

To: Chairman, Senator Robert Olson, and Senate Commerce Committee Members

From: Nick Hernandez, City Manager

Date: February 9, 2021

Subject: Testimony in support of Senate Bill 124

Dear Chairman, Senator Robert Olson, and Senate Commerce Committee Members:

Thank you for considering our testimony on behalf of the City of Dodge City regarding Senate Bill 124. We are very supportive of the continuation of the STAR bonds act. As a municipality who has utilized STAR bonds in successful projects, I can attest that STAR bonds have proven to be one of the most effective economic development tools in relation to tourism projects that the State of Kansas has available to our communities.

Dodge City is very proud of its place in the history of western heritage – from the historical figures that walked our streets -- Wyatt Earp, Doc Holiday and Bat Masterson – to our community's continued efforts to preserve that heritage by caring for the historical assets that we have in Dodge City today. We are vigorously committed to our history and its place in the rich cultural fabric of the State of Kansas. Millions of visitors have come to the State of Kansas specifically to visit Dodge City and our primary attraction, Boot Hill Museum, the cornerstone of our City's tourism for decades.

However, we at the City actively pursued this STAR Bond project because the Boot Hill Museum and downtown Dodge was at an important crossroads. The Boot Hill Museum had not been able to adequately update the way that it displayed exhibits and some of the facilities needed improvements if they were to remain relevant as a Kansas tourism attraction. We thought then — as we think now — that the STAR Bond programs focus on promoting tourism to Kansas was the best fit for our community and project.

The City of Dodge City established a STAR Bond District in March of 2012 and we have worked very hard to attract new development to this District. We issued bonds in December of 2015 and again in 2018. We are very enthusiastic about the new development and improvements that are occurring in our historic downtown area. Additionally, we are very proud to have enabled design upgrades and improvements to the Boot Hill Museum, a long-time Kansas attraction. Though multiple components of the Project are still under construction as we speak today, there is no question that this Project has already been transformative to our downtown area and will be a game-changer for Dodge City when it is completed, opened and fully-operational.

South of Wyatt Earp Boulevard, which navigates through the center of the Heritage Area, there is a new, Western themed water park and aquatic center called the Long Branch Lagoon (the "Waterpark"). The Waterpark was completed and opened in time for the 2016 season and is located just west of Fourth Avenue and immediately north of Wright Park. The Waterpark was not constructed with STAR Bond revenues – the City developed the Waterpark primarily with funds from its "Why Not Dodge" sales tax. The Waterpark is operated by the City and open to the public and priced on a community-based pricing model – currently \$4.00 to \$7.00 for a daily admission. In its first season, the Waterpark out-performed expectations – with visitation of over 80,000 visitors.

In April 2015, the City entered into a development agreement with Leisure Development, LLC ("Leisure Development") to design, construct and open a first-class hotel at the corner of Fourth Avenue and West Trail Street (the "Hotel"). The Hotel was constructed as a "Holiday Inn Express" banner hotel containing a minimum of 90 rooms and including such amenities as are customarily required by Holiday Inn Express. The Hotel provides the only lodging option for families and visitors specifically within the Heritage Area, including those who are attracted to Dodge City because of the Boot Hill Museum, Dodge City Days, weddings held at the historic Hoover Pavilion or visitors who plan to spend a summer vacation in Dodge City.

The City's development agreement with Leisure Development also required the renovation of the historic Guymon Petro building on the northeast corner of Fourth Avenue and West Trail Street. The renovated 12,000 square foot building features Cowboy the Capital Bar & Grill which opened in December 2016 on the first floor, and a very popular new event/banquet space on the second floor (collectively, the "Restaurant"). The banquet and event space on the second floor of the Restaurant serves an unmet demand in Dodge City and provides a unique event space not just for the citizens of Dodge City, but also people who are planning weddings and other events in the region who are willing to travel for special events at the right event space.

Leisure Development constructed a new campground and recreational vehicle facility (the "RV Park") located immediately west of historic Wright Park. It includes approximately 100 stalls for recreational vehicles, complete with electrical services and restroom facilities. The RV Park proves to be a tourism asset for Dodge City and the region because it provides families who are vacationing in RVs with high quality accommodations surrounded by other historical and entertainment attractions.

One of the last components of the Dodge City's STAR Bond District is the non-contiguous Power Center Project Area, which is located on North 14th Avenue corridor. The Power Center Area continues to evolve as a retail center and will provide the much-needed funds to complete the design upgrades and improvements to Boot Hill Museum and other tourism amenities in the Historic Downtown area.

STAR bonds are an effective economic development incentive that has transformed our tourism driven community. STAR bonds were the only tool available that made these projects possible for Dodge City. As a result, we have brought in new developments and substantially improved the tourism in our community which will bring in significant amount of new proceeds to the State that never would have occurred without the utilization of this valuable tool. The economic benefits and growth in Dodge City are expected to continue as we bring these projects to the finish line.

The City of Dodge City respectfully requests your full support and approval of Senate Bill 124 so that the State and other similar cities like ours can continue to change the face of their communities through the only tool available for tourism assistance and economic development.

Should you have any questions, please do not hesitate to contact me. Thank you for your consideration and continued support.

Sincerely,

Nick Hernandez City Manager