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Developers close on SC Telcom site

BY BILL WILSON
The Wichita Eagle

A key part of Michael Elzufon and Dave Lundberg's plan to spruce up Wichita's downtown now is in the Real Development portfolio.

The "Minnesota guys" closed last week on the SC Telcom building at 125 S. Market and are set to embark on a multimillion-dollar exterior and interior renovation.

Construction should begin late in the third quarter or early in the fourth quarter of 2007 on the first phase, an exterior and lobby renovation costing between \$2 million and \$5 million.

"The closing keeps us in line with

the timeline we've had," Elzufon said. "I've continued to develop the project with our contractors, Key Construction, and architects, Spangenberg Phillips, over the last few months.

"We're making some modifications now, a few changes, but we'll be ready to go."

Another \$3 million to \$5 million has been earmarked for the interior of the 19-floor, 213,000-square-foot building.

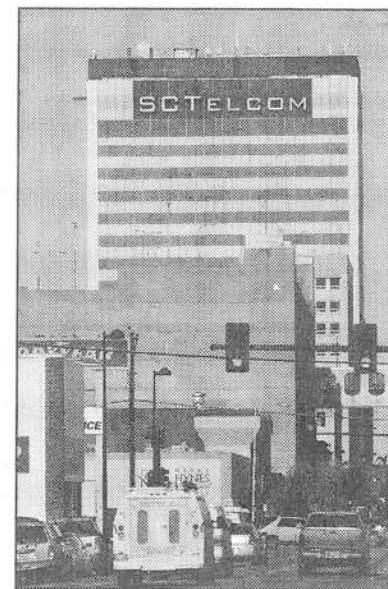
No decision has been made on the building's hotel and pool area, which could be converted into office space or restored as a hotel and convention center.

SC Telcom was a good investment that now looks even better, Elzufon said, because he thinks the probability of a downtown casino is growing.

"It stands to create further excitement for us," he said, "more development in the downtown core."

However, Ed Wolverton, president of Wichita Downtown Development Corp., cautioned that a decision on a Sedgwick County casino location — let alone on expanded gaming pending an August vote — is "a long way from made."

The SC Telcom building's iconic status is important to downtown



The SC Telcom building is about to get an interior and exterior makeover, thanks to Real Development, its new owners.

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Bo Rader/File photo

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redevelopment, said Old Town and WaterWalk developer Dave Burk.

"It's critical mass," he said.

"That's a pretty important building because a lot of people know it and remember it. There were a lot of great companies in it, and it had more of a prominent status downtown.

"So anything that brings people

downtown helps Old Town and it helps WaterWalk."

The renovation will integrate the SC Telcom Building with Exchange Place at 110 N. Market, part of a downtown residential condominium project in financial partnership with the Wichita City Council.

The council voted earlier this month to channel increases in tax dollars generated in a six-block area downtown into redevelopment projects.

It's expected that those tax dollars will be used to buy

Exchange Place and the Michigan Building from DGL LLC, now held by Minnesota businessman and investor Steve Cheney.

The buildings would be returned to Real Development to renovate into more than 90 condos, ground floor retail spaces and residential parking, and to finance a 300-space public parking garage that the city would own and operate.

Reach Bill Wilson at 316-268-6290 or bwilson@wichitaeagle.com.