



TESTIMONY ON SENATE BILL 468

TROY ANDERSON, CITY OF WICHITA

Thank you for the opportunity today to outline concerns about Senate Bill 468.

The City of Wichita utilizes a variety of State authorized economic development strategies, including Tax Increment Financing (TIF), Sales Tax and Revenue (STAR) bonds, Industrial Revenue Bonds (IRB's), Economic Development Exemptions (EDX), and Community Improvement Districts (CID). These strategies are very effective ways to grow the south-central Kansas tax base and to create sustainable and livable communities. SB 468 would effectively eliminate the City's ability to utilize these strategies in the future, jeopardizing economic growth.

The success of these strategies has reshaped our community, particularly our downtown, in ways that are visible to Wichita residents every day. The Old Town area, which in the past was a decaying warehouse area near downtown, is now a vibrant entertainment and residential area. The K-96 and Greenwich area is home to a world class athletics complex and a variety of retail establishments that attract thousands of visitors to South Central Kansas, generating millions of dollars in sales tax revenue. In 2023, the K-96/Greenwich STAR Bond District experienced a 27% increase in visitation with more than 7.7 million visitors (more than 2 million of those visitors coming from distances more than 100 miles away and more than 1.1 million coming from out-of-state). The Riverfront Multi-Sport Stadium is an anchor in the revitalized Delano neighborhood of Wichita and enhances the quality of life for residents and visitors. According to a recent Baseball America report, the [Wichita] Wind Surge have seen a 48.8% jump in attendance, year over year — the largest increase in all minor-league baseball. The Wind Surge started off the 2023 year with record-breaking attendance at its home opener. And, through 53 home games last year, over 500 thousand fans attended games at Riverfront Stadium which, on average, ranks in the top 10 of all Double-A baseball clubs.

IRB issuances in our area help retain major employers, including Spirit and Textron – which employ thousands of Wichita residents. In addition, IRB's have been an effective strategy to create job growth in many smaller companies.

Requiring the City to maintain a revenue neutral rate when employing these strategies would effectively eliminate their usage in Wichita, jeopardizing future economic growth and future

expansion of the tax base. The City has long held the mill levy rate in Wichita while still funding expansions in public safety and other services expected by residents largely by efficient operations and through growth in the tax base – much of which is largely fueled by the very economic development strategies that SB 468 would effectively eliminate from the City's toolbox.

Finally, the State of Kansas is a partner in and beneficiary of the effective use of economic development strategies used in Wichita. Job growth in Wichita generates income tax for the State, and the continued develop of our community continues to generate increasing levels of sales tax and property taxes for the State.

The City values greatly the past efforts of the Legislature to support economic development strategies that are mutually beneficial for both local residents, cities and counties, and the State of Kansas. For those reasons, the City strongly opposes Senate Bill 468.