

Approved: _____
Date

MINUTES OF THE HOUSE COMMITTEE ON TAXATION..

The meeting was called to order by Chairperson Phill Kline at 9:00 a.m. on February 3, 1998 in Room 519-S of the Capitol.

All members were present except:

Committee staff present: Chris Courtwright, Legislative Research Department
Tom Severn, Legislative Research Department
Don Hayward, Revisor of Statutes
Shirley Sicilian, Department of Revenue
Ann McMorris, Committee Secretary

Conferees appearing before the committee:
Michelle Miller, Johnson County Local Government
Rep. Doug Spangler
Rep. David Haley

Others attending: See attached list

Chair reopened hearing on :

HB 2706 - Business tax relief act of 1998

Proponent:
Michelle Miller, Johnson County Local Government (Attachment 1)

She testified that Johnson County is in general support of this bill but are asking for an amendment to address the effective date be moved to December 31, 1998. Reason for this request is that over 19,000 renditions have been sent and if the current effective date in the bill is changed it would save them the manhours of manually adjusting all these renditions.

Closed hearing on **HB 2706**.

Chair opened for action on:

HB 2631 - Special revenue bonds for tourist attraction development

Chair noted that public hearings had been closed but that he had received requests from legislators to address the committee and agreed to accommodate those specific requests.

Rep. Doug Spangler -

Before making his comments, Rep. Spangler noted there were members of the Wyandotte County community who have traveled to Topeka this morning and have some testimony they would like to submit in various forms. He submitted (1) an overview map of the speedway; (Attachment 2) (2) testimony and petitions from Virginia Miller, KC. (Attachment 3) Visual aids and petitions were passed around to the committee for viewing and consideration and then returned to Virginia Miller.

Rep. Spangler noted this is a very unique project for the State of Kansas. Spangler reviewed the Kansas Department of Commerce cost benefit analysis of the proposed project. (Attachment 4) He submitted an amendment to **HB 2631** for the committee's consideration. (Attachment 5)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON TAXATION, ROOM 519-S Statehouse, at 9:00 a.m. on February 3, 1998.

Rep. David Haley -

Rep. Haley noted he was neutral on this project. His message to the committee was that Wyandotte County citizens want the NASCAR track but don't want the 30 year abatement.

Chair opened **HB 2631** for discussion, motions and amendments.

Moved by Representative Powell, seconded by Representative Mays, adoption of conceptual amendment as presented by Rep. Spangler with addition of language that would allow sales tax excess be used to pay partially on the TIF bonds in ten years with 4.9% of sales tax going to State Treasury for escrow and 2% to the county for expenses. Motion carried.

Moved by Representative Powell, seconded by Representative Larkin, conceptual amendment to remove star bond funding from star bond authority on the additional 400 acres for which no specific plan has been submitted. Motion carried.

Moved by Representative Presta, seconded by Representative Palmer, conceptual amendment to limit star bonds to 20 years with discretion to get permission of Governor for additional time by showing just cause. Motion carried.

Moved by Representative Wempe, seconded by Representative Shriver, amendment for this special project to require any persons displaced by this project would receive an award of 125% of the appraised value of their home and a fee appraisal required for imminent domain procedures. Motion carried.

Moved by Representative Franklin, seconded by Representative Tanner, conceptual amendment applies to all other TIF projects that will offer at least the highest of the last three county appraisals before they will use condemnation by use of imminent domain. Motion carried.

Moved by Representative Powell, seconded by Representative Larkin, pass HB 2631 out favorably as amended. Motion carried.

The next meeting is scheduled for February 4, 1998.

Adjournment.

Attachments - 5

TAXATION COMMITTEE GUEST LIST

DATE: **FEBRUARY 3, 1998**

NAME	REPRESENTING
Vernon Stout	Self
DAN SCHENKIN	KCK Chamber of Commerce
Michelle Miller Johnson	County
John Williams	KCK self
Lloyd Hazen	Self
Michael Coffey	Self
Jim McHaff	KS AFK-CIO
Stacey Farmer	KASB
Doug Farmer	DOB
Steve Kelly	KDOCH
Rebecca Floyd	KDFA
Ashley Shevard	Overland Park Chamber of Commerce
Leon Loums	Kansas Farm Bureau
Paul Franklin	Self
Bob CREASON	Self
Howard Miller	Self
Virginia Miller	self
RICHARD LITTON	SELF
Eri Manning	Self

TAXATION COMMITTEE GUEST LIST

DATE: **FEBRUARY 3, 1998**

NAME	REPRESENTING
John Drorak	K C Star
Fathy Weepe	Unified Govt KCK
Denise Oakley	Unified Govt WYCO/KCK
Judy Willint	Kansas Newspapers
DENNIS HAYS	UNIFIED GOVT OF WYCO
CAROL MARINOVIC	UNIFIED GOVT WYCO/KCK
Lee Eisenhauer	Propane Marketers Assoc of KS
Leonard Brunec	Homeowner - K.C. KS
Gary Anderson	Gilmore & Bell on behalf of Unified Govt
Lesal Kennedy	ISC
Almeda Edwards	Franklin Co Farm Bureau
John Pasley	HNTB / ISC
Kim Wells	Gilmore & Bell for Unified Govt KCK
Craig Hoffrey	UMB BANK - WY. CO. BKG CT
Whitney Danna	Un. tied Government of Wy Co.
J BOTTENBERG	KISC



Johnson County, Kansas

January 30, 1998

**TESTIMONY ON HB 2706
BEFORE THE HOUSE TAXATION COMMITTEE
On Behalf of the Johnson County Board of County Commissioners**

Presented by Michelle Miller, Johnson County Intergovernmental Relations Coordinator

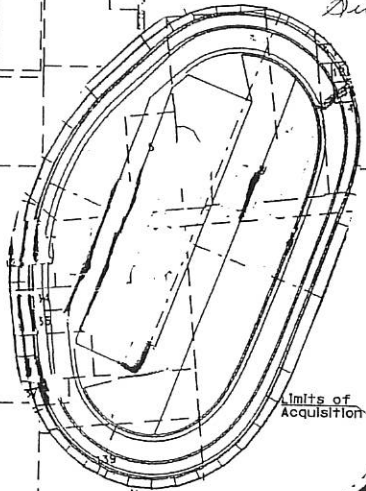
Johnson County is in general support of HB 2706, however we wish to offer an amendment to address an issue that poses a problem for the Johnson County Appraiser and the County Clerk, and those of our sister counties across Kansas.

Johnson County respectfully requests that the effective date of the bill be changed from December, 31, 1997 to December 31, 1998; (Line 26, section [b]). This change is important to counties because we are currently in the middle of processing the 1998 property tax renditions to establish value on business machinery and equipment. Approximately 19,000 1998 property tax renditions have already been delivered to taxpayers and are due to the County Appraiser by the March 15. These values must be certified to the County Clerk by June 15. Given the current effective date, counties would be required to correct the 1998 values after certification of values to the county clerks. We believe the administrative burden that is created by the 1997 effective date is untenable, and creates not only confusion for the taxpayer, but also chaos for counties.

We therefore hope that this committee will look favorably upon our request to change the effective date of the bill to December 31, 1998. Thank you for taking my testimony today, I would be happy to stand for questions or comments.

House Taxation
2-3-98
Attachment 1-1

The approximate location of the track on Site A



Limits of Acquisition

110TH STREET

STATE AVENUE

150' R/W

NEW JERSEY AVENUE

House Taxation
2-3-98
Attachment 2-1



DLR Lecher and Mahoney

Turner

STATE AVENUE

118TH STREET

120' R/W

110TH STREET

STATE AVENUE

80' R/W

Limits of Acquisition

LEGEND

- Communication Tower
- Residential
- ▲ Commercial
- ✝ Church
- Interstate Roads
- Turnpike Roads
- State / Local Roads
- Interior Roads
- Flow Easements / Detention 1-10

KANSAS TURNPIKE

RIVERVIEW AVENUE

110TH STREET

KANSAS TURNPIKE

118TH STREET

KANSAS INTERNATIONAL SPEEDWAY
KANSAS CITY, KANSAS

December 31, 1997

House Taxation
2-3-98
Attachment 2-1

Good morning Ladies & Gentlemen. My name is Virginia Miller, and I live on the NW corner of I-70 & 110th st.. We have lived ther 51 years.

I Oppose the 30 year tax abatement for the ISC race track.

I am incensed that our home can be taken for a private project. It is **WRONG** to take a citizens' property for private gain. Did you as Legislators know that if the homes in your area are 35 yrs. old, they may well qualify to be considered **BLIGHTED** and therefore can be declared an Enterprise Zone by **Your** local government? I understand that Kansas is one of a few states that grant this right. Legislators this is a **BAD LAW!**

We were told Two sites were being offered. Please refer to the map given you. Site "A" which covers almost two sections of land, with 21 homes, 1 business, a church w/ cemetery, & Prime farm land. ~~Amazingly one section is an estate handled by a local banker affiliated with our Unified Government.~~ *locally,* Another large area is owned by a "Group" of investors whose names seem to be buried in red tape. The person who handles the rental of the property happens to be a former Wy. Co. Engineer who married a Co. Commissioner ~~at the time~~. Site "B" covers ¹⁴⁶6 homes, 4 businesses, & a BPU tower. U.S. 24-40 (State Ave.) & 110th St. must be rerouted. This site sits on a considerable amount of bedrock, but was chosen as the track site. We've since learned that Site "A" was never offered. It is being saved for future commerical development . Opening New Jersey St. & rerouting Hwy 24-40(State Ave.) is a bonanza for the investors and the estate. **Who knows how many other fingers are in the PIE!**

We are one of 70 Families that have to move by May 1. The payment date is May 1. The only mention of compensation has be "Fair Markert Value" or condemnation. Surrounding property is scarce & prices have escalated since the announcement of the proposed track. We attended a meeting of about 100 people & were asked for a show of hands of all who are planning to relocate in Wy. Co. . **Two Families responded.**

It is the first of February. We've not been appraised or approached. Our tax money is being spent by these people buzzing around here in Topeka to sell us out. **THESE ARE OUR HOMES, OUR BIGGEST FINANCIAL INVESTMENT.** We are in limbo. I understand now how the Indians who once lived on this land, felt when they were moved against their will to Oklahoma. They also stood in the way of **PROGRESS.**

The public meeting held Dec. 16th, was a joke. After all the minority contractors, realtors, & Clarkson Const. Co. praised the project the Unified Government lost interest in the remaining speakers. Two of the members nodded off in sleep. Three of our local State Legislators questioned the wisdom of the agreement & the Unified Board became very irritated. With the death of Mr. Long, we now only have two Legislators questioning on our behalf.

ISC has committed to 3 races a year for 5 years. That is 12 days a year, what about the other 353 days? A Winston Cup Series requires 5 million dollars up front. We have a short season compared to the warm climates. Where are all the people coming from to support hotels, restaurants, & shopping areas the rest of the year?

House Taxation
2-3-98
Attachment 3-1

The County bailed out Sandstone Ampitheater, the City bailed out Lakeside Speedway. What happens this time?

Dennis Hayes assured us that NO TAX MONEY will be used. Who is going to pay for the marketing, insurance premiums, and the many services this facility will require? Where is the CITY MONEY TREE? The only monies that Government entities have, come from taxes in one form or another.

The Woodlands built without tax abatement. Jim Denham, is building Canaan Properties at 7 Hwy. & I-70, without abatement. A tire store & bank are currently operating in this area and a hotel is under construction. USF Dugan Trucking flooded out in 1993. They bought land at 97th & State Ave. and built without abatement. They employ around 150 people. They bargained with the land owners and our City Fathers complained that they had paid too much and it might set a precedent.

In 1995 our tax rate was 193.935. In 1996 it was 190.539, and in 1997 it was 177.702, down considerably due to General Motors going back on the tax rolls. Taxes not paid by some, must be paid by others. 100 % OF THE PROPERTY TAXES IN SITE 'B' ARE BEING PAID NOW!!!!!!

LET'S LOOK BACK 30 YEARS:

- * We were at war in Vietnam. Most automobiles were gas guzzlers. TWA & Pan Am were still big.
- * 25 years ago we had a major fuel shortage, cars lined up for blocks at stations that had gas. The speed limit was set at 55mph.. You could buy a new Cadillac Eldorado for \$14,000..
- * 20 years ago inflation hit big time. Cars shrunk in size. Interest rates soared. A five year CD could earn you 14%.
- * How then can you predict what 30 years will bring? The Mid-East is a hot bed right now. We could easily have another fuel shortage. ISC isn't committing past 5 years! Why give them 30 years?? If this project can't make a go of it in 20 years, it is a bad investment. Who will be asking for 30 years next? If surrounding counties think it is such a good deal, why didn't they bid on it? They have more land than we do. Missouri wasn't willing to give away the store. Why should Kansas?

In essence ISC is not investing much. The taxes they should rightfully pay will actually be helping make bond (mortgage) payments.

K.C.K. is about to run out of land. They want the Land of Oz. (another tax abatement). The Leavenworth Co. line is two & a half miles west of 118th St.. When they give us all away, who remains to pay the taxes? The Unified Government predicts 900 jobs, ISC says 45-70. Vending jobs are often filled by members of civic groups, schools, and various clubs as fundraisers.

Let's see---The Unified Gov. offered two sites--not true.
---The Unified Gov. touted it as a NASCAR track--not true.
---The Unified Gov. predicted 900 jobs--ISC says 45 to 70.

With a track record like that what can we believe?????????

Mike Hendricks, a columnist for the K.C. Star has this to say about the racetrack:

"Boy, did Kansas City, Kansas make out on that speedway deal.

All it took to be selected NASCAR capital of the Plains was for K.C.K. to allow International Speedway Corp. to stuff its pockets with freebies and tax breaks for the next 30 years.

Seldom has a so-called public-private partnership been so breathtakingly one-sided and awash in corporate greed.

They say desperate people do desperate things. And Kansas City, Kansas is certainly desperate for new investment and more prestige.

But think of the cost:

Under the plan, the raceway company would pay no property or sales taxes until after its bonds are paid off in 2027, well past when many of these involved in this deal will have made their last pit stop. (a change in Kansas law is still required to make that work, however.)

The Unified city/county government would share in not one cent of the revenues, but it's expected to build roads and provide millions of dollars of services that a gigantic facility like that requires.

The Benefit?

The project that a lot of race fans will visit several times a year and fill up the motels and restaurants."

With that, I would like to thank you for giving me the opportunity to address this committee today.

January 15, 1978

We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

	NAME	ADDRESS
1.	R N Hammentree	10550 Riverview
2.	J E Hume	11936 Rollins
3.	James M. [unclear]	1900 N 121st
4.	Harold E Miller	3316 N 131st KCKs
5.	Josie L Miller	3316 N 131st K.C. Ks
6.	Bernice Hanks	111 Springdaley Bonner Eggs
7.	By [unclear]	13202 Leavenworth Rd
8.	Charlene M Miller	13202 Leavenworth Rd. KCKs
9.	Lyron Tapia	3801 Mart 131 KCK
10.	Sharon Engle	13110 Leav. K.C.K.
11.	Melinda J. [unclear]	535 N. 110th St. KCKs
12.	Milan J. [unclear]	525 N 110th St K.C.K.
13.	Hervey [unclear]	525 N 110th St KCK
14.	Ray C. Morris	445 N 110th St. KCK.
15.	John Y Williams	555 N. 110th St. KCK
16.	John J Daniel	{ 323 N 110th St P. C. K.
17.	Bernice [unclear]	
18.	Eleanor Taylor	1223 N. 86th N. C. K
19.	Charles E. Taylor	1223. N. 86th KCK
20.	Veris Trent	1522 N. 81st K.C. Ks
21.	Ralph Tracy	1522 N 81st KCK
22.	Joe [unclear]	1115 So 102 Terr Edw. Ks
23.	Kerry Green	12221 Marpen KCKs.

3-4

We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

NAME	ADDRESS
1. Frank T Swanton	11810 Parallel KILKS
2. Terrance L. Hennessy	11936 Parallel KA KS 66109
3. Grant Gorse	1910 N. 118 KCK
4. Clayton G. G. A.	1910 N. 118 KCK
5. Virgil Shinkard	1748-N-118 ST KCK-66109
6. Beatrice Shinkard	1748-N. 118 St. KCK 66109
7. J. D. Okun	1748 N 118th KCK 66109
8. Doris Innes	1306 N. 118th K.C.K. 66109
9. Timothy W. Dennis	1306 N. 118th KCK. 66109
10. Robert W. Jarec	909 W 118th
11. Louise Zeljeznjak	821 N 118 S
12. Sophia Makar	645 N. 118th Bonner Springs KS
13. Mary Zeljeznjak	615 N. 118 Bonner Springs Ks
14. Dick Zeljeznjak	615 N 118 Bonner Sp. Ks
15. Nancy L. Coffin	521 N. 118th Bonner Sp. KS
16. Kathryn Nelson	517 N 118th Bonner Sp. Ks
17. Mary J. Steinwender	510 N 118th Bonner Sp. Ks
18. George P. Ford	501 N 118th Bonner Sp. Ks
19. Virginia A. Ford	501 N 118th Bonner Sp. Ks
20. William Doughty	500 N 118th Bonner Sp. Ks
21. Albert Carver	618 Penny K. Ks
22. Robert Perkins	119 St. River St
23. Jerry Butcher	5004 Walker KCKS 66102

January 15, 1998

We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

NAME	ADDRESS
1. Jurey Summs	438 N 118 Bonner Springs, Kan
2. Virgil DeFries	410 N 118 Bonner Springs, K.
3. Helen L DeFries	410 N 118 Bonner Springs K.S.
4. Maxine Johnson	11510 Leav. Rd. K.C. Kansas 66109
5. Ralph Johnson	11510 Leav. Rd. K.C. Kansas 66109
6. John Douglas	2611 N 119th KCK 66109
7. Rosalie Hammond	2101 N. 77 Terr, K.C. K.S. 66109
8. E. Lea Owsley	1816 No 90 K.C. K.S. 66112
9. Doris Spinner	2227 N. 75 K.C., K.S. 66109
10. Cass Phillips	39 Royal Dr. KCK Co. 66111
11. Beverly Howard	8320 Leavenworth KCK 66109
12. Ken Howard	8320 Georgie KCK 66109
13. Frances Hammonstein	10550 Riverside KCK 66111
14. Frank ASB	2802 N. 109 Terr KCK 66109
15. Muttler	9849 Leavenworth KCK 66109
16. Ureich	11014 Parallel
17. Paul Randall	10849 Hollingsworth
18. Polyn Fursel	2500 N 131 KCK
19. Barbara Zimmer	2832 N. 72nd St KCKS
20. Bill Zimmer	" " " "
21. Phyllis Bollinger	2716 N. 119, K.C. K.S. 66109
22. Pauline Debra	12225 Parallel
23. Joyce Cunningham	528 No. 110th St. KCK 66111

January 15, 1998

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We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

- | NAME | ADDRESS |
|---------------------------------|---|
| 1. Carol S. East | 4210 N 109 th St. |
| 2. Jay A. Ward | 3404 N 73rd Dr. KCK 66109 |
| 3. Raymond Wood | " " " " " " |
| 4. Linda Nelson | 4245 N 109 th Wm. |
| 5. John Green | 72221 Markon |
| 6. Susie Montgomery | 12149 Hubbard Rd - |
| 7. Don Bennett | 4205 N 109 th Ter |
| 8. Bess Montgomery | 12149 Hubbard KCK |
| 9. Craig Allen | 42 Royal DR. R.C., KS. 66111 |
| 10. Fay & Cunningham | 528 th 110 St K.C.K. 66111 |
| 11. Jon Montgomery | 12149 Hubbard KCKS 66109 |
| 12. Clara Cunningham | 528 th 110 th KCK 66111 |
| 13. Don Cook | 10910 KIMBALL KCK 66109 |
| 14. Amy Cook | 10910 Kimball KCK 66109 |
| 15. Jim Ulrich | 11014 Parallel KCK 66109 |
| 16. Frank Reh | 4245 N. 109 |
| 17. Jeanie Watkins | 1405 N. 60 th St KCK 66102 |
| 18. Linda Sewell | 12427 Wingfoot Dr. KCK 66109 |
| 19. Royal R. Westbrook | 8412 Ann K.C.K.S 66112 |
| 20. Dolores H. Westbrook | 8412 Ann Ave., KC, Ks. 66112 |
| 21. Sylvia Hartman | 4211 N. 129 KCK 66109 |
| 22. Peggy Fye | 1504 N 82 Ter, Kansas City, ⁶⁶¹¹² KS |
| 23. Shannon Reeves | 9899 Leavenworth Rd KC, KS 66109 |

January 15, 1998

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We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

NAME	ADDRESS
1. Laurel K. Perry	3215 N. 123 K.C. KS 66109
2. Lami F. Perry	3215 N 123 KCKS 66109
3. Dawn G. Nigh	3225 N 123 KC KS 66109
4. Leslie Nigh	3225 N. 123 KCKS 66109
5. Leigh Kasitor	12118 Leavenworth Rd KCK 66109
6. Kenneth A. Miller	3126 W 131 KCKS 66109
7. Kathleen Miller	3126 N 131. KCKS 66109
8. Amy Miller	3126 N. 131st KCKS 66109
9. Sandra Hennessey	3620 N. 131st KCKS 66109
10. Robert Hennessey	3620 N 131st KCKS 66109
11. Evelyn Engelhart	3604 N. 131st Kansas City, 66109
12. Susan Hennessey	3620 N. 131st Kansas City, KS 66109
13. Dorothy Stevenson	201 N. 110th Street Edwardsville, Mo. 6604
14. Edwin E. Stevenson	201 N. 110th St. Edwardsville, Mo. 66111
15. Margaret Paucich	131 So 110th St Edwardsville, Mo. 66111
16. Michael A. Paucich	131 S. 110TH. ST. Edwardsville, Mo. 66111
17. Victoria A. Paucich	131 S 110th St Edwardsville, Mo. 66111
18. Shirla J. Lightle	8149 Seward - K.C. Mo. 66109
19. John W. Cooper	3642 No 124 - KCK 66109
20. P.C. Uhlrich	1116 Parallel, KCKS 66109
21. M. Irene Cooper	3642 No 124, KCK 66109
22. Russell Reid	73 Royal Dr. KCK 66111
23. Freddie Reid	73 Royal Dr " "

3-8

January 15, 1998

We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

NAME	ADDRESS
1. Blaine Fye	1504 N. 82 Terrace Kansas City, Mo. 66112
2. Led Moon	2449 N 119 th KCK 66109
3. Lois moon	2949 No. 119 th Kansas City, Mo. 66109
4. David Moon	11300 Lakeview K.C. MO. 66109
5. Sandy Moon	11300 Lakeview Dr KCKS 66109
6. Alaina Shore	10824 Cleveland KCKS 66109
7. Marc McKeon	3025 N 99 th KCKS 66109
8. Mike Rodriguez	841 N. 70 Ter K.C.KS
9. Kim Rodriguez	841 N 70 Ter KCKS 66112
10. Pat Breedlove	1904 No. 86 th St. CA 66112
11. Kelad C. Breedlove	1904 N 86 KCK 66112
12. Martin J. Jacobell	6809 Greeley KCK 66109
13. Marilyn Sabell	6807 Greeley KCK 66109
14. Ken P. Myers	8951 LEAVENWORTH RD KCKS 66109
15. Marsha Myers	8951 Leavenworth Rd. K.C. Mo 66109
16. Helen T. Miller	500 N. 110 th
17. Lloyd Miller	124 - N - 113 th K.C. Kansas
18. Tim Manning	637 North. 110 th KCKS 66111
19. Jane Winkle Phillips D.	637 N. 110 th KCKS 66111
20. Howard Smith	580 N 110 th K.C. Mo. 66111
21.	
22.	
23.	

We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

NAME	ADDRESS
1. <i>Bill Decker</i>	900 North 110 th K.C. Ks 66111
2. <i>Frances Brown</i>	921 North 118 th K.C. Ks 66111
3. <i>Marion E. Lawrence</i>	2404 N 123 K.C.Ks 66109
4. <i>Joe Richmond</i>	8720 W. AVERY, K.C.Ks 66109
5. <i>Eva James</i>	463 Trent, Edwardsville, Mo
6. <i>Mr. & Mrs. Addie</i>	8718 Kew Dr, K.C.Ks 66111
7. <i>Sue Russell</i>	810 Morse Edwardsville
8. <i>Shirley Jutler</i>	39 Haines Edu. K.C. 66113
9. <i>Norothy Manson</i>	2418 N 123. K.C. Ks. 66109
10. <i>Howard Manson</i>	2418 N 123 K.C. Ks. 66109
11. <i>Clara Lawrence</i>	2404 N 123 K.C. Ks 66109
12. <i>Karen Baxter</i>	13138 Swartz Rd Bonner Springs, KS 66012
13. <i>Charles Baxter</i>	13138 Swartz Rd Bonner Springs, KS 66012
14. <i>Lise Church</i>	2904 Nth 81st Terr. Kansas City Ks 66109
15. <i>Mark Church</i>	2104 Nth 81st Terr. Kansas City, Ks 66109
16. <i>Robert Daugherty</i>	11750 Parallel K.C.K 66109
17. <i>Marilyn Daugherty</i>	11730 Parallel, K.C.K. 66109
18.	
19.	
20.	
21.	
22.	
23.	

January 15, 1998

We, the undersigned residents of Wyandotte County, Kansas are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

- | NAME | ADDRESS |
|---------------------------------|-------------------------------------|
| 1. Sharon Miller | 1211 S 104th |
| 2. John Philip Damborn | 9277 Minnesota Ave
K.C. KS 66112 |
| 3. Harriett V Swenton | 11810 Parallel
K.C. KS 66109 |
| 4. Miss Vickers } 2430 N. 119th | K.C. KS 66109 |
| 5. Lee Vickers } | |
| 6. Marilyn Sue Keln | 2400 North 119th KCK 66109 |
| 7. S. V. V. | 13706 S. |
| 8. Jeff Miller | 13206 Heavenworth Rd KCKs 66111 |
| 9. Felicia Cotton | 2958 W 77th KCK 66109 |
| 10. | |
| 11. | |

We, the undersigned residents of Wyandotte County, Kansas, are opposed to a Thirty Year tax abatement for the ISC racetrack and tax abatement on adjoining lands.

- | NAME | ADDRESS |
|--------------------|-------------------------------|
| 1. Richard Liston | 520 N. 110TH ST KCK |
| 2. Lane V. Knight | 331 N. 40TH ST KCK |
| 3. Barbara A. Bell | 2203 Franklin KCKs 66104 |
| 4. Dayne E. Jones | 4510 Heavenworth Rd. K.C. KS. |
| 5. Lance E. Lister | 5500 N. 107th KCK 66109 |
| 6. Nina E. Liston | 1035 S. 47TH KCK 66106 |
| 7. Vern Liston | 1035 S. 47TH KCK 66106 |

3-11

ISC Speedway Economic Impact Study

Wyandotte County Site

REVISED -01/20/1998

The following economic impact study is based on data and industry analysis provided by Fine Research & Marketing, Inc. and the International Speedway Corporation. The study findings are a result of analysis performed by the Kansas Department of Commerce and Housing through the use of the Regional Econometric Model developed by REMI, Inc. of Amherst, Massachusetts. Economic multipliers were incorporated via the REMI model. Income, sales and property taxes were calculated through rates provided by the Kansas Department of Revenue. The study looks at the impact of the project during the two-year primary construction phase, the five-year second phase of proposed build-out, and over the first ten-year period of stabilized operation. The study assumes no growth of the speedway facility in terms of employment, event attendance, or the number of events per year.

The study considers the benefits of the project from several perspectives:

1. Impact of the Construction Phase
2. Impact of Speedway Employment
3. Impact of Speedway Operations
4. Annual Tourism Impacts Outside Speedway Facility
5. Annual Tourism Impacts Inside Speedway Facility

IMPACT OF THE CONSTRUCTION PHASE

Assumptions: \$180.8 million of construction costs over a two year period for Phase 1

This analysis does not include the infrastructure improvements made outside the facility that would also have impacts on the regional economy.

\$54 million in construction over five years for Phase 2 build-out.

CONSTRUCTION EMPLOYMENT AND INCOME IMPACTS

PHASE 1 Impacts (2 Years)

	Direct	Indirect	Total
Jobs	892	815	1707
Income	\$79,840,000	\$48,070,000	\$127,910,000

PHASE 2 Impacts (5 Years)

	Direct	Indirect	Total
Jobs	105	26	131
Income	\$26,820,000	\$14,850,000	\$41,670,000

House Taxation
2-3-98
Attachment 4-1

TAX IMPACTS OF CONSTRUCTION

CONSTRUCTION State Tax Impacts (7 Years)

	Direct	Indirect	Total
INCOME TAXES	\$1,800,000	\$1,100,000	\$2,900,000
SALES TAXES	\$1,580,000	\$930,000	\$2,510,000
PROPERTY TAXES	\$686,000	\$406,000	\$1,092,000
TOTALS	\$4,066,000	\$2,436,000	\$6,502,000

CONSTRUCTION Local Tax Impacts (7 Years)

	Direct	Indirect	Total
INCOME TAXES	0	0	\$ 0
SALES TAXES	\$240,000	\$140,000	\$380,000
PROPERTY TAXES	\$2,750,000	\$1,620,000	\$4,370,000
TOTALS	\$2,990,000	\$1,760,000	\$4,750,000

Positive tax impacts are based on additional employment and earnings generated by the construction activity, not the value of the facility. Increases in income tax collections, property tax collections, and sales tax collections are related to increased purchasing power resulting from increased personal income.

The analysis does not account for employment, income, or tax impacts generated from future investment in the region that may be influenced by the facility.

Impacts projected for the local economy reflect economic impacts in a six-county region that includes: Douglas, Franklin, Johnson, Leavenworth, Miami, and Wyandotte counties.

4-2

IMPACT OF SPEEDWAY OPERATIONS

EMPLOYMENT

Assumptions: 195 full-time equivalent employees (includes permanent full-time and seasonal) hired by the facility with \$4.96 million annual payroll and 56 additional jobs, with \$930,000 in annual payroll, created in the region's economy.

Speedway Operations Employment Impacts (10Years)

	Direct	Indirect	Total
Jobs	195	56	251
Income	\$49,600,000	\$9,300,000	\$58,900,000

State Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES	\$900,000	\$200,000	\$1,100,000
SALES TAXES	\$700,000	\$100,000	\$800,000
PROPERTY TAXES	\$300,000	\$50,000	\$350,000
TOTALS	\$1,900,000	\$350,000	\$2,250,000

Local Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES	\$0	\$0	\$1,100,000
SALES TAXES	\$150,000	\$30,000	\$180,000
PROPERTY TAXES	\$1,300,000	\$240,000	\$1,540,000
TOTALS	\$1,450,000	\$270,000	\$2,820,000

Positive tax impacts are based on additional employment and earnings generated by the operation of the facility, not the value of the facility. Increases in income tax collections, property tax collections, and sales tax collections are related to increased purchasing power resulting from increased personal income.

The analysis does not account for employment, income, or tax impacts generated from future investment in the region that may be influenced by the facility.

Impacts projected for the local economy reflect economic impacts in a six-county region that includes: Douglas, Franklin, Johnson, Leavenworth, Miami, and Wyandotte counties.

NOTE: Portions of the sales taxes projected may be subject to the STAR Bond Zone. Only taxes actually collected on the facility site will be used to retire the STAR bond.

SPEEDWAY FACILITY

Assumptions: \$163.8 million facility.

- There is a proposed abatement of property taxes for facility. No impact projections for property tax effects were calculated for the facility.

ANNUAL TOURISM OUTSIDE SPEEDWAY FACILITY

Assumptions: Three annual major racing events with 405,000 non-local, visitors and 150,000 day visitors are projected. Based on information provided by ISC on attendance and average stay duration 364,500 overnight visitor days and 150,000 local visitor days were used in the calculations.

Impact of tourism on the regional economy

JOB: 1,376 service and retail sector jobs
PAYROLL: \$45.325 million in annual payroll

**SPEEDWAY TOURISM -- Impact of Employment Generated Outside Facility
State Tax Impacts (10 Years)**

	Direct	Indirect	Total
INCOME TAXES	\$7,900,000		\$7,900,000
SALES TAXES	\$6,690,000		\$6,690,000
PROPERTY TAXES	\$2,918,150		\$2,918,150
TOTALS	\$17,508,150		\$17,508,150

Local Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES	\$0		\$ 0
SALES TAXES	\$1,369,000		\$1,369,000
PROPERTY TAXES	\$11,672,610		\$11,672,610
TOTALS	\$13,041,610		\$13,041,610

Positive tax impacts are based on additional employment and earnings generated by the tourism outside the facility, not the value of the facility. Increases in income tax collections, property tax collections, and sales tax collections are related to increased purchasing power resulting from increased personal income.

The analysis does not account for employment, income, or tax impacts generated from future investment in the region that may be influenced by the facility.

Impacts projected for the local economy reflect economic impacts in a six-county region that includes: Douglas, Franklin, Johnson, Leavenworth, Miami, and Wyandotte counties.

NOTE: Portions of the sales taxes projected may be subject to the STAR Bond Zone. Only taxes actually collected on the facility site will be used to retire the STAR bond.

SPEEDWAY TOURISM -- TOURIST EXPENDITURES OUTSIDE FACILITY

Direct Expenditures of \$86,000,000 annually and Indirect (multiplier) impacts of \$164,241,000 annually in the regional economy by tourists. These expenditures include lodging, meals, travel, and incidental expenditures. Over 10 years this amounts to \$608.3 million in direct expenditures in the regional economy.

State Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES			\$ 0
SALES TAXES	\$26,826,030	\$35,410,359	\$62,236,389
PROPERTY TAXES			\$ 0
TOTALS	\$26,826,030	\$35,410,359	\$62,236,389

Local Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES			\$ 0
SALES TAXES	\$10,949,400	\$14,453,200	\$25,402,600
PROPERTY TAXES			\$ 0
TOTALS	\$10,949,400	\$14,453,200	\$25,402,600

Sales tax impacts are based on direct and indirect expenditures resulting from increased tourism in the region.

NOTE: Portions of the sales taxes projected may be subject to the STAR Bond Zone. Only taxes actually collected on the facility site will be used to retire the STAR bond.

ANNUAL TOURISM INSIDE SPEEDWAY FACILITY

Assumptions: 300,000 visitors averaging \$60 per visitor per day of attendance.. Average on-site spending at ISC events was used as a basis for this calculation.

Impacts: \$18.0 million total annual retail sales generated inside the facility. This includes ticket sales and incidental expenditures by visitors. Projections of \$1.4 million in receipts from private suite rentals and \$6.1 million in race team and media expenditures. This results in a total of \$25.5 million in expenditures inside the facility. Based on information from ISC, 90% of sales are taxable. This results in \$22,950,000 in taxable retail sales annually inside the facility.

State Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES			\$ 0
SALES TAXES	\$11,245,500		\$11,245,500
PROPERTY TAXES			\$ 0
TOTALS	\$11,245,500		\$11,245,500

Local Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES			\$ 0
SALES TAXES	\$4,590,000		\$4,590,000
PROPERTY TAXES			\$ 0
TOTALS	\$4,590,000		\$4,590,000

NOTE: This generates an average of \$1.584 million in sales taxes annually from sales inside the race facility. It does not capture additional retail sales taxes within the STAR zone that may result from the development of ancillary facilities. The projection does not include the proposed build-out that would add 75,000 additional spectator seats. This would cover the initial debt service without additional tax receipts through the first 10 years of the repayment schedule provided 12/10/97.

TOTAL IMPACTS

Ten Year Projections of impacts on State Income Tax, Sales Tax, and Property Tax Collections

State Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES	\$10,600,000	\$1,300,000	\$11,900,000
SALES TAXES	\$47,041,530	\$36,440,359	\$83,481,889
PROPERTY TAXES	\$3,904,150	\$456,000	\$4,360,150
TOTALS	\$61,545,680	\$38,196,359	\$99,742,039

Local Tax Impacts (10 Years)

	Direct	Indirect	Total
INCOME TAXES	\$0	\$0	\$ 0
SALES TAXES	\$17,289,400	\$14,623,200	\$31,912,600
PROPERTY TAXES	\$15,722,610	\$1,860,000	\$17,582,610
TOTALS	\$33,012,010	\$16,483,200	\$49,495,210

Positive tax impacts are based on additional employment and earnings generated by the construction and operation of the facility, not the value of the facility. Increases in income tax collections, property tax collections, and sales tax collections are related to increased purchasing power resulting from increased personal income.

The analysis does not account for employment, income, or tax impacts generated from future investment in the region that may be influenced by the facility.

Impacts projected for the local economy reflect economic impacts in a six-county region that includes: Douglas, Franklin, Johnson, Leavenworth, Miami, and Wyandotte counties.

The impact analysis does not include the economic benefit to the region that would result from any additional investment in the region due to the location of the facility or any subsequent "off-facility" infrastructure improvements.

NOTE: Portions of the sales taxes projected may be subject to the STAR Bond Zone. Only taxes actually collected on the facility site will be used to retire the STAR bond.

Proposed Amendment to HB2631

On page 6, in line ~~27~~⁴¹, after the period by inserting the following:

"Notwithstanding the foregoing, any revenue received from taxes imposed by K.S.A. 79-3601 et seq., 79-3701 et seq., and 12-187 et seq. in excess of the amount thereof necessary to comply with the debt service payment schedule established by the terms and conditions of the special obligation bonds prescribed by the ordinance adopted pursuant to this paragraph (3), shall be remitted by the state treasurer from the city bond finance fund to the county treasurer and credited to the general fund of the county."