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525 North Main Street 3rd
Floor
Wichita, KS 67203

Legislation Details (With Text)

File #: 10-0287 **Version:** 1 **Name:** Real Estate Agreement
Type: Contract **Status:** Filed
File created: 8/13/2010 **In control:** Board of Sedgwick County Commissioners
On agenda: 8/25/2010 **Final action:** 8/25/2010
Title: PURCHASE OF REAL PROPERTY LOCATED AT SECOND STREET AND ST. FRANCIS IN WICHITA, KANSAS.
Presented by: Ron Holt, Assistant County Manager.

RECOMMENDED ACTION: Approve the contract and authorize the Chairman to sign.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Real Estate Purchase Contract, 2. Environmental Easement and Indemnity Agreement

Date	Ver.	Action By	Action	Result
8/25/2010	1	Board of Sedgwick County Commissioners	Failed	Fail
8/25/2010	1	Board of Sedgwick County Commissioners	Approved	Pass

PURCHASE OF REAL PROPERTY LOCATED AT SECOND STREET AND ST. FRANCIS IN WICHITA, KANSAS.

Presented by: Ron Holt, Assistant County Manager.

RECOMMENDED ACTION: Approve the contract and authorize the Chairman to sign.

Early on in the development of the INTRUST Bank Arena in downtown Wichita, it was recognized that an integrated downtown parking and shuttle system was a critical element for the Arena's success as well as the continuing resurgence of downtown Wichita. As such, with the opening of the Arena, the City of Wichita in collaboration with Sedgwick County, Wichita Downtown Development Corporation, Wichita Transit, INTRUST Bank Arena, and Century II, put into a place an integrated parking and transportation management system to oversee and provide coordination and marketing of the downtown parking assets. In support of the Downtown Wichita (Arena) Parking and Transportation plan, the following "Mission Statement" was developed:

"Our mission is to contribute to the success of the development of downtown Wichita by efficiently managing, marketing, and providing accessible and affordable parking and mobility services to the citizens and patrons attending events at the INTRUST Bank Arena and Century II."

The objectives of the Downtown Wichita (Arena) Parking and Transportation plan for the Arena and Century II are:

- To coordinate parking for arena events with Century II and Old Town to limit/reduce parking conflicts for these three areas;
- To maximize the use of the parking and transit assets as part of an interconnected parking and transit system;

- To simplify and coordinate public communications and public relations regarding the availability and pricing of parking, public transit, and other alternatives;
- To maintain safe, adequate, and affordable parking facilities while planning for the development of new parking facilities in a cost-effective manner;
- To coordinate between private lot owners around the Arena to increase the number of known public parking areas for arena events;
- To coordinate remote parking with shuttles; and,
- To consolidate public parking management to advance efficiencies, share existing parking assets, better distribute parking demand, and generally improve the overall parking experience for all user groups in downtown Wichita.

While the study area for the Downtown Wichita (Arena) Parking and Transportation plan consisted of approximately 169 city blocks, and, to some extent, address parking and mobility for this entire area, the plan primarily addresses event parking for the Arena and Century II the objectives of the Arena parking plan are:

- To allow for the efficient ingress and egress of traffic as well as to support economic development in downtown Wichita, dispersed parking is required;
- To adequately meet the demand for parking, the core parking assets of the plan should be city-owned lots supplemented with privately owned lots that are managed by the city for arena events;
- In response to user input, parking for arena events must be within four blocks of the Arena;
- In response to user input, if parking is more than four blocks from the Arena, then either the parking is within direct view of an arena entrance or is located on a shuttle services route; and,
- Parking assets to be used for arena events must be managed in a fashion that reduces/eliminates conflicts with Century II events and Old Town businesses.

The core parking assets for the plan for arena events are the following publicly owned lots:

- Lot A: State Office Building Garage, NW Corner of Emporia and William 457 spaces
- Lot B: State Office Building Surface Lot, SW Corner of William and Topeka 175 spaces
- Lot C: New Surface Lot, SE Corner of Lewis and Emporia 196 spaces
- Lot D: Expanded Surface Lot, SW Corner of Waterman and Mead 470 spaces

To supplement the core parking assets, the City of Wichita has contracted with a number of private owners to make their parking lots available for arena events, operated and managed by the city. In addition, Sedgwick County and the INTRUST Bank Arena has partnered with Wichita Transit to provide the Q-Line Trolley six days a week and expanded shuttle services as appropriate, respectively. Through the first six months of the arena operations, the Downtown Wichita (Arena) Parking and Transportation plan has worked very well and has exceeded expectations.

The Downtown Wichita (Arena) Parking and Transportation plan recognizes and assumes that as redevelopment occurs around the Arena, displaced public parking should be replaced and additional parking should be added to meet the demand generated by the new development. In fact, the Downtown Wichita Master Plan, currently under development, contemplates that Lot B (175 spaces) and one of the privately owned lots - Spaghetti Works (130 spaces) are prime locations for new development. As such, to continue to meet/exceed the expectations of users of the arena, having replacement parking is prudent.

Acquisition of the Coleman property would more than adequately fulfill the need for replacement parking as development begins to occur downtown. The Coleman property meets the following objectives of the Arena Event Parking aspect of the Downtown Wichita (Arena) Parking and Transportation plan:

- 500 regular spaces and 14 accessible parking spaces for a total of 514 spaces
- Purchase price of approximately \$3.28 per square foot compared to the listing price of approximately \$6.83 per square foot.
- Allows for efficient ingress and egress of traffic
- Parking is within direct view of entrance C of the Arena
- Parking is on the established Q-Line route
- Publicly owned parking at this location helps ensure that the arena event parking does not conflict with Old Town businesses.

Analysis: The property proposed for purchase includes tracts of land on both the northeast corner and the southeast corner of St. Francis & Second streets located in the City of Wichita. The northeast tract is improved for surface parking and is zoned "LI" Limited Industrial, and the southeast tract contains a multi-story factory building and unimproved open area and is zoned "CBD" Central Business District. Each zone permits, by right, the use of the tracts for a commercial parking lot. The total acreage contained in the two tracts is approximately 183,000 square feet, or about 4.2 acres, according to the records of the Sedgwick County Appraiser. This property was listed for sale \$1,250,000.00, and the proposed purchase price is \$600,000.00. The listing price converts to a cost of approximately \$6.83 per square foot, and the proposed purchase price represents a cost per square foot of approximately \$3.28. Both prices factor in the limited use that can be made of the property due to the ongoing environmental remediation. Neighboring properties without direct remediation have sold in a range of \$16.00 per square foot to \$50.00 per square foot. The proposed purchase price also takes into consideration the necessity to demolish all of the structures on the site (estimated cost approximately \$300,000.00) and the cost to pave or re-pave the tracts for the proposed intended use for surface parking (approximately \$600,000.00).

The southeast tract is located within the Gilbert-Mosely Redevelopment District. A certificate and release of environmental conditions as to such tract has been obtained from the City of Wichita. The Coleman Company will remain responsible for environmental remediation at the site except for asbestos removal during demolition. Coleman will indemnify the County for Environmental conditions which exist at the property. The Kansas Department of Health and Environment has approved an Environmental Use Control which is consistent with the County's use of the property for parking.

The property is located within the historic preservation environs of the Old Town historic district and the old Wichita High School. Demolition of structures will require review by the Historic Preservation Board and, depending on the outcome of the HPB's review, by the Wichita City Council.

Alternatives: N/A

Financial Considerations: N/A

Policy Considerations: N/A

Outside Attendees: N/A

Multimedia Presentation: N/A