

TESTIMONY

Committee on Ways and Means regarding SB 463

An Act concerning the extension of STAR bond financing – sunset provision regarding STAR bond projects.

March 16, 2012

Chairman McGinn and Members of the Committee:

I am writing on behalf of Kansas Speedway Corporation in support of SB 463.

When International Speedway Corporation committed to bring a state-of-the art speedway to Kansas our goal was to enhance tourism and create wealth for Wyandotte County, the region and State. Kansas Speedway has become the economic engine driving development and prosperity in the region.

According to research commissioned by the track, Kansas Speedway alone generates roughly \$300 million in tourism dollars on an annual basis.

Kansas Speedway attracts hundreds of thousands of race fans from all across the country two times a year but it's what the speedway has done *outside* the racing world that is making people take notice.

When the speedway was built, State, City and County officials believed it would act as a catalyst to jump-start development and growth in the region.

And that it did.

When the Unified Government decided to go after the speedway, they weren't simply going for a NASCAR track, which they knew would be a very positive addition to the community and something that we would be very proud of but they knew Kansas Speedway would be the spark to ignite and generate development next to it.

When International Speedway Corporation approached the Unified Government to build Kansas Speedway, the Unified Government had the vision to turn 400 acres across from the speedway into a Tourism District.

Village West was born.

Comprising Village West are national companies the likes Wyandotte County, the Kansas City metro and the State has never seen.

The Tourism District includes Cabela's, Nebraska Furniture Mart, The Legends, Great Wolf Lodge, Community America minor league baseball stadium, and a brand new state-of-the art Livestrong soccer facility.

A thriving tourism industry in Wyandotte County was born.

Development of this kind usually takes years however it's been amazing how quickly businesses signed on to this retail business model.

Before development began, the 400 acres known as Village West used to generate approximately \$208,000 a year in property taxes.

Today, an estimated 5,000 jobs have been created and more than \$11 million in property taxes plus 10 million annual visitors.

Overnight, Kansas City, KS and western Wyandotte County has become one of the hottest growth areas in the region. The timing was dramatic. KCK and Wyandotte County had been losing residents because of the lack of retail services and other amenities. That same lack of business hampered government services by lowering sales tax revenues and forcing up tax rates. The result was the kind of downward cycle that is hard to reverse.

STAR Bonds, which helped build Kansas Speedway and the surrounding development, used newly generated sales tax dollars produced by the project to help pay for the development. This is an innovative tool which is low risk to the Kansas Taxpayer.

The State passed STAR Bond legislation in the late 1990's to attract new growth for the state and now to remain competitive it's time to expand this powerful tool so we can continue to create jobs and prosperity for Kansas.

Thanks for the opportunity to submit in writing support for SB 463.

Jeff Boerger
President
Kansas Speedway Development Corporation