

Memorandum

TO: Sean Tarwater, Chair
House Committee on Commerce, Labor and Economic Development

FROM: Cliff W. Illig

SUBJECT: House Bill No. 2529

DATE: February 17, 2020

Mr. Chairman, Members of the Committee: Thank you for the opportunity to appear before your committee today to rise in favor of House Bill 2529. The issue of STAR bond reform, and continuing this great program, is a topic that is important to me personally, and that is extremely important for the State of Kansas. As I've shared with many in this room, I am a card-carrying evangelist for economic development for the State of Kansas, and welcome every opportunity to help create a robust regional economy here. Per its very text, the purpose of the Kansas STAR Bond Act is to do just that: "promote, stimulate and develop the general and economic welfare of the State of Kansas and its communities[.]" We don't have mountains or beaches in Kansas, nor do we live in a major financial center like New York, Los Angeles, Chicago or Washington DC. What we do have here is a bunch of hard working people and one of, if not *the* strongest economic development tools in the country in STAR bonds. This program is the envy of other states and for good reason.

Take the story of moving Sporting Kansas City across the state line, for example. We now have our first professional sports team in Kansas, and it wouldn't have been possible without STAR bonds. We frankly would have built the stadium elsewhere, and taken the team with us, without this incredible tool that has done so much for the State of Kansas; perhaps most aptly displayed by the resurgence of western Wyandotte County. Thanks to STAR bonds, Children's Mercy Park is now one of the most popular tourist destinations in the entire State, and

has been home to sold-out crowds for nearly all of its MLS matches. With a state-of-the-art venue built with STAR bonds, the club has now expanded into the international soccer scene, hosting a Tournament of Nations doubleheader in 2018, Sporting KC's home opener against Mexican club Toluca, and a Concacaf Gold Cup doubleheader last summer featuring the U.S. Men's National Team. And this is only the beginning.

The public-private partnership among the State, the Unified Government and Sporting KC that led to the development of this amazing stadium is a true success story. It was the catalyst that spurred other surrounding and supportive development, including the U.S. National Training Center, and that electrified the Kansas City soccer scene. Each year, we welcome thousands of coaches from all across the country, and now from across the globe, to Kansas for training, and have truly made this the capital of soccer in the United States. Kansas City is now even a strong contender to host teams and World Cup games in 2026 when the biggest sporting event in the World comes to the United States; all because of STAR bonds.

In addition to a state-of-the-art sporting venue, this same public-private partnership also brought us Cerner and, along with, thousands of high-paying jobs to earn and spend their incomes in KCK and elsewhere in the State. This example of partnering with private business is another key point and structure that we have to emulate if we want to continue to advance our economic development goals in Kansas. What better way to do that than through returning to our agricultural roots and developing the "Epicenter of Agriculture" right here at home?

What we've done for soccer, we are poised to do for food and agriculture with the American Royal project moving that is forward this summer. The new American Royal complex will be a place where relevant conversations and events around food, fiber and fuel can happen,

and where people of all ages and backgrounds can come together to celebrate and advance an industry that impacts each and every one of us every single day. In addition, the new American Royal complex will host, and help to expand and grow, its tradition of celebrating the region's rich agricultural heritage through the traditional livestock shows, the World's largest barbecue contest, one of the Midwest's largest and oldest livestock exhibitions, professional rodeos and prestigious horse shows, the national championship saddle bred horse competition and a variety of other events and activities that have brought folks to Kansas City since 1899.

This public-private partnership between the State, the Unified Government and the American Royal Association will allow for an expansion of the current fourteen-week programming schedule to 365 days of the year. In its current venue, the American Royal brings in contestants from over 38 states and 14 countries around the World to compete in its various events. Just think about what happens to those numbers with the addition of a state-of-the-art, one million plus square foot agricultural epicenter right here in the heart of our country; right here in Kansas. Like Sporting KC did for soccer, the American Royal will make Kansas a prominent location for food and agriculture, which will—in turn—attract private business partners and create synergies that foster even more growth and development; all because of STAR bonds.

In closing, it is important for all of us to remember that STAR bonds are about “growing the pie”; not just slicing it up differently. I urge each of you to consider the comeback story that is western Wyandotte County, and ask yourself whether that would have been possible without the assistance of STAR bond financing. This is a tool that is working for us, folks. It will continue to work for us if we let it.

Thank you again for having me today. I am happy to stand for any questions you may have.

Respectfully submitted,

Cliff W. Illig