

2018 Kansas Statutes

12-17,177. STAR bond project district containing an auto race track facility; approval; financing, bond issuance, limitations; reporting requirements; secretary to determine satisfaction of bond debt.

(a) The boundaries of any STAR bond project district in a major tourism area including an auto race track facility located in Wyandotte county, shall, without regard to that portion of the district pertaining to the auto race track facility, be as follows: Beginning at the intersection of Interstate 70 and Interstate 435; West along Interstate 70 to 118th Street; North along 118th Street to State Avenue; Northeasterly along proposed relocated State Avenue to 110th Street; North along 110th Street to Parallel Parkway; East along Parallel Parkway to Interstate 435; South along Interstate 435 to Interstate 70.

(b) Any major tourism area may include an additional area not exceeding 400 acres of additional property, excluding roads and highways, in addition to the property necessary for the auto race track facility upon a finding by the governor that the development plan and each project within such additional 400 acre area will enhance the major tourism area. For the development of each project within such additional 400 acre area the city shall select qualified developers pursuant to a request for proposals in accordance with written official procedures approved by the governing body of the city.

(c) Any project within such additional 400 acre area that is financed in whole or in part by special obligation bonds payable from revenues derived from subsection (a)(1)(C), (a)(1)(F) or (a)(1)(G) of K.S.A. 2018 Supp. 12-17,169, and amendments thereto, shall not be entitled to any real property tax abatements or the revenues described in K.S.A. 12-1775, and amendments thereto.

(d) Any project within such additional 400 acre area must be approved by the governor and construction must be commenced by July 1, 2002.

(e) The maximum principal amount of special obligation bonds issued to fund STAR bond projects within a major tourism area, including any such additional 400 acre area, shall not exceed \$308,000,000, unless the city has secured prior approval from the secretary of commerce and the secretary of revenue. Any special obligation bonds issued for the following purposes shall not be counted toward such limit on the principal amount:

(1) Special obligation bonds issued solely for the purpose of refunding such bonds, either at maturity or in advance of maturity, pursuant to the provisions of K.S.A. 10-116a, and amendments thereto; and

(2) special obligation bonds issued solely to fund reserve funds for such refunding bonds.

(f) Prior to issuing any special obligation bonds for any purpose, the city or county must have the approval of the secretary and the secretary of revenue.

(g) The city or county shall prepare and submit annually to the secretary by October 1 of each year, a report describing the status of any projects within a major tourism area and all other STAR bond projects, including any such additional 400 acre area, any expenditures of the proceeds of special obligation bonds that have occurred since the last annual report and any expenditures of the proceeds of such bonds expected to occur in the future, including the amount of sales tax revenue, how it has been spent, the projected amount of such revenue and the anticipated use of such revenue. The department of commerce shall compile this information and submit a report annually to the governor and the legislature by February 1 of each year.

(h) Any business located in Kansas within 50 miles of a major tourism area that relocates into a major tourism area, including such additional 400 acre area, shall not receive any of the benefits of K.S.A. 2018 Supp. 12-17,160 et seq., and amendments thereto.

(i) If a city determines that revenues from sources other than property taxes will be sufficient to pay any special obligation bonds issued to finance a STAR bond project for an auto race track facility as described in K.S.A. 2018 Supp. 12-17,162, and amendments thereto, and the secretary makes a finding that such project will create a major tourism area as defined in K.S.A. 2018 Supp. 12-17,162, and amendments thereto, all real and personal property, constituting an auto race track facility described in K.S.A. 2018 Supp. 12-17,162, and amendments thereto, in such STAR bond project district shall be exempt from property taxation for a period ending on the earlier of:

(1) The date which is 30 years after the date of the finding by the secretary with respect to such major tourism area; or

(2) the date on which no such special obligation bonds issued to finance such auto race track facility in a major tourism area remain outstanding.

(j) The city which is authorized to issue bonds pursuant to the provisions of K.S.A. 2018 Supp. 12-17,160 et seq., and amendments thereto, in order to finance a STAR bond project in a major tourism area as defined by K.S.A. 2018 Supp. 12-17,162, and amendments thereto, shall obtain underwriting services required by the city for the issuance of such bonds pursuant to written proposals received in accordance with this section.

Each city which is authorized to issue such bonds shall establish written official procedures for obtaining underwriting services required for the issuance of such bonds, including specifications for requests for proposals and criteria for evaluation of proposals on a competitive basis. The proposal evaluation criteria shall include factors based on cost, capacity to provide the required services, qualifications and experience.

Prior to the issuance of any such bond to finance a STAR bond project in a major tourism area, the city shall publish notice of a request for proposals to provide the underwriting services that are required by the city with regard to the proposed bond issuance and shall mail requests for proposals to qualified interested parties upon request for such notice. The city shall award contracts for such underwriting services from the proposals received in accordance with the procedures and evaluation criteria adopted by the city for such purpose. A city shall publish such notice in the official newspaper of the city.

(k) A STAR bond project in a major tourism area for an auto race track facility, shall be completed within 30 years from the date the secretary makes the finding that the STAR bond project will create a major tourism area pursuant to subsection (l) of K.S.A. 2018 Supp. 12-17,162, and amendments thereto.

(l) The maximum maturity on bonds issued to finance projects pursuant to this act shall not exceed 20 years as provided in K.S.A. 2018 Supp. 12-17,166, and amendments thereto, except that:

(1) Such maximum period of special obligation bonds not payable from revenues described by subsections (a)(1)(C), (a)(1)(F) and (a)(1)(G) of K.S.A. 2018 Supp. 12-17,169, and amendments thereto, issued to finance an auto race track facility shall not exceed 30 years; and

(2) such maximum period, if the governor determines and makes and submits a finding to the speaker of the house of representatives and the president of the senate that a maturity greater than 20 years, but in no event exceeding 30 years, is necessary for the economic feasibility of the financing of an auto race track facility with special obligation bonds payable primarily from revenues described by subsections (a)(1)(C), (a)(1)(F) and (a)(1)(G) of K.S.A. 2018 Supp. 12-17,169, and amendments thereto, may be extended in accordance with such determination and finding.

(m) The secretary of revenue shall determine when the amount of sales tax and other revenues that have been collected and distributed to the bond debt service or reserve fund is sufficient to satisfy all principal and interest

costs to the maturity date or dates, of any special obligation bonds issued by a city or county to finance a STAR bond project in a major tourism area. Thereafter, all sales tax and other revenues shall be collected and distributed in accordance with applicable law.

History: L. 2007, ch. 179, § 18; L. 2012, ch. 65, § 2; July 1.