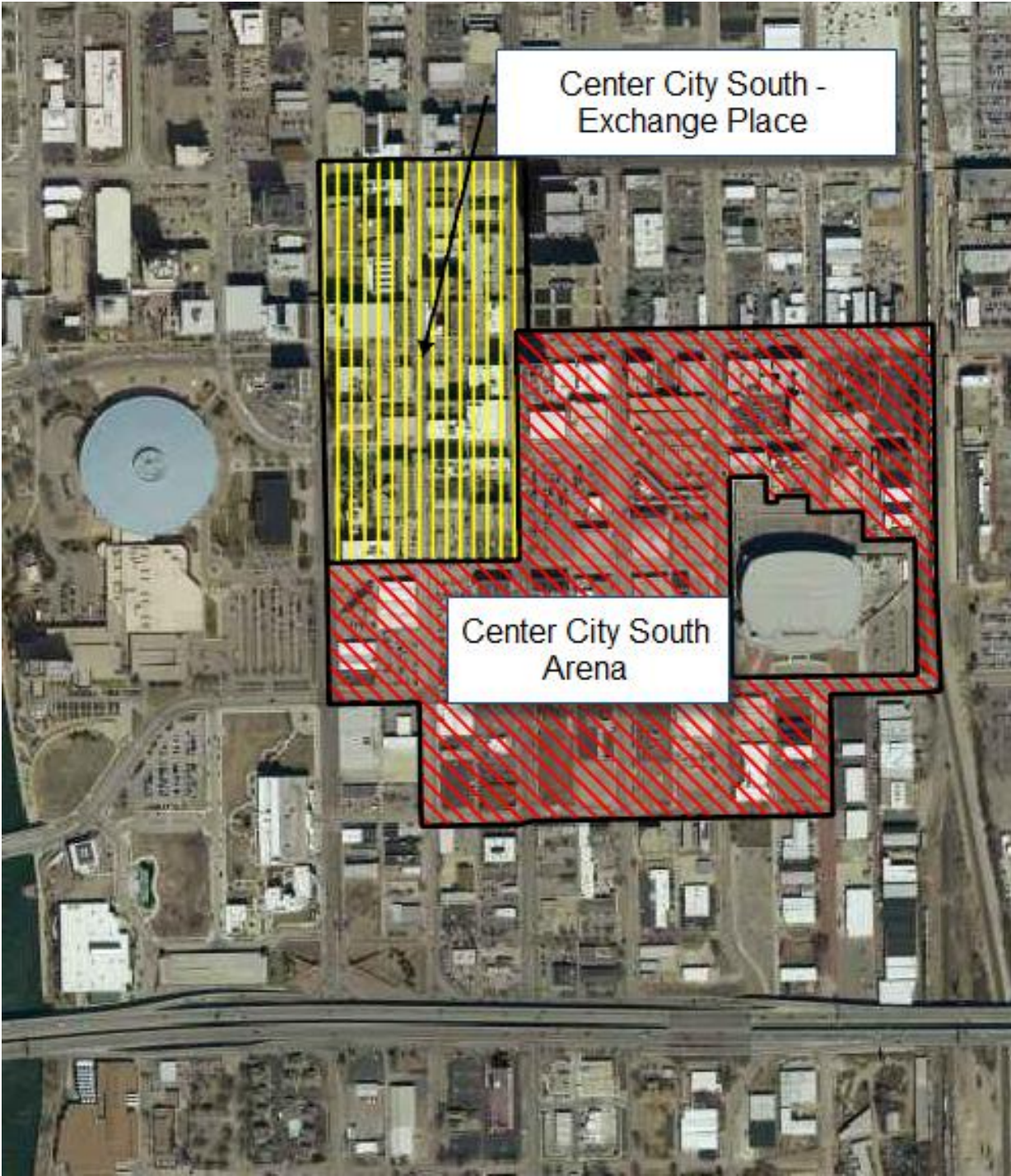
- a. Amending the District Plan will not increase or decrease the County contribution to the TIF District.*
- b. The high estimates for the park would reallocate up to \$615,000 in County TIF contributions over twenty years.*
- c. The project is designed to improve the usage and safety of the area in and around the park. Enhancing the experience for those utilizing Intrust Bank Arena may be an intrinsic benefit.*

5. Sufficient data or notification was not provided for county staff to adequately review the proposal for a TIF district.

- a. Information has been provided timely and upon request.*



Center City South - Exchange
Place



Center City South -
Exchange Place

Center City South
Arena