



**Senate Committee on Commerce
Hearing on Senate Bill 432
Hearing Date – March 6, 2018**

**Written Testimony in opposition to SB 432 on behalf of the City of Manhattan
By Jared Wasinger, Assistant to the City Manager**

Good morning Chair Lynn, Vice Chair Suellentrop and Honorable Members of the Senate Committee on Commerce. My name is Jared Wasinger and I am the Assistant to the City Manager for Manhattan.

The City of Manhattan opposes SB 432 as written, concerning transparency of projects, financial viability, and reforms to the STAR Bond Financing Act. The City of Manhattan is a beneficiary of the State's STAR Bond program for the city's successful Downtown Redevelopment Project which centered on the construction of the Flint Hills Discovery Center. Proposed changes to the STAR Bond Financing Act, which include establishing the STAR bond underwriting commission and additional feasibility study requirements, are unreasonable and may present conflicts of interest.

- The City of Manhattan opposes any changes in state law that would restrict the flexibility of cities to use financing tools such as STAR Bonds to promote economic development in their communities.
- Establishing a STAR bond underwriting commission will add to the bureaucracy and red tape cities will combat in order to get a project approved, and appointees of the 3-member committee may not possess the necessary education or background to understand the viability of a project. The City of Manhattan confidently supports leaving this role to the Department of Commerce.
- Additional requirements to the feasibility study for finding solid data and evidence of "comparable project viability" and "demonstrated financial viability" could prove near impossible for certain projects that may otherwise be successful for a city and the State of Kansas.

For all reasons above the City of Manhattan opposes SB 432, and asks the Committee remove creation of a STAR bond underwriting commission and further examine the practicality of the additional feasibility study requirements. Thanks for your time and consideration.