



# CITY OF TOPEKA

CITY COUNCIL COMMITTEE  
MEETING MINUTES

## TRANSIENT GUEST TAX COMMITTEE

CITY COUNCIL  
City Hall, 215 SE 7<sup>th</sup> Street, Suite 255  
Topeka, KS 66603-3914  
Tel: 785-368-3710  
Fax: 785-368-3958  
www.topeka.org

**Date:** November 20, 2020

**Time:** 9:00am

**Location:** Holliday Building 1<sup>st</sup> Floor Conference Room; 620 SE Madison

**Committee members present:** Councilmembers Spencer Duncan (Chair), Tony Emerson, Michael Padilla

**City staff present:** Jessica Lamendola (Budget & Finance), Stephen Wade (Budget & Finance), Mary Feighny (Legal)

### 1) Call to Order

Chairman Duncan called the meeting to order at 9:02am.

### 2) Approve minutes from September 22, 2020 meeting

Committee member Emerson made a motion to approve the minutes. Committee member Padilla seconded. Committee member Emerson abstained from the vote. Minutes approved 3:0.

### 3) Review & Approval: Change to current TGT Ordinance

Mary Feighny, Deputy City Attorney, re-introduced the ordinance. There had been some questions for clarification that were made at the September meeting, which have since been answered. The revision of the ordinance is to bring the language of the City's ordinance up to State required standard. She feels it is ready to be recommended to the Governing Body for approval.

Chairman Duncan inquired about short-term rentals, and if the whole house would apply. Ms. Feighny confirmed.

Chairman Duncan inquired about the next steps. Ms. Feighny stated if the committee approved the item, it would be moved to the Governing Body for final approval at a mid-December meeting. Once approved, the local newspaper would publish the information, and a 60-day protest period. Any Topeka resident could contest it and request a vote before it becomes official.

Chairman Duncan stated that he would like to look at doing a local registry, perhaps next year.

Chairman Duncan made a motion to approve the ordinance, as presented, to the Governing Body for a recommendation of final approval. Committee member Padilla seconded. Motion passes 3:0.

#### **4) Update: Estimation of End of Year Distributions**

Stephen Wade, Budget & Performance Manager, noted the year-over-year percentage difference in July showed a 45.5% decrease, August was a 17.1% decrease. There was only a 3.4% decrease in September, and there was hope things would trend back up. However, October showed a decrease of 27.6%. Looking at trends, and distributions from the third and fourth quarters, the fourth quarter distribution projections will likely be lower. Sean Dixon, Visit Topeka, noted that October of 2019, was a considerably higher year than 2018, so there seems to be a much greater disparity when compared to this year. The hotels were down to about 70% year-over-year in October, and so far for November are about 68% year-over-year in revenue. Through open discussions in the industry, there is a feeling that the 2020 will end at about 70% year-over-year. Ms. Lamendola noted that the City would expect the next payment to be received in January, and distributions will be made at that time. Mr. Dixon stated they will be able to have a general idea of the final distribution by the end of December. Ms. Lamendola noted the City did not currently have that information, but would appreciate if Mr. Dixon shared it.

Committee member Emerson inquired about the projection for the entire year. Mr. Dixon stated that January and February were relatively good months, so the first quarter was not effected too badly. And with September being a bit better, there would perhaps be a closer to balanced end of the year projection, however would be lower than most years prior.

Kurt Young, Topeka Lodging Association, noted a new hotel was scheduled to open January 5, 2021, and was still on track for that date. It will be at the Wheatfield Village location and will be a SpringHill Suites by Marriott.

#### **5) Discussion: 2021 Plans for the Committee**

Chairman Duncan inquired when new committees were selected. Ms. Feighny stated new committees were selected in February. Chairman Duncan stated he would like to meet toward the end of January to possibly wrap up 2020, and set the next committee up for the new year. Committee member Padilla stated he felt this was a good idea.

## **6) Other Items**

Chairman Duncan stated there are currently TGT funding that goes to the Topeka Zoo. He wanted to know if that funding had been factored into the proposed plans to shift ownership of the zoo from the City to Friends of the Zoo (FOTZ), and would the funding level continue or if it would change. City Manager Brent Trout, stated that consideration had been taken into account. Ms. Lamendola confirmed that the percentage had been factored into the discussion, and that there would be an expectation for the City to continue receiving the funding. The zoo would then receive a lower funding amount from the City.

City Manager Trout noted the City would continue to own the buildings at the zoo, and that funding would be distributed to FOTZ to be used for approved allocated projects. In the case of certain projects, such as the giraffe project which is a \$7.5 million project, the City is providing \$1.5 million with the Zoo then raising funds for the remainder of the project. Ms. Lamendola noted the expectation would be that the City would continue to receive the initial amount and then distribute the allocated funding to the zoo. Historically, the City has not placed stipulations onto how the allocation was spent for the zoo, however, this would be something that would need to be discussed in the development agreement. Her expectation would be to offset funding with whatever was brought in against the management agreement to determine the distribution. Chairman Duncan wanted confirmation that the funding would be provided to go toward approved projects or improved infrastructure, rather than for operating costs. City Manager Trout stated the language in the zoo governance agreement noted funding would be put toward projects.

Mr. Young inquired about the current funding provided to the zoo today. Chairman Duncan stated the funding was based on a percentage, rather than a set dollar amount, and as such will fluctuate. Mr. Dixon noted it was part of the 5% original base, which is mostly allocated to Visit Topeka. Of that base, 10% is given to the Visit Topeka BID fund, and another 10% goes to the Topeka Zoo. In a good year, it would be about \$180,000-190,000. This year was at \$100,000.

## **Adjourn**

Chairman Duncan adjourned the meeting at 9:43am.

Meeting video can be viewed at: <https://youtu.be/kCViAiei-y8>