



City Council Committee Meeting Notice

CITY COUNCIL
City Hall, 215 SE 7th Street, Suite 255
Topeka, KS 66603-3914
Tel: (785) 368-3710
www.topeka.org

Committee: Public Infrastructure
Meeting Date: September 16, 2025
Time: 11:00am
Location: 1st Floor Conference Room; Cyrus K. Holliday Building 620 SE Madison
virtual attendance option is available

Agenda:

1. Call to Order
2. Approval of August 19, 2025 Meeting Minutes
3. Presentation and Discussion
 - a. Potential Economic Impact of a KTA Interchange at 29th Street and California.
4. Action Items
 - a. Capital Improvement Project (CIP) Project Exceeding \$250K: River Weir - Crest Cap Project No 281255.04.
 - b. Capital Improvement Project (CIP) Project Exceeding \$250K: Oakland Waste Water Treatment Plant Ferric Chloride Tank System Project No. 291150.02.
 - c. Capital Improvement Project (CIP) Project Exceeding \$250K: NW Menninger Road Project Nos. 841097.06, 841099.08, 501105.16, 501107.09.
5. Other Items
 - a. Facilities Improvements, Repair and Maintenance Program (FIRM) Project Nos. 131083.11 and 131083.12.
6. Public Comment
7. Adjourn

NOTICE: Next scheduled meeting is October 21, 2025; 1st Floor Conference Room at the Holliday Building

STAFF REQUESTED: City Manager Dr. Robert M. Perez, Deputy City Manager Braxton Copley, Interim City Attorney Nick Jefferson, Public Works Director Steve Groen, Deputy Director Public Works Jason Tryon, Division Director of Budget and Finance Josh McAnarney, Deputy Utilities Director Nicole Malott

Members: Sylvia Ortiz - District 3
David Banks (Chair) - District 4
Neil Dobler - District 7

Contact: Tonya Bailey, Senior Executive Assistant
Tara Jefferies, Senior Executive Assistant
Council Office councilassist@topeka.org 785-368-3710



CITY OF TOPEKA

CITY COUNCIL COMMITTEE MEETING MINUTES

PUBLIC INFRASTRUCTURE COMMITTEE

CITY COUNCIL
City Hall, 215 SE 7th Street, Suite 255
Topeka, KS 66603-3914
Tel: 785-368-3710
Fax: 785-368-3958
www.topeka.org

Date: August 19, 2025

Time: 11:00 a.m.

Location: 1st Floor Conference Room; Cyrus K. Holliday Building 620 SE Madison
(virtual attendance option also available)

Committee members present: Councilmember Sylvia Ortiz (zoom). David Banks (Chair) and Neil Dobler.

Council member present: Councilmember Michelle Hoferer.

City staff present: Deputy City Manager Braxton Copley, Assistant City Manager Avery Moore, City Attorney Amanda Stanley, Senior Attorney Brandy Roy-Bachman, Utilities Director Sylvia Davis, Deputy Director Nicole Malott, Public Works Director Steve Groen.

Call to Order

Committee chair Banks called the meeting to order at 11:00 am.

Approval of July 15, 2025 Meeting Minutes

Committee member Neil Dobler made a motion to approve the July 15, 2025 meeting minutes. Committee member Sylvia Ortiz seconded. Motion approved 3-0-0.

Abate Special Assessment Penalties

Deputy City Manager Braxton Copley spoke to the agreement with three properties with Marney Properties L.L.C. and the City of Topeka to abate City special assessments penalties to certain property in Lauren's Bay Estates when the property taxes and special assessments are paid in full.

Councilmember Ortiz asked for the total cost of special assessment penalties. Deputy City Manager Copley responded he currently did not have that amount for the three parcels. He continued to expand on the proposed Ordinance how it would allow for the waiver of penalties on past due special assessments.

Councilmember Dobler asked for clarification the Shawnee County only charges for penalties on special taxes only. City Attorney Amanda Stanly confirmed and stated Kansas law states there are penalties on special taxes and the funds are not seen by City. She continued to expand on the City of Topeka's structure for the back due taxes

and back due specials. She added Shawnee County does not have the authority to wave the penalties on special taxes. Lastly, the only way the County will wave the special tax penalties is with an Ordinance from the City directing them. Stanley confirmed the proposal was discussed with former Planning and Development Services Director Rhiannon Friedman, Shawnee County and Marney Properties.

Councilmember Hoferer asked for confirmation if the three parcels are scheduled for the tax sale. City Attorney Stanley confirmed they are currently not scheduled for the tax sale.

MOTION: Committee member Dobler made a motion to approve and move forward to the Governing Body for action. Committee member Banks seconded. Motion approved 3-0-0.

Capital Improvement Project (CIP) Project Exceeding \$250K: Water Pollution Control (WPC) Facility Rehabilitation Program Project: Wastewater Treatment Plant (WWTP) Building B Renovation and Addition. Project Nos. 291123.01, 291149.01.

Utilities Director Sylvia Davis spoke to the renovation and addition to the existing Wastewater Treatment Plant Building B. The total construction cost would be \$1,106,000 with an additional \$93,500 for owner responsible items including re-routing IT equipment, security and temporary construction costs. The project is using cash as the funding source. The building will house staff in a safer environment, accommodate Americans with Disabilities Act (ADA) requirements, and allow for more efficient operations. She stated the Utilities Department will be partnering with Public Works on the project, and will be managed by Deputy Director Public Works Jason Tryon.

Councilmember Hoferer questioned the time frame for the project to begin if approved. Director Davis stated with Governing Body approval there is a contract that construction can begin right away. She added there is a desire to begin soon to be able to complete the parking lot with asphalt before winter 2026.

MOTION: Committee member Dobler made a motion to approve and move forward to the Governing Body for action. Committee member Ortiz seconded. Motion approved 3-0-0.

Amending the 2025-2034 CIP and the 2025-2027 CIB: 21st Street, Buchanan to Washburn Waterline. Project Nos. 281293.03.

Utilities Director Sylvia Davis spoke to the project for waterline improvements on 21st Street from Buchanan to Washburn including the continuation of the 21 Street transmission line replacement. The project is exceeding the \$250k. The installation of 1,200 feet of 24" transmission line from Buchanan to Washburn. She added the project will be sourced from cash and revenue bonds at \$2,211,520. Lastly, she added

with approval and ability for construction materials it is the hope to get to bid by the end of the year 2025 with construction beginning March 2026 through October 2026.

Councilmember Hoferer questioned road closer of 21st Street and expressed the importance that area businesses have as much road access as possible. Deputy Director Nicole Malott spoke to the partial and complete road closures. There will be four phases; ranging from short closures up to six to sixteen weeks at a time. She confirmed businesses have been notified of the phasing of road closures and communication for gaining access has been discussed.

MOTION: Committee member Ortiz made a motion to approve and move forward to the Governing Body for action. Committee member Dobler seconded. Motion approved 3-0-0.

Capital Improvement Project (CIP) Project Exceeding \$250K: Stonybrook Drive Waterline. Project Nos. 281250.01, 281300.09, 501106.11.

Utilities Director Sylvia Davis spoke to the project for waterline improvements on Stonybrook Drive. She added there will be a replacement of approximately 6,730 linear feet of 2"-8" PVC waterlines and sewer lines along SW Stonybrooke Drive. The project is estimated at \$2,149, 205; using cash and revenue bonds as the funding source. Lastly, the design is complete, ready for bid pending Governing Body approval and is projected for March 2026 through September 2026.

MOTION: Committee member Dobler made a motion to approve and move forward to the Governing Body for action. Committee member Ortiz seconded. Motion approved 3-0-0.

Capital Improvement Project (CIP) Project Exceeding \$250K: SW Martin Drive. Project Nos. 841098.07, 841074.15, 501107.08.

Public Works Director Steve Groen spoke to amending the 2025-2034 Capital Improvement Program (CIP) and the 2025-2027 Capital Improvement Budget (CIB) to increase the budget for street and stormwater improvements of SW Martin Drive from 41st to 42nd Street. The project will consist of complete reconstruction of SW Martin Drive and will be funded under the Pavement Management Program. There will also include a storm inlet box replacement conducted. He stated pending approval from the Governing Body the project will go to bid and commence with construction later in 2025.

Councilmember Hoferer questioned how the project will affect area businesses. Public Works Director Groen confirmed industrial properties will be provided with project details and will be able to maintain access for their business.

MOTION: Committee member by Ortiz made a motion to approve and move forward to the Governing Body for action. Committee member Dobler seconded. Motion approved 3-0-0.

Other Items:

Committee member Ortiz spoke to the new Fleet Service building at 3501 S. Kansas Avenue and the importance to show the City where the dollars have been spent. She suggested an Open House or Ribbon Cutting for staff and the public to view the building. Public Works Director Groen confirmed once all final items are complete there will be something scheduled.

Public Comment:

No Public Comments.

Adjourned 11:26 a.m.

This meeting can be viewed online at: <https://youtu.be/zleOjsAOT8E>



**City of Topeka
Public
Infrastructure
Committee**

214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

DATE: September 16, 2025

CONTACT: Braxton Copley, Deputy City Manager
Andy Pfister, Development Strategies

SUBJECT: Potential Economic Impact of a KTA Interchange at 29th Street and California

PROJECT #:

DOCUMENT DESCRIPTION:

Presentation and discussion for the Potential Economic Impact of the Kansas Turnpike Authority (KTA) Interchange at 29th Street and California.

ATTACHMENTS:

Presentation
Memo (September 9, 2025)

An aerial photograph of the city of Topeka, Kansas, showing a dense urban landscape with various buildings, parking lots, and streets. The image is overlaid with a semi-transparent blue filter. The text is positioned in the upper left quadrant of the image.

INFRASTRUCTURE COMMITTEE MEETING

TOPEKA INTERCHANGE ANALYSIS DEVELOPMENT IMPACT ANALYSIS

PREPARED FOR THE
CITY OF TOPEKA, KANSAS

September 2025

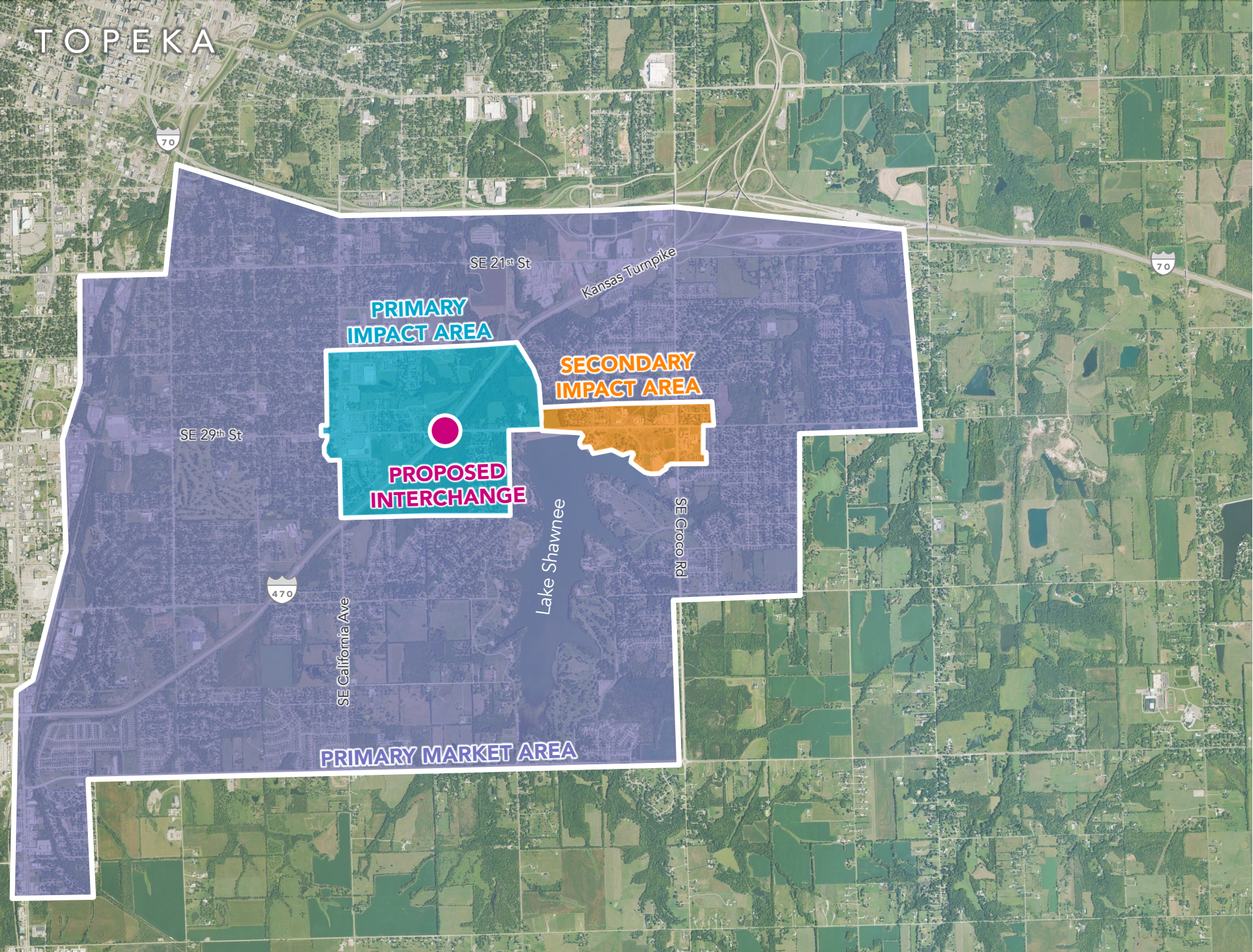
DEVELOPMENT STRATEGIES

Why are we here?

- 1 PROJECT OVERVIEW
- 2 STUDY AREAS
- 3 DEVELOPMENT POTENTIAL
- 4 FISCAL IMPACTS
- 5 ECONOMIC IMPACTS
- 6 CONCLUSIONS

SITE CONTEXT
PMA & IMPACT AREAS

TOPEKA



SITE CONTEXT PHYSICAL ANALYSIS

PRIMARY IMPACT AREA

SECONDARY IMPACT AREA

SE California Ave

SE 29th St

Kansas Turnpike

City Boundary

SE Croco Rd

Lake Shawnee

470

Source: FEMA

- 1% Annual Chance Flood Hazard
- Regulatory Floodway
- 0.2% Annual Chance Flood Hazard

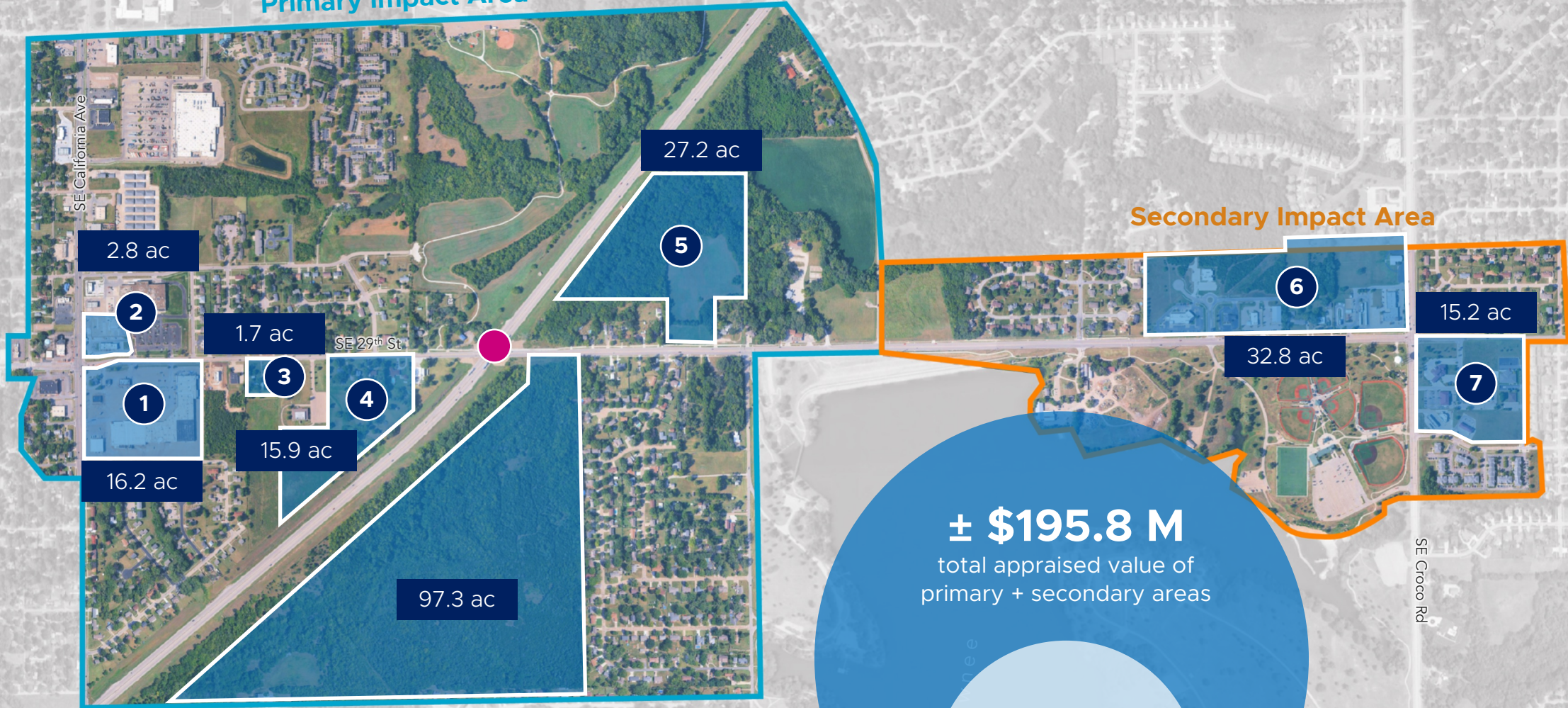
Contours: 10-foot intervals
Source: USGS - The National Map

SITE IDENTIFICATION

REDEVELOPMENT LOCATIONS

Primary Impact Area

Secondary Impact Area



± \$195.8 M
total appraised value of
primary + secondary areas

\$33.9 M
total appraised
value of sites
(excluding
platted land)

REDEVELOPMENT SITES

IMPACTS OF THE INTERCHANGE

Primary Impact Area



If an interchange is built, 29th Street will have to be **improved** to support increased truck traffic

Secondary Impact Area



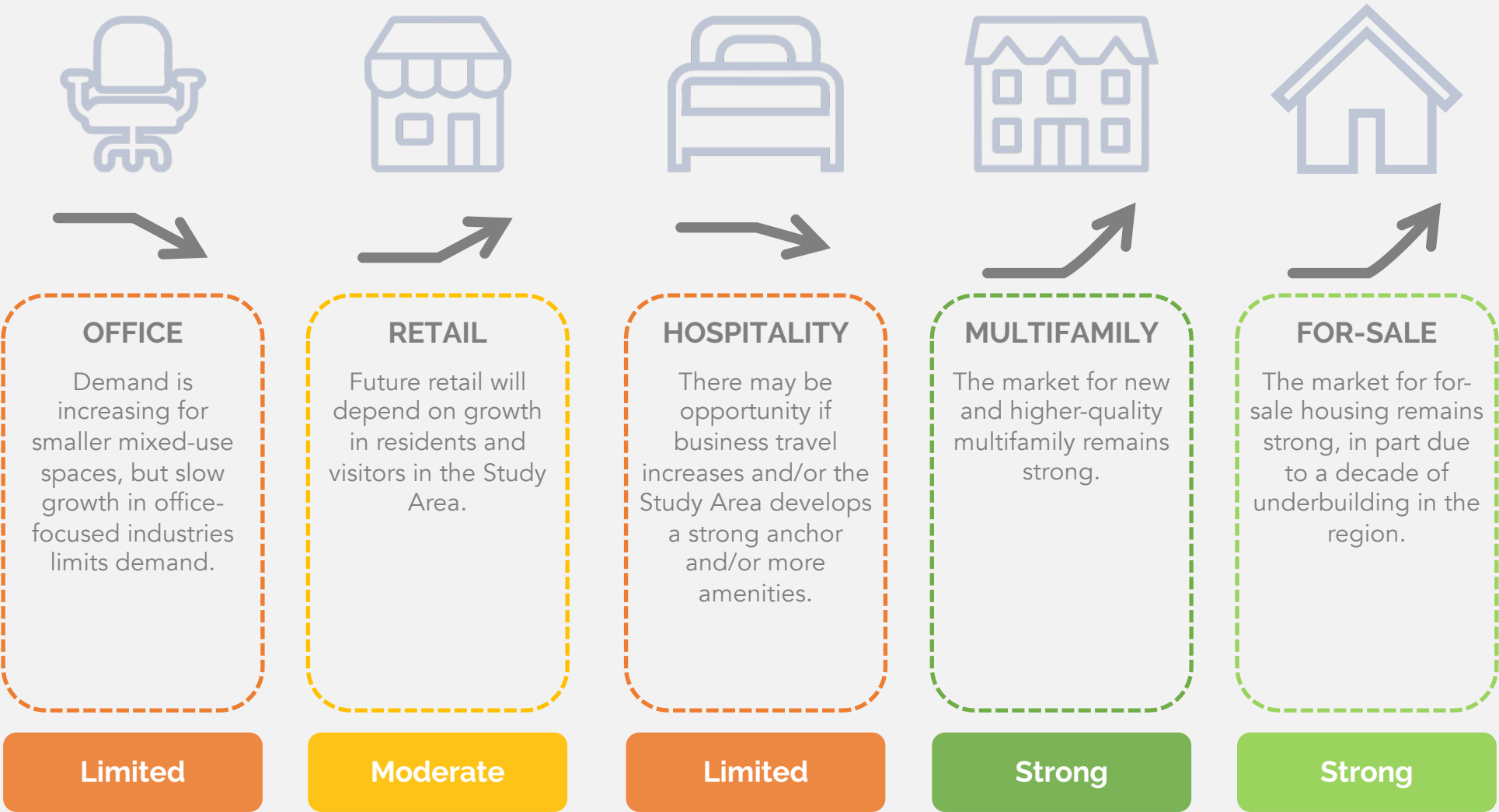
A replat process would have to be explored for this area to support interchange-commercial development off 29th Street

LEGEND

- Development Site likely to be spurred for redevelopment due to the Interchange
- Development Site not dependent on Interchange (Interchange Development could impact the development program for some sites)

DEVELOPMENT TRENDS

MARKET SCAN CONCLUSIONS



DEVELOPMENT SUMMARY

25-YEAR PROJECTIONS

	Multifamily	Retail	Office	Hotel**	Potential Net New Market Value
Market Likely	100 units*	40k sf	10k sf	-	\$28.3 M
Interchange-Driven	120 units	15k sf	5k sf	90 rooms	\$34.7 M
Total Potential	220 units	55k sf	15k sf	90 rooms	\$63 M

*Market likely residential could happen with the redevelopment of California Crossings Shopping Center; those units may be difficult to build across other sites in the PIA and SIA given current development patterns

**Hotel development is dependent on the construction of the interchange, market conditions, and establishing a destination to increase tourism. A hotel could be developed outside the identified sites. Per our assumptions, a 90-room hotel could add \$9 million in net new market value.

DEVELOPMENT SUMMARY

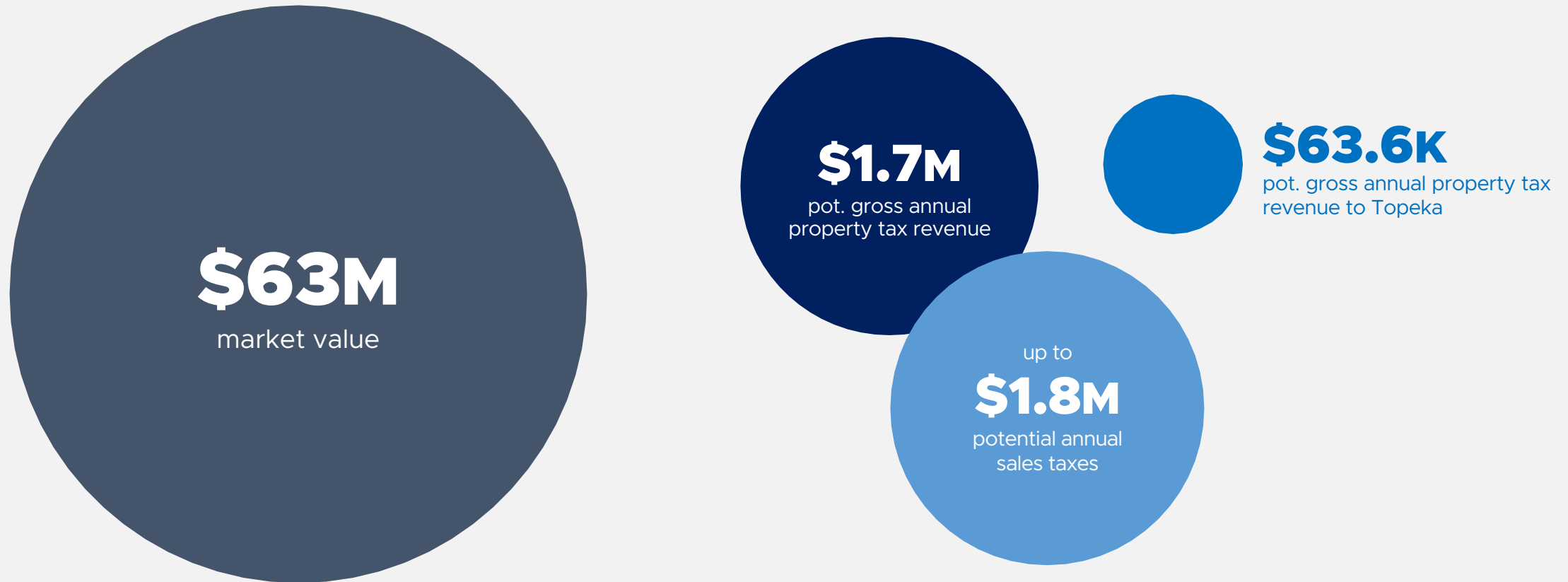
25-YEAR PROJECTIONS

	Potential Net New Market Value	Potential Projected Assessed Value	Potential Gross Annual Tax Revenue	Potential Annual Tax Revenue to Topeka
Market Likely	\$28.3 M	\$4.7 M	\$724.4 k	\$176 k
Interchange- Driven	\$34.7 M	\$6.3 M	\$875.6 k	\$105 k
Total Potential	\$63 M	\$11 M	\$1.7 M	\$281 k

DEVELOPMENT SUMMARY

TAX REVENUE POTENTIAL

Total Buildout



CONCLUSIONS

FISCAL IMPACTS AND FUNDING

Estimated construction cost of the interchange

\$18M

*Estimated NPV of property tax revenues generated
by the Combined scenario over a 25-year period*

\$16.1M

*Estimated maximum bondable amount (up to 80
percent of total)*

\$12.9M*

new development **will not generate enough revenue** to pay for the construction of the interchange alone...

... additional funds would have to be **identified from other resources** to fully fund the interchange

ECONOMIC IMPACT SUMMARY

SHAWNEE COUNTY

IMPACT OF CONSTRUCTION IN 2025 DOLLARS

Shawnee County

DIRECT IMPACTS

Interchange Development Program

Direct Spending*

\$17.3M

\$63M

TOTAL DIRECT, INDIRECT, AND INDUCED ECONOMIC IMPACTS

Output



\$26.8M

\$96.7M

Earnings



\$9.4M

\$32.4M

Jobs Supported



133

496

Fiscal Impacts



\$91.3k

\$448.2k

**The direct spending amount has been deflated from \$18 million in 2028 dollars to reflect the estimated 2025-dollar amount to construct the interchange. Jobs supported represent employment within the County, but workers may be located elsewhere. Numbers are rounded.*

IMPACT OF ANNUAL OPERATIONS IN 2025 DOLLARS

Shawnee County

DIRECT IMPACTS

Direct Jobs*

338

Sales – Costs of Goods

\$3.9M

TOTAL DIRECT, INDIRECT, AND INDUCED ECONOMIC IMPACTS

Output



\$52.2M

Earnings



\$19.4M

Jobs Supported



436

Fiscal Impacts



\$557.5k

**The direct jobs are based on employees per average square foot of retail and office, number of units, and number of rooms. Jobs supported represent employment within the County, but workers may be located elsewhere. Numbers are rounded.*

CONCLUSIONS

DEVELOPMENT CONSIDERATIONS

1. Existing land uses and property ownership are **varied**
2. Land development will be **challenging** near the interchange
3. 29th Street will need **additional infrastructure improvements** with the development of the interchange

An aerial photograph of a suburban area, including a large lake, residential streets, and green spaces, is shown with a semi-transparent blue overlay. The text "THANK YOU" is centered in white, bold, sans-serif font.

THANK YOU

KEY FINDINGS

- The **populations of the Primary Impact Area (PIA) and Secondary Impact Area (SIA) have declined 2.6% and 1.2%, respectively, since 2010, while the population in the Trade Area increased 1.3%** (*Esri*)
- **Rates of car ownership in the PIA and SIA are relatively low: 84% and 87%, compared to 91% citywide** (*Esri*)
- Since 2010, the number **of jobs in the Trade Area has remained stable** at around 3,600, though **their make up has changed: jobs in information, food service, and manufacturing declined, whereas positions in professional, scientific, and technical services, transportation and warehousing, and the arts grew significantly** (*U.S. Census Bureau*)
- Retail space in the PIA is occupied at just 68%, or well below the Trade Area-wide vacancy of 84% (*CoStar*)
- From 2018 to 2024, **two-thirds (66%) of visitors to California Crossing lived within a three-mile radius** (*Placer.ai*)
- Research in planning and economic development¹ suggests that **highway improvements, such as interchanges, can increase property values within a ½ mile radius, but evidence of the scale of change is mixed**, and will not fundamentally alter current market conditions ^{2, 3}
- **The floodplain limits development options** directly off of the proposed interchange, and **current development patterns within a half-mile of the interchange may not allow for redevelopment** in the long term without land acquisition plans
- Interstate-related development is **most feasible at the intersection of California Avenue and 29th Street**, though local market trends will drive development in this location without the interchange

¹The majority of research on the real estate impacts of interstate development was carried out concurrently with U.S. interstate construction. Comparatively recent research is limited and may not be generalizable to present day preferences and conditions.

²Carey, J. (October 2001). Impact of Highways on Property Values: Case Study of the Superstition Freeway Corridor. *Arizona Department of Transportation*.

³Wray, S., Moses, S., & Weisbrod, G. (2000). The Development Impacts of Highway Interchanges in Major Urban Areas: Case Study Findings. *The Value of Connections: The Economic Impact of the Proposed Pennsylvania Turnpike and Interstate 95 Interchange*.

SITE CONTEXT

SWOT ANALYSIS

Strengths

Weaknesses

Opportunities

Threats

- Community-serving retail (pharmacy and grocery store)
- Relatively stable residential and worker populations in Trade Area
- Increase in the share of jobs in Trade Area that pay employees over \$40,000 from 21% in 2015 to 32% in 2022
- Community amenities and assets, including multiple schools, parks, churches, social service providers, and Lake Shawnee
- Well-maintained pedestrian infrastructure along California Avenue and 29th Street
- Growing transportation and warehousing sector in the Trade Area and Topeka overall
- The number of workers residing in the area who earn upwards of \$40,000 has risen by 78% since 2010
- Greater diversity of housing types in the PIA and SIA compared to that citywide

SITE CONTEXT

SWOT ANALYSIS

Strengths

Weaknesses

Opportunities

Threats

- Aging facades, deferred maintenance, and high vacancy rates at nearby retail properties indicate weak market conditions
- Distance (0.6-1 mile) between proposed interchange and commercial centers
- A new interchange would not reduce drive times substantially to get to Downtown
- The large majority of visitors to retailers near the proposed interchange reside within a three-mile radius, predominantly in areas with poor Turnpike access
- Presence of flood zones limits development options to existing retail plazas
- Auto-oriented retail like fast food drive-thru restaurants, auto parts stores, and gas stations are unlikely to change with new interchange
- Given its residential character, the Trade Area's daytime population is lower than its nighttime population
- Flat job growth in Trade Area since 2010

SITE CONTEXT

SWOT ANALYSIS

Strengths

Weaknesses

Opportunities

Threats

- Growing share of jobs in professional, scientific, and technical services
- Expansion of existing recreational amenities around and associated with Shawnee Lake and potential to draw in more visitors
- Large underutilized parcels and infill vacant sites available for redevelopment
- Visitation to nearby retailers is either growing (Walmart) or has remained stable (Dillons and California Crossing) since 2018
- Brick-and-mortar demand exceeds supply by \$207M in the Trade Area, with opportunities strongest for restaurants, pharmacies, and grocery stores
- Higher visitation rates on Fridays and Saturdays indicates opportunity to capture visitors to leisure and recreational amenities
- Preliminary analysis of peer interchanges demonstrate a positive relationship between highway improvements and area traffic

SITE CONTEXT

SWOT ANALYSIS

Strengths

Weaknesses

Opportunities

Threats

- Potential to redirect existing business-serving traffic on California Avenue to Turnpike, and nearby residents to larger retail centers made accessible by the interchange
- Within all study areas, aging populations and decline in working-age (25 to 64) population
- Negative externalities associated with interchange (e.g., noise, pollution, pedestrian safety)
- Limited [recent] evidence suggesting interchange development has a substantial economic benefit
- Expansion of car-based infrastructure in an area with comparatively low vehicle ownership and high demand for public transportation
- While retail is undersupplied in the Trade Area, demand is oversupplied within a 10-minute drive time, with a surplus of \$265M

INTERCHANGE DEVELOPMENT UNDERSTANDING

RESEARCH

- Most economic development occurs within half of a mile of an intersection.
- The strongest predictors of more complex (multi-use, highly trafficked) development corresponding with interstates are the number of road users, existing complexity of land uses, proximity to urban areas, and number of preconstruction land owners.

Moon, H. E. (1999). Stepwise Regression Model of Development at Nonmetropolitan Interchanges. *Transportation Research Record*, 1167. [Source](#)

- The effects of new interchange development cannot readily be predicted.
- Success of an interchange in spurring new development supported by aggressive marketing campaigns and signage advertising proximate uses.
- Development of new interchange infrastructure can support new commercial uses, but has potential to overshadow or detract from existing commercial development by creating unattractive environment.
- “Market forces will drive development – without market demand and competitive sites, land use impacts will be limited, while a strong market combined with the improved access provided by an interchange can result in substantial development opportunities.”
- Pairing investment in new interchange with economic incentives (Enterprise Zones, Opportunity Zones, etc.) can stimulate economic growth in weaker markets.

“The Development Impacts of Highway Interchanges in Major Urban Areas: Case Study Findings” (2000) [Source](#)

INTERCHANGE DEVELOPMENT UNDERSTANDING

RESEARCH (CONTINUED)

- New freeways benefit highway users
- Freeways can allow commercial nodes to develop away from the CBD
- Impact on property values is mixed—commercial and multi-family development is made more feasible by highway access, but single-family homes near highways often depreciate
 - Tax burden of improvements is shouldered by residents
 - Typically, trends point to purchasing homes near a freeway to be “not a good investment” in most cases for the homebuyer. However, some home values may appreciate as a result of roadway construction in certain contexts.
- The idea that highway development increase properties values and development opportunities is not controversial; what is controversial, however, is the extent to which they impact opportunities
- “Highway nonuser benefits accrue to individuals and firms as a result of the highway, but not from direct use of the highway, and generally come about because of a transfer of user benefits to others in the community” (p. 3)
 - “While highway improvements are generally associated with an increase in economic activity in the immediate area of the project, much of the increase may be a diversion of economic activity from other regions...thus, a shift in traffic volumes from one region to another due to the presence of a new freeway may confer benefits to some commercial property owners in the vicinity of the freeway at the expense of others in areas experiencing a freeway-induced decline in traffic”
- Interchanges represent the best and most visible locale for new construction served by the highway
- Consequences of new highway development are typically long-term, not realized for decades
- Analysis of commercial development found that a premium is placed on locations closer to the freeway

Carey, J. (October 2001). Impact of Highways on Property Values: Case Study of the Superstition Freeway Corridor. *Arizona Department of Transportation*.



PROPOSED 29TH & CALIFORNIA KTA INTERCHANGE

A Technical Analysis & Fiscal Impact Study for Potential Development

WHITE PAPER

DRAFT September 9, 2025

PREPARED FOR

City of Topeka

INTRODUCTION

The City of Topeka hired Development Strategies to analyze the potential impacts of a new interchange at 29th Street and the Kansas Turnpike. The proposed interchange has the potential to spur new development, generate fiscal impacts, and create broader economic benefits. This project focuses on three key areas:

1. **Development Impacts**

New interchange construction can influence real estate development, though the scale and type of impacts can vary. This report examines the current market for development in the area around the proposed interchange, as well as how the interchange would impact and/or help attract future development.

2. **Fiscal Impacts**

Unless future external funding becomes available, the City would be responsible for the full cost of interchange construction. Local funding could be sourced through mechanisms such as Tax Increment Financing and other revenue-capture tools. Any new development or redevelopment in the interchange impact area is expected to generate additional tax revenue—including property, retail sales, and transient guest taxes—that could be leveraged to offset construction costs.

3. **Economic Impacts**

Major infrastructure projects typically generate significant economic activity, including job creation, direct spending, and indirect spending. Using IMPLAN's economic impact model, this report estimates the potential economic impacts from three sources: interchange construction, new development within the impact area, and the ongoing operations of businesses locating in the area.

This white paper summarizes the key findings and conclusions to inform decision-making by City leadership.

EXECUTIVE SUMMARY

The market scan concluded limited-to-moderate demand for development in the primary and secondary interchange impact areas. The construction of the interchange would change potential land uses, particularly with sites adjacent to the interchange with good visibility and access. Total demand is projected to include 220 multifamily units, 55,000 square feet of retail, 15,000 square feet of office, and one 90 to 120 room hotel if the interchange were constructed.

Fiscal Impacts

If built today the development program noted above would be worth just over \$63 million and generate approximately \$1.7 million in annual net new property tax revenue.

However, development would be phased over time. In this case, a 25-year projection period is used to align with TIF program guidelines. The total net present value (NPV) of net new property taxes over 25 years totals **\$16.1 million** and the total maximum bondable amount is approximately **\$12.9 million** after adjusting for risk and other factors. In reality, this amount would be reduced further because developers would likely use incentives tools to development some or all the projected uses and not all net gains in revenue would be available to cover bonds for the interchange. Thus, substantial additional funding would be needed to pay for the construction of the interchange.

Economic Impacts

The construction of the interchange (\$18 million) would generate \$26.8 million in direct, indirect, and induced economic impacts; \$9.3 million in labor earnings, and support 133 total jobs.

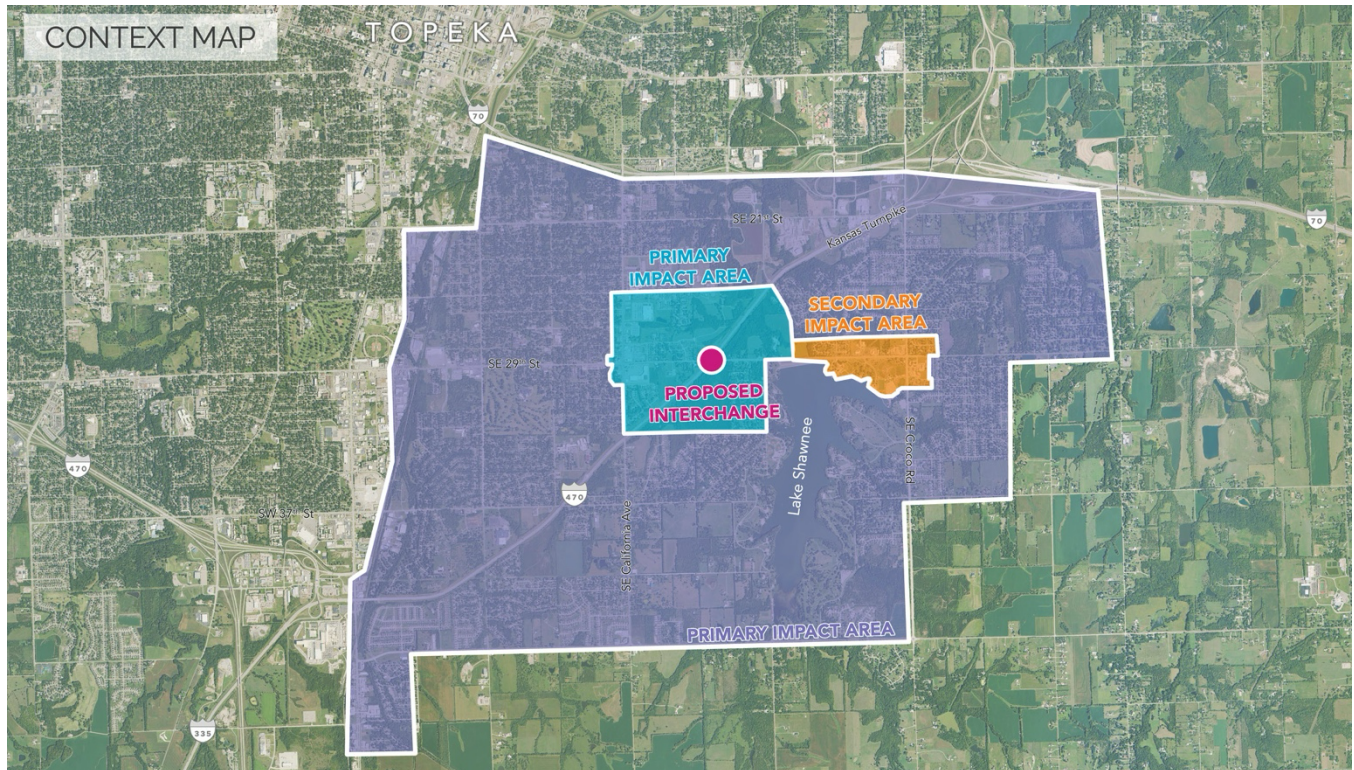
The construction of the combined development program (\$63 million) would generate \$96.7 million in direct, indirect, and induced economic impacts; \$32.4 million in labor earnings, and support 495 total jobs. These impacts would be spread out in phases over the 25-year period.

The ongoing annual operations of the new uses would generate \$52.2 million in direct, indirect, and induced economic impacts; \$19.4 million in labor earnings, and support 436 total jobs each year when all uses are complete

SITE

The following three geographies were identified to support this analysis:

1. **Primary Market Area (PMA):** The geographic area that will generate most of the demand that would support housing, retail, and other businesses located in the interchange area.
2. **Primary Impact Area (PIA):** The area that would be directly impacted by the construction of the interchange. Most new development and redevelopment would occur in this area.
3. **Secondary Impact Area (SIA):** Located further from the interchange, remaining development sites in this area could see demand and interest, particularly if suitable sites were not available in the PIA.



MARKET SCAN

We conducted a market scan of potential uses in the PIA and SIA, including residential (primarily multifamily), retail, office, and hospitality. Key observations for each section are summarized in the following paragraphs.

Multifamily

Overview: The multifamily market in Topeka has improved in recent years, with the addition of new products (e.g., Wheatfield Village) and the proposed construction of Union at Tower District (to be completed in 2027) after years of limited new construction. Recent projects showed strong absorption, indicating continued demand for new and modern apartments.

Key Trends: The multifamily market is generally stable in the PMA, with an average occupancy rate of 94.5 percent. Rental rates increased by 43 percent over the past 10 years, mirroring regional and national trends. Rents rose very quickly after 2019, growing from an average of \$635 to \$840 (a 32 percent increase) per unit in the PMA.

Implications for Impact Areas: No new multifamily development has occurred in the PMA for many years. Given the proximity of the PIA and SIA to jobs, the transportation network, and amenities like Dillons and Walmart, they are appropriate locations for residential development, especially new multifamily development.

Single-Family

Overview: Single-family development in the Topeka market remains relatively affordable compared to peer communities, though housing prices are increasing. New housing developments, especially in subdivisions, are listed for anywhere from \$300,000 to \$430,000 thousand. Moderately priced homes, ranging from \$150,000 to \$250,000, are in short supply in Topeka, indicating a diversity of housing typologies may be needed to target specific affordability levels.

Key Trends: Topeka has approved an average of 90 permits annually, focused on single-family detached housing types. Though the multifamily market may be stronger post-COVID, with a surge in permits approved for developments with three or more units, single-family development slowed below pre-COVID trends due to high interest rates and increasing development costs. As of September 2024, approximately 1,000 lots were platted, which translates into about 11.5 years of lot supply if they were all ready for development.

Implications for Impact Areas: Single-family uses are not considered as a primary use in the interchange-driven demand scenario because sites with access and visibility from the interchange have a different highest and best use. Because of improved access to the area, the interchange would likely support the completion of subdivision that still have vacant lots. There is also a platted subdivision to the southeast of the interchange location that might be revisited.

MULTIFAMILY DEVELOPMENT 2025	
Topeka	PMA
15,460 units Total Inventory	1,780 units Total Inventory
1.6% Gross Change 2015-2025	2.8% Gross Change 2015-2025
7.4% Avg. Vacancy	5.5% Avg. Vacancy
\$1.10 Gross Rent PSF	\$0.90 Gross Rent PSF
DELIVERIES	
280 units Built since 2015	90 units Built since 2015
Source: CoStar 2025	

Retail

Overview: General retail trends have remained consistent over the last decade. The main development activity has been the development of small strip centers, the redevelopment of a shopping center in southwest Topeka, the demolition of the White Lakes Mall, and the continued renovation and tenancing of first floor retail Downtown.

Key Trends: The PMA has seen the delivery of four projects over the last decade, matching the growth that Topeka is experiencing. The PMA's 16 percent vacancy rate is mostly attributable to the high vacancy and California Crossing. Recent developments have been standalone buildings to support fast-casual dining like Chipotle and Scooter's Coffee, and a Family Dollar. Rents have grown in the area, indicating there is some stability, but have not quite yet returned to the 2020 average rate of \$12.75 per square foot (\$12.00 today).

Implications for Impact Areas: Existing development patterns along 29th Street and the intersection of 29th Street and California Avenue would support new retail construction and the potential redevelopment of aging shopping centers, like California Crossings. Continued development of single-use spaces is most likely to succeed in this market, which could include sit-down and fast-casual dining options. The possibility of the new interchange would open up more opportunities for auto-oriented retail and supportive uses, such as a service station or truck stop.

Office

Overview: Since 2015, Topeka had a total of nine office spaces developed, one of which is located in the PMA. The office market is currently in transition, as the total inventory decreased due to the demolition of the Docking State Office Building. This has actually helped to decrease overall vacancy and it will be replaced with 100,000 of modern offices.

Key Trends: One new office building was constructed in the PMA in the past decade (2016) and rents are relatively low, reported at almost \$11 per square foot. This is substantially lower than the City's average and not close to sufficient to support new development. Coupled with the PMA's vacancy rate of, this information indicates that demand for office is weak in the PMA, particularly for the older product that is currently available.

Implications for Impact Areas: Current development patterns would support the continued development of smaller office spaces, especially in the SIA near the Croco Road and 29th Street intersection. This includes medical users and other doctor's offices, such as a dentist or optometrist.

RETAIL DEVELOPMENT

2025

Topeka

12.4M SF
Total Inventory

1.5%
Gross Change 2015-2025

0.6%
Gross Change 2019-2025

5.0%
Avg. Vacancy

\$10.30
Gross Rent PSF

PMA

1.1M SF
Total Inventory

1.5%
Gross Change 2015-2025

0.3%
Gross Change 2019-2025

15.9%
Avg. Vacancy

\$12.00
Gross Rent PSF

DELIVERIES

257.5K SF
Built since 2015

139.9K SF
Built since 2019

16.9K SF
Built since 2015

3.3K SF
Built since 2019

Source: CoStar 2025

OFFICE DEVELOPMENT

2025

Topeka

11.5M SF
Total Inventory

-2.7%
Gross Change 2015-2025

-3.5%
Gross Change 2019-2025

7.2%
Avg. Vacancy

\$17.50
Gross Rent PSF

PMA

163.6K units
Total Inventory

3.2%
Gross Change 2015-2025

0%
Gross Change 2019-2025

23.1%
Avg. Vacancy

\$10.80
Gross Rent PSF

DELIVERIES

231.7K SF
Built since 2015

120.8K SF
Built since 2019

5K SF
Built since 2015

0 SF
Built since 2019

Source: CoStar 2025

Hotel

Overview: Since 2010, the total inventory of available hotel rooms has remained almost the same; however, there has been new hotel development. New deliveries older hotels that were closed or demolished. The number of hotels has remained consistent in the PMA at four properties.

Key Trends: Hotel trends vary across Topeka and the market is at its second-lowest 12-month occupancy rate since 2015, at 50.7 percent (down from 53.2 percent in 2024). The average daily rates have been stable for the past two years at nearly \$96 a night. The PMA's submarket is performing slightly better with an occupancy of 52 percent and an average daily rate of \$107.

Implications for Impact Areas: Based on market trends and the current access and visibility of the interchange area, it is not likely that a hotel would locate there *if the interchange were not constructed*. With improved access and visibility, a hotel developer would likely be interested in the interchange area as the greater Topeka market strengthens, taking advantage of its proximity to Lake Shawnee and the sports fields.

Summary

The market scan concludes limited to moderate demand for housing, retail, office and hospitality uses in the PIA and SIA, with or without the interchange. The interchange would change demand for certain uses, particularly on sites with access and visibility from the interchange, specifically hospitality and auto-oriented retail and services. It would take more robust regional job and population growth to fuel additional demand for uses in the PIA and SIA.

HOTEL DEVELOPMENT 2025	
Topeka	PMA
2,720 rooms Total Inventory	220 rooms Total Inventory
0.1% Gross Change 2015-2025	-13.8% Gross Change 2015-2025
1.8% Gross Change 2019-2025	0% Gross Change 2019-2025
50.7% Occupancy	- Occupancy
\$95.70 Avg. Daily Rate (ADR)	- Avg. Daily Rate (ADR)
\$48.50 Revenue Per Available Room (RevPAR)	- Revenue Per Available Room (RevPAR)
DELIVERIES	
400 rooms Built since 2015	0 rooms Built since 2015
195 rooms Built since 2019	0 rooms Built since 2019
Source: CoStar 2025	

DEVELOPMENT POTENTIAL

The first step in analyzing the potential impacts of the construction of an interchange is to determine the development potential of the PIA and SIA. To do so, we assessed existing land uses, natural barriers, flood plains and drainage, topography, site capacity, connectivity, and ownership patterns to determine what sites would be eligible or available for future development or redevelopment. We then balanced that analysis with the market observations described earlier.

An important factor to consider is that the construction of a new interchange itself is not always an economic driver, but can impact land use patterns and attract certain businesses that rely on highway visibility and traffic, such as hotels, auto-oriented retail, and service stations/truck stops. Research shows that, in many cases, the effects of new interchange development cannot always be predicted and that the construction of an interchange does not necessarily create demand for development. The marketability of the nearby land will generate interest from developers, but there are market challenges.

We created two scenarios to analyze future development potential:

1. **Market-Likely:** What development is possible over the next 25 years, which represents the maximum repayment period for funding tools like TIF, without the development of the interchange.
2. **Interchange-Driven:** What additional development would be supported with the development of the interchange.

The PIA and SIA, shown on the map on page 3, make up approximately 940 acres of land. The PIA is roughly bounded by California Avenue and SE Colorado Avenue to the west, SE 25th Street to the north, SE Wittenberg Road to the east, and SE 33rd Street and SE Mars Terrace to the south. The SIA is roughly bounded by SE Wittenberg Road to the west, SE 28th Street to the north, SE Peck Road to the east, and the Shawnee Lake Apartments and Bettis Sports Complex to the south.

Approximately 114 acres were identified for where new construction and redevelopment could occur within the PIA and SIA. This land was evaluated based on location, existing development patterns, and market trends.

Market-Likely

The market-likely scenario analyzes development potential based on current conditions. There are limited remaining development sites in the PIA and SIA. The most substantial opportunity exists through the potential redevelopment of California Crossings Shopping Center, which represents most of the retail vacancy in the PMA. As of the date of this white paper, there is a redevelopment proposal to renovate, improve the façade, and re-tenant the property. There is also potential to redevelop a portion of the site as mixed-use, including apartments, retail, and office/service users, should the redevelopment plan not come to fruition. This is a growing trend in the Midwest and U.S. to revitalize aging and struggling shopping centers.

In total, we have concluded that 100 multifamily units, 40,000 square feet of retail, and 10,000 square feet of office could be supported over the next 25 years based on existing market trends and site capacity in the PIA and SIA.

The 100 apartment units are most likely to occur if they are a component of the redevelopment of California Crossings. Other locations across the market area could support apartment development as market demand increases for new housing development, but other opportunities in the PIA and SIA may be limited because of site constraints.

Interchange-Driven

The construction of the interchange would alter future land use patterns along 29th Street, particularly within about 1,000 feet of the interchange. This is because increased access and visibility will make certain interchange-supported uses, such as a hotel, service station, or auto-oriented retail/food options, much more viable than they would be without the interchange.

Based on similar analysis of site capacity and marketability, we conclude that the construction of the interchange would support demand for an additional 120 multifamily units plus 15,000 square feet of retail space, 5,000 square feet of office space, and a 90 to 120-room hotel over the next 25 years.

Combined

The combined development impact of the normal market forces and the construction of the interchange would include 220 multifamily units, 55,000 square feet of retail space, 15,000 square feet of office, and a 90 to 120-room hotel.

Development Program Summary

	Multifamily	Retail	Office	Hotel
Market Likely	100 units*	40,000 sf	10,000 sf	-
Interchange-Driven	120 units	15,000 sf	5,000 sf	90-120 rooms
Total Potential	220 units	55,000 sf	15,000 sf	90-120 rooms

*The 100 apartment units are most likely to occur if they are a component of the redevelopment of California Crossings. Other opportunities in the PIA and SIA may be limited because of site constraints, but could otherwise be built in the PMA.

FISCAL IMPACTS

Now that a market-based development program is established, the next step is to quantify the potential impacts that would be generated by the new development in the form of property, sales, and transient guest taxes.

The following analysis shows the potential incremental tax revenue that would be generated for the City of Topeka and other taxing jurisdictions. All estimates in this section are in 2025 dollars and assume all of the development existed today.

Market Value Assumptions

The first step in projecting fiscal impacts is to estimate the market value of the new development that is summarized in the development program as if it were complete today. These estimates are based on current market data—recent sales of new construction properties, current Shawnee County appraised values of similar properties, and, to a lesser degree, listings of comparable properties.

Next, assessment rates for each property class are applied to determine the projected assessed values. The assessment rate for residential property is 11.5 percent, commercial property is assessed at 25.0 percent, and both office and hotel properties are assessed at 30 percent. The following tables show our estimates of total market value, assessed value, and net increase over the base assessed value. All values shown are in 2025 dollars.

Market-Likely						
Use by Typology	Total Development Capacity	25-Year Absorption	Average Market Value Per SF/Unit	Total Market Value ¹	Assessment Rate	Projected Assessed Value
Residential (multifamily)	100 units	100 units	\$180,000 per unit	\$18,000,000	11.5%	\$2,070,000
Retail/Mixed-Use	40,000 SF	40,000 SF	\$200 per SF	\$8,000,000	25.0%	\$2,000,000
Office/Institutional	10,000 SF	10,000 SF	\$230 per SF	\$2,300,000	30.0%	\$690,000
Hotel	- rooms	- rooms	\$100,000 per room	\$0	30.0%	\$0
TOTAL				\$28,300,000		\$4,760,000

¹ Assuming all improvements are complete today, reflects total 2025 market value of the development program after 25-year absorption in 2025 dollars

Assuming the Market-Likely development program were built today, the estimated total market value would be \$28.3 million with an assessed value of nearly \$4.8 million. This is in addition to the base assessed value of existing uses in the PIA and SIA, which totals \$8 million.

Interchange-Driven						
Use by Typology	Total Development Capacity	25-Year Absorption	Average Market Value Per SF/Unit	Total Market Value ¹	Assessment Rate	Projected Assessed Value
Residential (multifamily)	120 units	120 units	\$180,000 per unit	\$21,600,000	11.5%	\$2,484,000
Retail/Mixed-Use	15,000 SF	15,000 SF	\$200 per SF	\$3,000,000	25.0%	\$750,000
Office/Institutional	5,000 SF	5,000 SF	\$230 per SF	\$1,150,000	30.0%	\$345,000
Hotel	90 rooms	90 rooms	\$100,000 per room	\$9,000,000	30.0%	\$2,700,000
TOTAL				\$34,750,000		\$6,279,000

¹ Assuming all improvements are complete today, reflects total 2025 market value of the development program after 25-year absorption in 2025 dollars

Assuming full buildout of the Interchange-Driven scenario, the total estimated market value would be nearly \$34.7 million with an assessed value of just almost \$6.3 million. This is in addition to the market-likely uses.

Interchange-Driven (combined, total buildout)

Use by Typology	Total Development Capacity	25-Year Absorption	Average Market Value Per SF/Unit	Total Market Value ¹	Assessment Rate	Projected Assessed Value
Residential (multifamily)	220 units	220 units	\$180,000 per unit	\$39,600,000	11.5%	\$4,554,000
Retail/Mixed-Use	55,000 SF	55,000 SF	\$200 per SF	\$11,000,000	25.0%	\$2,750,000
Office/Institutional	15,000 SF	15,000 SF	\$230 per SF	\$3,450,000	30.0%	\$1,035,000
Hotel	90 rooms	90 rooms	\$100,000 per room	\$9,000,000	30.0%	\$2,700,000
TOTAL				\$63,050,000		\$11,039,000

¹ Assuming all improvements are complete today, reflects total 2025 market value of the development program after 25-year absorption in 2025 dollars

Combined, the total market value for the new development in the PIA and SIA totals just over \$63 million, with an assessed value of \$11 million.

2025 Topeka Property Tax Rates

The PIA and SIA currently include multiple different tax units for real property taxation and we are utilizing the current rates from Tax Unit 010, which covers most of the city. It is important to note that property taxes are billed in arrears in Shawnee County, so the 2024 tax rates noted below apply for 2025. The 2025 rates have not yet been published.

2024 Property Tax - Topeka, KS	
Mill levy over \$1,000 of a property's assessed value	
Washburn University	3.450
USD 450 Shawnee Heights	51.443
Topeka & Shawnee County Public Library	7.909
State of Kansas	1.500
Shawnee County	48.326
Metro Transit Authority	4.200
Metro Topeka Airport Authority	2.239
City of Topeka	36.956
Total Tax Rate	156.023

The following tables summarize the estimate net new tax revenue that the projected development would produce on an annual basis if it were complete today.

Market-Likely					
Use by Typology	Total Development Capacity	Tax Mill Levy	Potential Gross Annual Tax Revenue (2025)	Share to City	Potential Tax Revenue to City (2025)
Residential (multifamily)	100 units		\$322,968		\$11,936
Retail/Mixed-Use	40,000 SF		\$312,046		\$11,532
Office/Institutional	10,000 SF		\$107,656		\$3,979
Hotel	- rooms		-		-
		156.023	\$742,669	36.956	\$27,446

*Assumes the 2024 tax rates across 25-year period

Interchange-Driven

Use by Typology	Total Development Capacity	Tax Mill Levy	Potential Gross Annual Tax Revenue (2025)	Share to City	Potential Tax Revenue to City (2025)
Residential (multifamily)	120 units		\$387,561		\$14,323
Retail/Mixed-Use	15,000 SF		\$117,017		\$4,324
Office/Institutional	5,000 SF		\$53,828		\$1,989
Hotel	90 rooms		\$421,262		\$15,568
		156.023	\$979,668	36.956	\$36,205

*Assumes the 2024 tax rates across 25-year period

Combined (total buildout)

Use by Typology	Total Development Capacity	Tax Mill Levy	Potential Gross Annual Tax Revenue (2025)	Share to City	Potential Tax Revenue to City (2025)
Residential (multifamily)	220 units		\$710,529		\$26,258
Retail/Mixed-Use	55,000 SF		\$429,063		\$15,856
Office/Institutional	15,000 SF		\$161,484		\$5,968
Hotel	90 rooms		\$421,262		\$15,568
		156.023	\$1,722,338	36.956	\$63,651

*Assumes the 2024 tax rates across 25-year period

If completed today, the market-supported and interchange-driven development would generate an average of approximately \$1.7 million in new property taxes each year, in 2025 dollars.

25-Year Fiscal Impact Projections

The prior pages established a market-based development program for two scenarios—business-as-usual (Market-Likely scenario) and with the construction of the proposed interchange. The potential annual property tax generation, assuming all development was complete today, in 2025 dollars, was also established. The next step is to project potential tax revenues over time, because, in reality, this development would be phased over time. A 25-year projection period is used, which aligns with TIF rules.

The primary intent of this exercise is to estimate the likely future cash flow in the form of increased property tax revenue that could support the issuance of bonds to pay for a portion of the construction of the interchange. For this reason, only the Combined scenario is analyzed.

Notable Assumptions

- The base year is assumed to be 2027—this sets the base assessed value for the PIA and SIA, and any increases from that base year are part of the increment that can be used to support bonds.
- Interchange construction would commence and be completed in 2028, which is also the first projection year.
- A 2.0 percent annual inflation rate is applied to the projected post-development real property values, and a 2.0 percent annual inflation rate is applied to the base assessed values.
- Projected annual increases in the assessed value of existing uses, primarily through inflation, are included in the calculations, in addition to the net new development.
- Uses reflected in the development program are phased-in over the 25-year projection period: 60-unit absorption rate of multifamily development across two development years of 2029 and 2034; 5,000 square feet of net new retail development is absorbed every two years starting in 2028; 5,000 square feet of net new office development is absorbed every five years starting in 2032; a 90-room hotel is built in 2038.
- An 8.0 percent discount rate is used to calculate net present values (NPV) so that the results are reflected in 2025 dollars.

Results

The estimated NPV of the Interchange-Driven (combined) scenario is **\$16.1 million** with our absorption assumptions over the 25-year projection period. It is important to note that *not all of this value could be captured to support bonds*. Firms that issue bonds typically calculate a bondable amount to protect investors from default, including factoring in a prepaid reserve amount and a reduced bondable value (similar to a loan-to-value ratio). Thus, the total bondable amount would be approximately 80 percent of the NPV, or **\$12.9 million**.

Other revenue sources, such as sales taxes (through a Community Improvement District, or CID, or Transportation Development District, or TDD) and transient guest taxes, could be leveraged as well to generate additional bond proceeds.

It is also important to note that *not all of the potential bond proceeds would be available to support interchange construction*. This is because developers of some of the prospective uses would likely utilize incentives to support individual developments, such as multifamily, retail, or a hotel. For instance, the developer proposing the renovation of California Crossings is requesting a CID to support that work, so those sales taxes could not be used to support interchange construction. Thus, the above numbers represent the maximum amounts in this analysis.

ECONOMIC IMPACTS

The final step in analyzing the potential impacts of the construction of a new interchange is to estimate the *economic impacts* of the project. Economic impacts describe the ripple effects of a project on a regional economy in terms of jobs, labor income, and total economic impact. In this case, the economic impacts would be from construction spending for the interchange and real estate development, as well as the ongoing operations of the new uses. Direct spending in the form of construction expenditures and ongoing operating expenses generates indirect effects (e.g., business-to-business supply chain activity) and induced effects (household spending from new income).

This economic impact model measures the impacts of the construction of the interchange, and the Interchange-Driven (combined) development program on Shawnee County.

This Economic Impact Study (EIS) relies on the following key assumptions:

- The economic impacts are **calculated for Shawnee County** using IMPLAN's economic impact modeling software
- All figures are reported in **2025 dollars**.
- The construction of the interchange is assumed to be **completed in 2028**.
- The development program for the Interchange-Driven (combined) scenario is assumed to be **completed and operational in 2025**.
- The modeling of the operations of the development program is based on an **estimated number of employees per square foot of development for retail and office uses, the number of units for multifamily, and the number of rooms for the hotel, and an estimated sales amount for the retail development**.

Summary of Impacts

We relied on IMPLAN's multipliers to quantify the economic activity of:

- The total economic output;
- Worker earnings generated;
- Jobs supported; and
- Tax revenue generated.

We also relied on annual tax revenue data for the state of Kansas to estimate the tax revenues generated by estimated operations and maintenance costs, salaries paid to employees, and operating revenues.

For the dollar year of 2025, the economic impacts for Shawnee County are summarized in the following tables and subsequent text:

Construction of the Interchange

- \$26.8 million in total direct, indirect, and induced economic output;
- \$9.3 million in total direct, indirect, and induced labor earnings;
- Support for 92 jobs directly, 16 indirect jobs, and 25 induced jobs; and
- \$91.3 thousand in tax revenue for the county.

Construction of the Combined Development Program

- \$96.7 million in total direct, indirect, and induced economic output;
- \$32.4 million in total direct, indirect, and induced labor earnings;
- Support for 328 jobs directly, 82 indirect jobs, and 86 induced jobs; and
- \$448.2 thousand in tax revenue.

Annual Operations and Maintenance of the Net New Development

- \$52.2 million in total direct, indirect, and induced economic output;
- \$19.4 million in total direct, indirect, and induced labor earnings;
- Support for 338 jobs directly, 48 indirect jobs, and 50 induced jobs; and
- \$557.5 thousand in tax revenue.

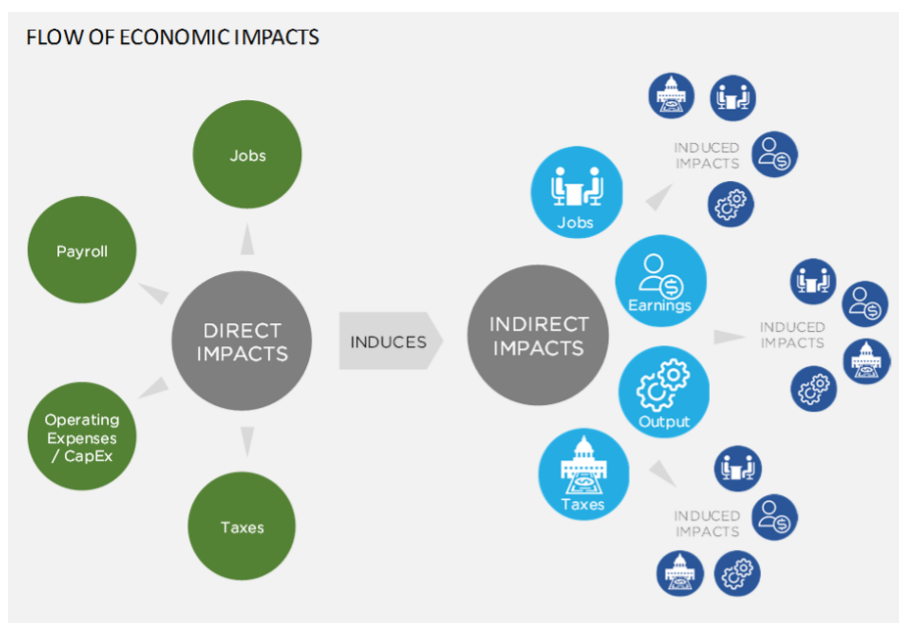
Methodology

IMPLAN uses data from the American Community Survey, and the results of this analysis are based on the most recent ACS data available, 2023. Because the dollar year 2025 differs from the data year (2023), IMPLAN uses deflators to account for any inflation or deflation over time. Two separate deflators are used to account for inflation among output values and inflation among labor income values. Because the values of various commodities change at different rates over time, the Output Deflator is used for output values, while the GDP Deflator is used for labor income values. The Output Deflator converts the Output value to the year of the dataset, while the GDP Deflator converts the “Value Added” values to the year of the dataset. Additionally, Output Deflators are specific to each industry, while GDP Deflators are the same across industries. All numbers reported are reflective of 2025 dollars.

IMPLAN utilizes an economic modeling technique called Input-Output analysis and a Social Accounting Matrix, which is a type of applied economic analysis that tracks the interdependence among various producing and consuming industries of an economy and household spending. It quantifies the relationship between a given set of demands for final goods and services and the inputs required to satisfy those demands.

Economic impacts are demonstrated through multiplier effects in three primary ways:

- **Output**, or economic activity, is a measure of the impact on specific geographic areas (in this case, Shawnee County) resulting from the spending and re-spending triggered by estimated operations and maintenance spending and wages and salaries paid. The output dollars summarize *total new or added economic activity at all points of the spending process* rather than just the effects on gross product (which is a measure of value to the ultimate purchaser). Output is a more robust and larger indicator of economic activity than Gross Product (GP).
- **Earnings** is the measure of how much of the total output is attributable to new income generated for workers living in the targeted geographic area.
- **Jobs** that are supported as a result of the multiplier effects.



Inputs & Assumptions

We referred to KTA's memo for the New Topeka I-470 Interchange Concept to determine the construction cost of the interchange, which is estimated at \$17,976,200 for the year 2028. For the purposes of our estimates, we rounded that cost to \$18 million and used IMPLAN's deflators to estimate the 2025 cost of construction found on the following page. We used our analysis of the development program to estimate the construction costs of new development for multifamily, retail, office, and hotel in 2025-dollar amounts, the number of employees to be employed with the additional development, and the costs of goods for retail space in 2025-dollar amounts.

Summary of Inputs

	Interchange Construction	Assumed Development Program Construction	Assumed Annual Operations of Development Program	Total Estimates
Construction				
Construction Spending	\$18,000,000*	\$63,050,000		\$81,050,000
Operations				
Cost of Retail Goods			\$3,850,000	\$3,850,000
Jobs			338	338

* The interchange construction cost is reflective of the 2028 cost. IMPLAN's multipliers will adjust this amount to reflect the estimated 2025 amount.

Additionally, our assumptions do not assume any additional roadway creation that may be needed to support development, or roadway improvements to existing infrastructure that may be needed to support increased traffic.

Results

To better understand the impacts of construction and operations, they have been broken down for clarity below.

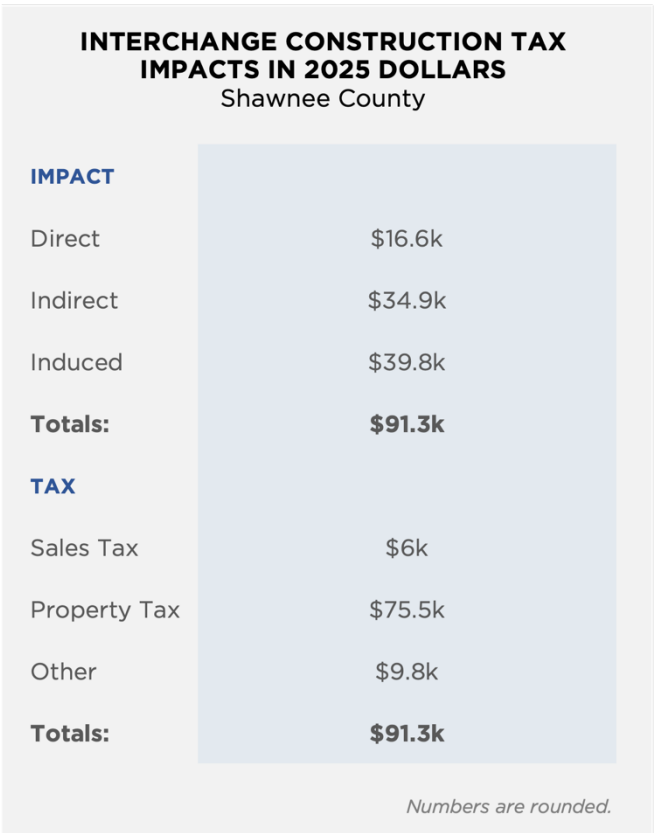
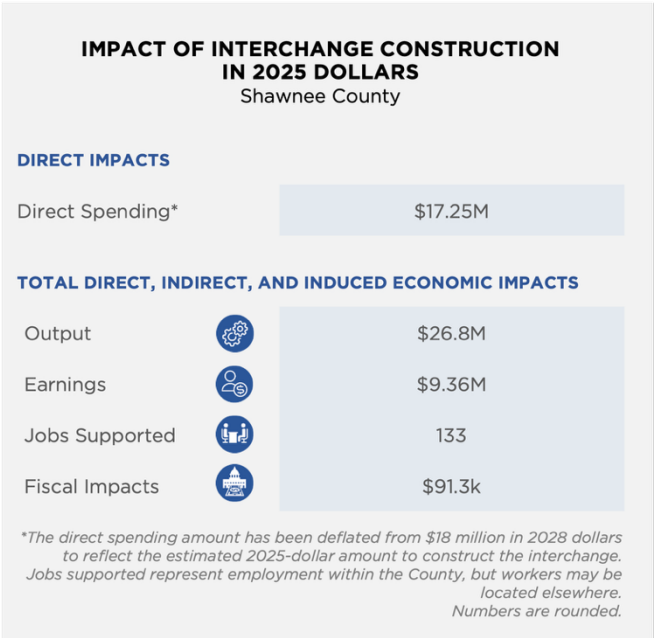
Construction Impacts

Construction impacts are one-time expenses that have a finite impact on Shawnee County. While actual development will occur over several years to achieve full buildout of the development program, we have assumed that construction will occur over the span of a year.

The construction cost was rounded to \$18 million based on the KTA memo for the interchange construction and assigned to the year 2028. IMPLAN's multipliers deflated the value to approximately \$17,250,000 to reflect the 2025 cost of construction. The total output of the construction activity would generate \$26.8 million. During the construction period, 133 jobs would be supported, 92 of those being directly supported by the project. Annual earnings of almost \$9.4 million would be generated, too. Shawnee County is estimated to capture over \$91 thousand in taxes due to the construction of the interchange.

Please note that IMPLAN does not differentiate between the types of jobs, meaning full-time, part-time, and seasonal jobs are a part of the total mix (i.e., total jobs).

A breakdown of the fiscal benefits of the construction of the interchange can be viewed in the graphic to the right. In addition to showing the direct, indirect, and induced activities, the graphic shows the source of the taxes, specifically breaking out the sales and property tax elements, and other taxes (i.e., use and personal property).



Similarly, we calculated the economic impacts of the development program of the net new development. Using city-wide construction cost estimates, we were able to identify that the development of apartments, additional retail and office spaces, and a hotel would equate to just over \$63 million. With this construction, almost 500 jobs can be supported during the construction period; 328 jobs are directly supported, and 168 indirect and induced jobs are supported. This will also support approximately \$32 million in earnings. This construction alone is projected to capture \$448 thousand in tax revenue.

In the future, an EIS can be re-run to more accurately reflect actual development impacts when a project is proposed with more definite construction costs and construction timelines.

A full breakdown of the tax revenue generated during the construction period can be found to the right.

IMPACT OF DEVELOPMENT PROGRAM CONSTRUCTION IN 2025 DOLLARS Shawnee County	
DIRECT IMPACTS	
Direct Spending	\$63.05M
TOTAL DIRECT, INDIRECT, AND INDUCED ECONOMIC IMPACTS	
Output	\$96.7M
Earnings	\$32.45M
Jobs Supported	496
Fiscal Impacts	\$448.2k
<i>Jobs supported represent employment within the County, but workers may be located elsewhere. Numbers are rounded.</i>	

DEVELOPMENT PROGRAM CONSTRUCTION TAX IMPACTS IN 2025 DOLLARS Shawnee County	
IMPACT	
Direct	\$108.4k
Indirect	\$201.4k
Induced	\$138.4k
Totals:	\$448.2k
TAX	
Sales Tax	\$29.7k
Property Tax	\$373.8k
Other	\$44.7k
Totals:	\$448.2k
<i>Numbers are rounded.</i>	

Annual Operations

Ongoing operating expenses were calculated for the Interchange-Driven (combined) scenario. This assumes the full buildout and operation of the development program, and the results reflect *average annual* impacts.

Because we do not have identified businesses, we are estimating the direct inputs based on the potential total employees needed for the development and a high-level estimate of the sales of costs of goods for retailers. This is equal to almost 340 employees and \$3.8 million in costs of goods.

In total, the estimated output is over \$52 million annually, and over \$557 thousand in annual taxes generated for Shawnee County. This new development could support 436 new employees and generate \$19.4 million in earnings a year.

The fiscal benefits of the ongoing operations of the net new building development are detailed in the graphic to the right. There would be a substantial increase in property taxes with the development of retail space and a hotel. The additional jobs created with annual operations should help stimulate more local spending and boost the local economy.

IMPACT OF ANNUAL OPERATIONS IN 2025 DOLLARS Shawnee County

DIRECT IMPACTS

Direct Jobs*	338
Sales – Costs of Goods	\$3.85M

TOTAL DIRECT, INDIRECT, AND INDUCED ECONOMIC IMPACTS

Output		\$52.2M
Earnings		\$19.4M
Jobs Supported		436
Fiscal Impacts		\$557.5k

*The direct jobs are based on employees per average square foot of retail and office, number of units, and number of rooms. Jobs supported represent employment within the County, but workers may be located elsewhere. Numbers are rounded.

ANNUAL OPERATIONS TAX IMPACTS IN 2025 DOLLARS Shawnee County

IMPACT

Direct	\$433.3k
Indirect	\$43.1k
Induced	\$81.1k
Totals:	\$557.5k

TAX

Sales Tax	\$37.4k
Property Tax	\$470.3k
Other	\$49.8k
Totals:	\$557.5k

Numbers are rounded.

CONCLUSIONS

This technical study quantifies the potential development, fiscal impacts, and economic impacts that would be supported or generated by the construction of the interchange at 29th Street. These impacts, specifically the fiscal impacts, could be leveraged to issue bonds to support the construction of the interchange. **Funds would have to be identified from other sources** to fully fund the interchange.

This analysis shows that the interchange will spur economic development during the construction phase and will bring more development potential to the area in addition to what would occur without the interchange. However, the projected property tax revenue over a 25-year period and potential bonding capacity would not cover the full construction costs, even when other revenue sources, like sales taxes and transient guest taxes, are factored in. Importantly, it is very likely that not all of the net new tax revenues would be available to support a bond for the interchange because a developer of individual real estate developments would likely utilize incentive programs to support their development. Key conclusions are summarized below:

- Estimated construction cost of the interchange: **\$18 million**
- Estimated NPV of property tax revenues generated by the Interchange-Driven (combined) scenario: **\$16.1 million**
- Estimated maximum bondable amount (up to 80 percent of total): **\$12.9 million**

Current development trends and market conditions indicate a stable, but slow growth, market. The interchange would alter potential land uses, particularly on adjacent sites, and modestly increase overall development potential. This report concludes a development program based on current and projected future market conditions. It is possible that market conditions, and, therefore, demand for real estate development, will increase over time if the regional economy grows.

There are three important factors that we recommend the City consider as it moves forward:

- **Existing land uses and property ownership are varied.** The construction of the interchange could be controversial for existing residents and landowners living interchange impact areas, especially those along 29th Street. Proactive meetings about the interchange study and construction are important to gain support for the project and inform residents, businesses, and landowners of the changes that could be expected. This includes recognizing the existing uses and how they may be impacted both positively and negatively by the construction of the interchange as the area transitions.
- **Land development will be a challenge near the interchange.** Due to the physical challenges of some properties, varied ownership, topography, watersheds, and lot sizes, some development may be more challenging than others at specific locations. Leveraging the immediate properties within 1,000 feet of the interchange to maximize marketability could be difficult considering existing development patterns. Limited opportunities exist today without working with the property owner to understand future development plans, acquiring properties, or exploring a replat of the neighborhood to be developed in the southeast corner of the interstate and 29th Street.
- **29th Street will need additional infrastructure improvements with the development of the interchange.** There will be additional traffic generated with the construction of the interchange. This means that 29th Street will have to be improved to handle the increase in traffic volume, which includes supporting truck traffic, as auto-oriented development is built.



**City of Topeka
Public
Infrastructure
Committee**

214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

DATE: September 16, 2025
CONTACT: Nicole Malott, Director of Utilities
SUBJECT: River Weir – Crest Cap
PROJECT #: 281255.04

DOCUMENT DESCRIPTION:

Capital Improvement Project (CIP) Project Exceeding \$250K: River Weir – Crest Cap

ATTACHMENTS:

Resolution

RESOLUTION NO. _____

A RESOLUTION introduced by Public Infrastructure Committee comprised of Councilmembers David Banks, Sylvia Ortiz and Neil Dobler recommending approval of Project No. 281255.04 for River Weir – Crest Cap installation.

WHEREAS, the Governing Body adopted Resolution No. 9425 approving the 2024-2026 CIB and 2024-2033 CIP; and

WHEREAS, the Governing Body requires approval for projects that are ready for construction and whose total project budget exceeds \$250,000; and

WHEREAS, on September 16, 2025, the Public Infrastructure Committee recommended approval of the project.

NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that Project No. 281255.04 for River Weir – Crest Cap installation, further described in Exhibit A, is hereby approved.

ADOPTED and APPROVED by the Governing Body on _____.

CITY OF TOPEKA, KANSAS

Michael A. Padilla, Mayor

ATTEST:

Brenda Younger, City Clerk

EXHIBIT A

Capital Improvement Project Final Approval										
Project Name:	River Weir - Crest Cap	Previous improvements at the weir in the Kansas River involved the lowering of the upstream water surface elevation, including the removal of a stop log adjacent to the weir. Since then, pumps for the Water Treatment intake have experienced cavitation when the water surface elevation of the Kansas River has been low. This project will address this while maintaining the public safety improvements of the previous project with the installation of concrete crest cap adjacent to the weir.								
Main Project Number:	281255.04									
Project Manager:	Zach Stueve									
Event	Target Date									
Design	2025									
Construction	2025 & 2026									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%; text-align: left; padding: 5px;">Funding Source</th> <th style="width: 40%; text-align: right; padding: 5px;">Final Estimate</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;">Revenue Bonds</td> <td style="text-align: right; padding: 5px;">\$ 800,000</td> </tr> <tr> <td colspan="2" style="padding: 10px 0 0 0;"> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">Totals</td> <td style="width: 40%; text-align: right; padding: 5px;">\$ 800,000</td> </tr> </table> </td> </tr> </tbody> </table>			Funding Source	Final Estimate	Revenue Bonds	\$ 800,000	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%; padding: 5px;">Totals</td> <td style="width: 40%; text-align: right; padding: 5px;">\$ 800,000</td> </tr> </table>		Totals	\$ 800,000
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**City of Topeka
Public
Infrastructure
Committee**

214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

DATE: September 16, 2025

CONTACT: Nicole Malott, Director of Utilities

SUBJECT: Oakland Waste Water Treatment Plant - Ferric Chloride Tank System

PROJECT #: 291150.02

DOCUMENT DESCRIPTION:

Capital Improvement Project (CIP) Project Exceeding \$250K; Oakland Waste Water Treatment Plant Ferric Chloride Tank System.

ATTACHMENTS:

Resolution

1 RESOLUTION NO. _____

2
3 A RESOLUTION introduced by Public Infrastructure Committee comprised of
4 Councilmembers David Banks, Sylvia Ortiz and Neil Dobler
5 recommending approval of Project No. 291150.02 for the Oakland
6 Waste Water Treatment Plant (WWTP) Ferric Chloride Tank System.
7

8 WHEREAS, the Governing Body adopted Resolution No. 9520 approving the
9 2025-2027 CIB and 2025-2034 CIP; and

10 WHEREAS, the Governing Body requires approval for projects that are ready for
11 construction and whose total project budget exceeds \$250,000; and

12 WHEREAS, on September 16, 2025, the Public Infrastructure Committee
13 recommended approval of the project.

14 NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE
15 CITY OF TOPEKA, KANSAS, that Project No. 291150.02 for replacement of the Ferric
16 Chloride Tank System at the Oakland WWTP, further described in Exhibit A, is hereby
17 approved.

18 ADOPTED and APPROVED by the Governing Body on _____.

19 CITY OF TOPEKA, KANSAS
20
21

22
23 _____
24 Michael A. Padilla, Mayor

25 ATTEST:
26
27
28
29

30 _____
Brenda Younger, City Clerk

EXHIBIT A

Capital Improvement Project Final Approval		
Project Name:	OWWTP Ferric Chloride Tank System	<p>The project involves replacing the Ferric Chloride Tank System at the Oakland WWTP. Work includes demolishing the existing tank, reconfiguring the piping to allow both tank filling and ferric chloride delivery to the digesters, and relocating the existing supply pumping system along with its instrumentation and controls. These improvements will enhance system reliability, ensure safer chemical handling, and support more efficient digester operations.</p>
Main Project Number:	291150.02	
Project Manager:	Samuel Ramirez	
Event	Target Date	
Design	2025	
Construction	2025-2026	
Funding Source	Final Estimate	
Cash	\$ 473,200	
Totals	\$ 473,200	



**City of Topeka
Public
Infrastructure
Committee**

214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

DATE: September 16, 2025

CONTACT: Steve Groen, Public Works Director

SUBJECT: NW Menninger Road

PROJECT #: Project Nos. 841097.06, 841099.08, 501105.16, 501107.09

DOCUMENT DESCRIPTION:

Capital Improvement Project (CIP) Project Exceeding \$250K; street and stormwater improvements on NW Menninger Road, rescinding Resolution No. 9504 for redesign.

ATTACHMENTS:

Resolution
Map

1 RESOLUTION NO. _____

2
3 A RESOLUTION introduced by Public Infrastructure Committee comprised of
4 Councilmembers David Banks, Sylvia Ortiz and Neil Dobler
5 recommending approval of Project Nos. 841097.06, 841099.08,
6 501105.16 and 501107.09, for street and stormwater improvements
7 on NW Menninger Road and rescinding Resolution No. 9504.
8

9 WHEREAS, the Governing Body adopted a Resolution approving the 2024-2033
10 Capital Improvement Program and the 2024-2026 Capital Improvement Budget (Resolution
11 9425); and

12 WHEREAS, the Resolution requires Governing Body approval for projects that are
13 ready for construction and whose total project budget exceeds \$250,000; and

14 WHEREAS, Resolution No. 9504 previously approved Project No. 841097.06 and
15 now the project has been redesigned; and

16 WHEREAS, on September 16, 2025, the Public Infrastructure Committee
17 recommended approval of the revised project(s).

18 NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE
19 CITY OF TOPEKA, KANSAS, that Project Nos. 841097.06, 841099.08, 501105.16 and
20 501107.09 for street and stormwater improvements for NW Menninger Road from NW
21 Green Hills Road to NW Topeka Boulevard, as further described in Exhibit A are hereby
22 approved and Resolution No. 9504 is hereby rescinded.

23 ADOPTED and APPROVED by the Governing Body on _____.

24 CITY OF TOPEKA, KANSAS

25
26
27
28 _____
29 Michael A. Padilla, Mayor

30 ATTEST:

31
32 _____
33 Brenda Younger, City Clerk

EXHIBIT A

Capital Improvement Project Final Approval										
Project Name:	NW Menninger Rd: NW Green Hills Rd to NW Topeka Blvd	This project will consist of mill and overlay with full-depth patching on NW Menninger Rd from Green Hills to Rochester. It will also include replacement of reinforced concrete box (RCB) in addition to water line relocation, funded under 501105.16 and 501107.09 - Stormwater Conveyance System Rehabilitation Program. The stormwater program leverages operating funds and revenue bonds.								
Main Project Number(s):	841097.06; 841099.08; 501105.16									
Project Manager:	Joseph Harrington 501107.09									
Event	Target Date									
Estimated Construction Year	2026									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%; background-color: black; color: white;">Funding Source</th> <th style="width: 40%; background-color: black; color: white;">Final Estimate</th> </tr> </thead> <tbody> <tr> <td style="padding: 2px 5px;">Citywide Half-Cent Sales Tax</td> <td style="text-align: right; padding: 2px 5px;">\$ 696,000</td> </tr> <tr> <td style="padding: 2px 5px;">Stormwater - Revenue Bonds and Operating Funds</td> <td style="text-align: right; padding: 2px 5px;">\$ 564,000</td> </tr> <tr> <td style="padding: 5px 5px;">Totals</td> <td style="text-align: right; padding: 5px 5px;">\$ 1,260,000</td> </tr> </tbody> </table>		Funding Source	Final Estimate	Citywide Half-Cent Sales Tax	\$ 696,000	Stormwater - Revenue Bonds and Operating Funds	\$ 564,000	Totals	\$ 1,260,000	
Funding Source	Final Estimate									
Citywide Half-Cent Sales Tax	\$ 696,000									
Stormwater - Revenue Bonds and Operating Funds	\$ 564,000									
Totals	\$ 1,260,000									





**City of Topeka
Public
Infrastructure
Committee**

214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

DATE: September 16, 2025

CONTACT:

SUBJECT: Other Items

PROJECT #:

DOCUMENT DESCRIPTION:

ATTACHMENTS:



**City of Topeka
Public
Infrastructure
Committee**

214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

DATE: September 16, 2025

CONTACT:

SUBJECT: Public Comment

PROJECT #:

DOCUMENT DESCRIPTION:

ATTACHMENTS: