

## HUTFLES GOVERNMENT RELATIONS, INC.

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Chairman Brownlee and members of the Senate Commerce Committee, I appear before you today on behalf of Schlitterbahn Vacation Village. We are here to support the reauthorization of STAR Bonds for Kansas.

STAR Bonds have proven to be an extremely powerful economic development tool available to communities. The Kansas Speedway/Legends area in Wyandotte County speaks for itself. Projects have been approved in Topeka, Hutchinson and Manhattan. Our Vacation Village will be like no other tourist destination in the 4-state region.

As you consider the reauthorization of STAR Bonds, we urge you to keep the standards high. The Kansas Department of Commerce should be commended on their efforts in this regard. Schlitterbahn will attest to the hard work and due diligence required to be able to access STAR Bonds for our project; we do not see this as a bad thing – quite the contrary,

Schlitterbahn does have 2 requests.

1. We are requesting an amendment to SB 316 (see the attached balloon). On page 4, we would like to strike “located adjacent to a river” from the ‘River walk canal facilities’ definition. This definition was created 5 years ago when Wichita was considering a River walk as part of their downtown redevelopment. Schlitterbahn will use an extensive network of river walk canals to transport visitors throughout the area.
2. We also seek clarification on New Section 18.

Thank you for this opportunity to testify on SB 316. We look forward to welcoming our first visitors to our latest Schlitterbahn facility, the first located outside of Texas. We also look forward to our continued partnerships with Kansas and the Unified Government. I will attempt to answer any questions you may have.

- 1 to a developer, however, project costs shall include costs incurred in con-  
2 nection with the construction of buildings or other structures to be owned  
3 or leased to a developer which includes an auto race track facility. In  
4 addition, project costs shall not include:
- 5 (A) Fees and commissions paid to real estate agents, financial advisors
  - 6 or any other consultants who represent the businesses considering locat-  
7 ing in a STAR bond project district;
  - 8 (B) salaries for local government employees;
  - 9 (C) moving expenses for employees of the businesses locating within  
10 the STAR bond project district;
  - 11 (D) property taxes for businesses that locate in the STAR bond pro-  
12 ject district;
  - 13 (E) lobbying costs; and
  - 14 (F) a bond origination fee charged by the city pursuant to K.S.A. 12-  
15 1742, and amendments thereto.
- 16 (q) "Projected market area" means any area within the state in which  
17 the STAR bond project is projected to have a substantial fiscal or market  
18 impact upon businesses in such area.
- 19 (r) "River walk canal facilities" means a canal and related water fea-  
20 tures ~~located adjacent to a river, which flows through a major commercial~~  
21 entertainment and tourism area and facilities related or contiguous  
22 thereto, including, but not limited to, pedestrian walkways and prome-  
23 nades, landscaping and parking facilities.
- 24 (s) "Sales tax and revenue" are those revenues available to finance  
25 the issuance of special obligation bonds as identified in section 9, and  
26 amendments thereto.
- 27 (t) "STAR bond" means sales tax and revenue bond.
- 28 (u) "STAR bond project" means an approved project to implement  
29 a project plan for the development of the established STAR bond project  
30 district with:
- 31 (1) At least a \$50,000,000 capital investment and \$50,000,000 in pro-  
32 jected gross annual sales; or
  - 33 (2) for areas outside of metropolitan statistical areas, as defined by  
34 the federal office of management and budget, the secretary finds:
    - 35 (A) The project is an eligible area as defined in subsection (f); and
    - 36 (B) would be of statewide or multi-state significance; or
    - 37 (3) is a major tourism area as defined in section 2, and amendments  
38 thereto.
  - 39 (v) "STAR bond project area" or "project area" means the geographic  
40 area within the STAR bond district in which there may be one or more  
41 projects.
  - 42 (w) "STAR bond project district" or "project district" means the spe-  
43 cific area declared to be an eligible area as determined by the secretary