

Sedgwick County... working for you





## LETTER OF INTENT

This Letter of Intent serves to memorialize the current understanding between Sedgwick County ("County"), the City of Wichita ("City"), Wichita State University ("WSU"), Wichita State Innovation Alliance ("WSIA") and MWCB, LLC ("MWCB"), with regard to the development, construction, and operation of the Law Enforcement Training Center ("LETC"). All parties understand and acknowledge that this Letter is merely an expression of intent to negotiate funding and operating agreements consistent with the terms expressed herein, and any other agreements needed to give effect to the intent of the parties. This Letter will have no force or effect in the absence of this matter being discussed and voted upon in open meeting by the governing bodies of both the County and City.

1. <u>General Intent</u>. It is the intent of the parties to locate the Law Enforcement Training Center ("LETC") on the Wichita State University Innovation Campus. It is understood by the parties that the LETC will occupy two floors of a three-floor building, and that the Wichita State University Department of Criminal Justice will occupy a portion of a third floor.

2. <u>Preliminary matters</u>. It is agreed that as of the date of this Letter, the land upon which the LETC is to be built is currently owned by WSU, and that to effectuate this project, WSU will execute a 99-year land lease between WSU and WSIA, at a cost to WSIA of \$1.00 per year.

3. Ownership and Tenancy. It is the understanding of the parties that WSIA will then sublease that same land to the developer of the project, MWCB, Inc., also with a 99-year lease, and also for \$1.00 per year. It is agreed further that MWCB will then construct the LETC building, consistent with their proposal to the County, and that while the building is under construction, the building will be owned by MWCB. After completion of the construction, the LETC building will be jointly purchased from MWCB by the County and City. The LETC will be jointly owned by the County and City, either directly or through a partnership entity that may be formed by them, and the County and City (or their partnership entity) will also assume MWCB's 99-year sublease of the land.

4. <u>Wichita State Innovation Alliance contribution</u>. It is the understanding of the parties that WSIA will provide to the LETC site the following: all storm water, utilities, paving, landscaping, irrigation and fiber network, as described in the MWCB proposal to the County, at no extra cost to the County or City.

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5. <u>Wichita State University contribution</u>. It is the understanding of the parties that WSU will contribute the following to this project: (1) construction and maintenance of approximately 200-250 parking spaces that will be solely dedicated to the LETC; (2) full utilization of all other University facilities, including, but not limited to the Rhatigan Student Center and the Heskett Center, both during and after construction of the LETC; and (3) all operating and maintenance costs of the LETC building for the first five (5) years of the LETC operation.

6. <u>City of Wichita, Kansas</u>. It is the understanding of the parties that the City of Wichita, Kansas, will pay to MWCB (or to the City's partnership entity with the County, which in turn will remit that payment to MWCB) an amount equal to fifty percent (50%) of the total construction cost associated with the construction of the LETC, as described more fully in MWCB's proposal to the County. Said payment by the City is expected to be approximately \$4,750,000. In any event, the City's obligation to this project is not to exceed \$5,000,000.

7. <u>Sedgwick County, Kansas</u>. It is the understanding of the parties that Sedgwick County will pay to MWCB (or to the County's partnership entity with the City, which in turn will remit that payment to MWCB) an amount equal to fifty percent (50%) of the total construction cost associated with the construction of the LETC, as described more fully in MWCB's proposal to the County. Said payment by the County is expected to be approximately \$4,750,000. In any event, the County's obligation to this project is not to exceed \$5,000,000.

8. <u>Other expenses.</u> It is further understood that certain costs related to furniture and equipment, technology, and expenses of moving, are not part of the MWCB proposal, and those costs will be shared equally by the County and City.

9. <u>Future operating and maintenance costs</u>. It is the understanding of the parties that, after the first five (5) years, all operating and maintenance costs will be assessed on a pro-rata usage share basis between WSU, and the County and City (or the County and City's partnership entity). It is further understood by the County and the City that they will contribute equally to the balance of the operating and maintenance costs that remain after the pro-rata contribution from Wichita State University.

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## SEDGWICK COUNTY, KANSAS

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JAMES M. HOWELL, CHAIRMAN COMMISSIONER, FIFTH DISTRICT

5/17/2016 Date

## WICHITA STATE UNIVERSITY

JOHN W. BARDO PRESIDENT

5/24/2016 Date

## CITY OF WICHITA, KANSAS

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WICHITA STATE INNOVATION ALLIANCE

JOHN S. TOMBLI PRESIDENT

<u>le - le - 16</u> Date

MWCB, LLC

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STEVE BARRETT

MEMBER

6/8/2016