



CITY OF TOPEKA

CITY COUNCIL COMMITTEE
MEETING MINUTES

TRANSIENT GUEST TAX COMMITTEE

CITY COUNCIL
City Hall, 215 SE 7th Street, Suite 255
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Date: February 24, 2020

Time: 9:00am

Location: Holliday Building 1st Floor Conference Room; 620 SE Madison

Committee members present: Councilmembers, Christina Valdivia-Alcalá, Michael Padilla, Spencer Duncan

City staff present: Brent Trout (City Manager), Nick Hawkins (Budget & Finance), Karuva Kaseke (Budget & Finance)

1) Call to Order

Committee member Padilla called the meeting to order at 9:00am.

2) Elect Committee Chair

Committee member nominated Spencer Duncan to be the Committee Chair. Committee member Padilla seconded the motion. Committee member Duncan accepted the motion. Motion approved 2:1 with Committee member Duncan expressing that “it feels weird to vote for yourself”. Committee member Duncan will preside as Chair.

3) Staff Review:

a. TGT Presentation

Nick Hawkins, Deputy Director of Administrative and Financial Services, and Karuva Kaseke, Management Analyst, introduced the information Staff would be presenting at the meeting: Brief overview of TGT fund, 4-year history of TGT revenue and expenses, update from Sunflower Soccer Association (SSA). In 2019, the Committee and Governing Body approved \$560,000 to SSA for use in renovating and updating facilities. Most or all of that work has since been completed.

Ms. Kaseke provided information from the Kansas TGT Quick Facts Guide, which is produced by the Kansas Office of Tourism & Travel. This information regarding the application of the TGT, which is referenced in the City of Topeka’s Municipal Code. This information includes the following:

- ***What is the Transient Guest Tax?***

It is levied by local governments for financing tourism activities. It is a tax on lodging rentals paid by guests renting for not more than 28 days, and must be collected by businesses with more than 2 rooms to rent.

- ***Why 28 days and 2 rooms?***
 - 28 days - if more, conflicts with monthly boarding facilities
 - 2 rooms - probably didn't want to impose burden on a 1 or 2 room business
- ***How can the money be used***
 - For convention and tourism promotion
 - Activities to attract visitors into the community
 - Support of those activities & organizations which encourage increased lodging
 - Other purposes if detailed in charter ordinance

The Transient Guest Tax is set at 7%. Of that, 5% of allocations are the TGT Base; 1% is for Sunflower Soccer Association; and 1% is to fund Special Projects. Ms. Kaseke gave a presentation to the committee regarding an overview of the Transient Guest Tax. Percentage amounts are formulaic. [This presentation can be found below].

Chairman Duncan made the following inquiries:

- Are there were parameters for what the spending could be used for? Mr. Hawkins stated yes. The 5% base is a block grant. The only obligation for the 1% to SSA is for the bond payment. There has been discussion in the past regarding what the excess funds could be used for. The four projects which receive the remaining 1% of funding submit quarterly reports to the City which provides an update on how they are meeting the requirements as set in their contracts.
- When the Governing Body passed the funding, were there requirements that addressed spending for bricks & motor versus salary? Mr. Hawkins is not sure of the full history, however Visit Topeka and the four projects there are contracts associated, and the quarterly reports have been kept up to date. Fourth quarter reports for 2019 have been received from the special projects, as well as from Visit Topeka.

Chairman Duncan requested all quarterly reports from 2019 be sent to the Committee. Mr. Hawkins noted those would be sent.

b. 4-year Allocation History

Mr. Hawkins provided the committee with a 4-year allocation history document. The 2019 and 2020 budget is also included. The 2021 budget will look similar, as Staff is not recommending any changes.

Chairman Duncan inquired if there have been any collection shortfalls. Mr. Hawkins stated none of the current projects have reached the 1% threshold to date, and have until 2027 to receive continued funding, or reach the allotted cap.

Chairman Duncan inquired about the decisions being made regarding the additional funds for Sunflower Soccer Association (SSA). Mr. Hawkins stated no decisions have been made yet. By continuing to generate the bond payment, roughly \$100,000 is made annually.

4) Sunflower Soccer Association Update

Alex Delaney, SSA Club Director, presented information on recent updates to SSA with funding provided in 2019 from the TGT excess funding amount.

[The slides of the presentation can be found below]

Additional comments by Mr. Delaney, not found on presentation slides:

- In 2019, the TGT Committee recommended and the Governing Body approved a resolution to provide SSA with \$560,000 of excess funds to be used for specific improvement projects at the facility.
- Since September of 2019, the turf championship-quality field has been completed and is in a high visibility location to I-75 North for people traveling by. The contractors raised the field about three feet to better protect and assist with damage to the field caused by water. The SSA complex is in a floodplain.
- A partnership has been created with the new Love's Truck Stop.
- Topeka Soccer Club began a few years ago as an initiative to organize all of the Topeka area clubs. Branding the club opens up the potential for long-term possibilities for bringing tournaments and tourism.
- Expecting to see increase of league participants from areas such as Ft. Riley, Holton, and the surrounding area.
- Topic of Community Investment: Mr. Delaney spoke to the North Topeka Business Alliance to become better involved with the other businesses and community.

- Unique in that they are a 501(c)(3) Non-profit organization, and that SSA has its own facilities. The organization is driven by promoting youth development, not strictly youth soccer development.
- Seeking non-soccer opportunities to become more involved within the community: Quidditch tournament, local rugby club making SSA their home facility, expanding soccer opportunities to adults, annual fundraiser to utilize property for event.
- Importance of City Support Slide - utilizing the fields and land to improve the quality of life for youth and families within the Topeka & Shawnee County area. SSA does not have a financial branch within the organization that many of the Johnson County organizations have. City partnership is important.
- Working on advancement of youth development. Technical soccer skills are secondary to building personality skills. This goal is shared by the organization and coaches.
- Goal of SSA to have a walking track inside the facility, other sports outside of soccer, and making SSA a place to look at for quality of place.

Committee member Valdivia-Alcalá inquired if SSA has been looking for partnering with private businesses to increase revenue, as part of the three-year plan. Mr. Delaney confirmed partnerships and a goal to increase revenue through fundraising.

Committee member Valdivia-Alcalá inquired about additional measures being taken toward youth development. Mr. Delaney noted this area was something he was passionate about. Some initiatives being developed:

- Partnering with Child Care Aware - develop kindergarten readiness programs that can be built into the soccer programs to include emotional and social readiness.
- Kansas Leadership Center - develop leadership programs for coaches.

Committee member Valdivia-Alcalá inquired if populations of the underserved community was receiving outreach, and if the Latino community were included in the three-year initiative; to be able to utilize the facilities and fields. Mr. Delaney noted the ultimate goal would be to offer SSA facilities to the underserved communities. It may not be something that can happen within the three years, however the ultimate goal is to be able to offer the facilities to players from every social and economic background. SSA is partnering with Boys & Girls Club of

Topeka to offer some programming and facilities. Mr. Delaney is also working with Topeka Metro to have a bus stop located at the facility. Mr. Delaney and the SSA Board strive to be as inclusive as possible. Committee member Valdivia-Alcalá inquired about teams with bilingual or Spanish speaking members/families, and opportunities for inclusion in the SSA programs. Mr. Delaney confirmed, and stated that with the affordability of programs, and the unity of teams continues to make programs more affordable, as well as allowing for scholarship opportunities for members who may not be able to afford to play before.

Committee member Padilla inquired if there was a number of clubs that participate. Mr. Delaney stated there were over a dozen, which for this regional area, that was a large number. The hope will be that those numbers increase this coming season.

Committee member Padilla inquired about efforts in the outreach opportunities. Mr. Delaney stated some of the outreach efforts began organically, and that at the current time SSA had been looking for improvements internally. There are continued outreach efforts with the local schools and Boys & Girls Club. SSA recently signed a six year deal with Puma to receive \$65,000 per year in sponsorship funds which will assist in providing scholarship funds for players and operating costs for SSA.

Committee member Padilla inquired about the diversity of the coaching staff. Mr. Delaney responded it was very diverse, and noted that there are many staff and coaching members who are bi-lingual, fluent in Spanish and English, to continue with the outreach for the various members of the community.

Committee member Valdivia-Alcalá suggested Mr. Delaney contact Tawny Stottlemire with Community Action, the Salvation Army, and the Police Athletic League to continue reaching further into the Latino community. An additional suggestion to print materials and flyers in English and in Spanish.

Mr. Delaney stated that in the past, SSA had a view to remain isolated, however this idea is a polar opposite of his vision and he is going to continue working to build partnerships throughout the community.

5) Other Items

Chairman Duncan inquired if the committee had additional questions.

Committee member Padilla noted members from the Greater Topeka Partnership and Lodging Association were in attendance and inquired if those members would like to speak.

Kurt Young, Topeka Lodging Association, spoke about the Downtown Everygy Plaza. The Plaza will host a soft opening at the St. Patrick's Day Parade (Saturday, March 14, 2020), 7th street will not yet be open, but most of the work is finishing up. Grand opening scheduled for 10:00am on April 29th. Mr. Young inquired if there were additional questions.

Mike Bell, Vice President of Visit Topeka, spoke to the Committee to introduce how Visit Topeka is involved with the TGT dollars. Mr. Bell discussed how Visit Topeka strives to highlight diversity in the community. As part of the first National Travel and Tourism Show. As part of that, Visit Topeka will be bringing in the African American Travel Conference. The Heartland Stampede also brings a large number of people to Topeka.

Committee member Valdivia-Alcalá inquired if there was an interest of cultural tourism. There are a number of locations within the Oakland and North Topeka area to showcase cultural, ethnic and historical stories of the community. Committee member Valdivia-Alcalá suggested that Visit Topeka widen the scope to recognize or provide tours of some of the lesser known areas of the community to increase tourism. Mr. Bell appreciated the suggestion and noted the annual travel catalogue will be coming out soon and there is a piece about the murals in the city.

Tom Underwood, Executive Director of NOTO, addressed the committee to introduce some of the work being done within NOTO. Comments included recognizing and promoting diversity and the community that is found within NOTO. The area is larger than the two-block area, and is growing to be known for more than just First Fridays. Mr. Underwood stated NOTO does not currently receive TGT dollars, but he would like to see this change in the future. Mr. Underwood noted NOTO was listed under Visit Topeka as the third most-visited area in Topeka behind Lake Shawnee and the State Capitol Building. Committee member Valdivia-Alcalá discussed having a recent conversation with ArtsConnect to branch out with diversity in art, as this diverse element has been a driving factor in tourism in other cities.

Chairman Duncan would like to schedule a next meeting within 30 days, and to have each of the agencies that receive TGT dollars provide a 10 minute, or less, presentation and Q&A with those representatives to the Committee.

Next meeting will be March 23, 2020 at 9:00am. Location TBD.

6) Adjourn

Chairman Duncan adjourned the meeting at 9:53am.

Meeting video can be viewed at: <https://youtu.be/HZD4PY9PYdE>



TRANSIENT GUEST TAX OVERVIEW

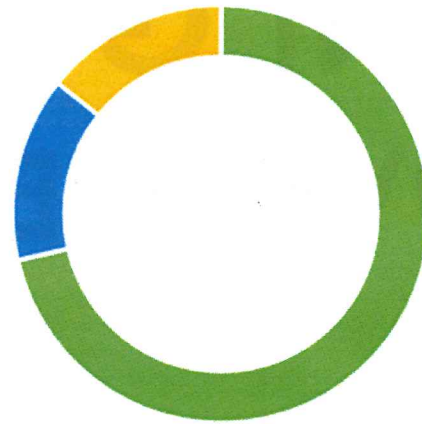
Transient Guest Tax Committee

February 24, 2020



TRANSIENT GUEST TAX ALLOCATION

7% Transient Guest Tax



■ 5% TGT Base ■ 1% Sunflower Soccer ■ 1% Special Projects



5% TGT BASE

- **What is it for?**
 - Support conventions/tourism
 - Support City facilities connected with conventions/tourism
 - Defray cost of providing operational services for convention/tourism functions
 - Create innovative projects and activities
 - Promote general economic welfare of the City and its environs, including attracting industry
- **2020 Budget**
 - \$1,565,555 Visit Topeka
 - \$195,694 Visit Topeka BID Fund
 - \$195,694 Topeka Zoo



1% SUNFLOWER SOCCER

- **What is it for?**

- Adopted in 2012
- Sunsets December 31, 2032
- 1st Project: Extension of sanitary sewer to SSA Property
- 2nd Project: Multifunction restrooms, concessions, pro shop, office, and storage; Road Improvements/Parking lots; Landscaping, signage and shade; Additional Soccer Fields
- 1st Project Paid in Cash; 2nd Project Bonded in Fall 2015
- \$560,000 approved for field and ground upgrades in 2019

- **2020 Budget**

- \$368,576
- A portion of funds pay off special assessments, the remaining funds are excess



1% SPECIAL PROJECTS

- **What is it for?**
 - Resolutions adopted in 2015
 - Sunsets December 31, 2027
 - 4 projects:
 - Downtown Plaza (\$3.435m)
 - Jayhawk Theatre (\$680k)
 - Constitution Hall (\$355k)
 - Evel Knievel Museum (\$300k)
- **2020 Budget**
 - \$368,576



TGT BUDGET PROCESS

- TGT Committee to review and recommend 2021 TGT budget to the Governing Body before the budget process
- Preliminary 2021 budget will be modeled on the adopted 2020 budget

Sunflower Soccer's Use of TGT Funds

August 2019-February 2020

Previous Appearance



During Build



Finished Field





TOPEK A

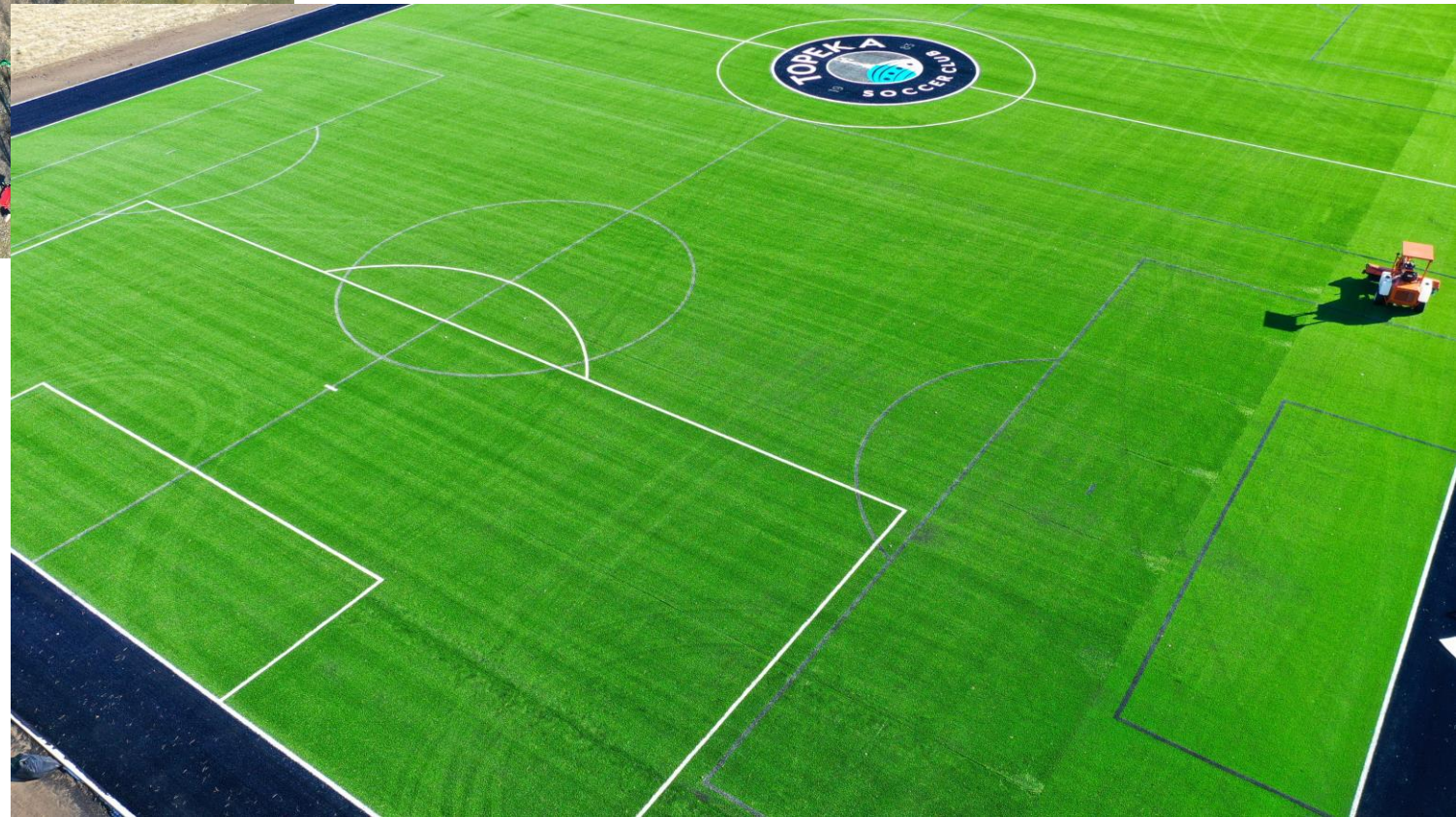
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SOCCER CLUB



- Will be adding fencing & backstops before April
- Field is already driving reservations and interest
- Expecting to see an increase in league participants



Sunflower's Recent Improvements

- Development of 3-year strategic plan
- Alignment of org. priorities with Momentum 2022
- New priority of community investment
- Seeking new non-soccer specific opportunities
- Uniting Topeka soccer organizations to increase regional impact

Importance of City Support

- Soccer Tournaments in JoCo vs Topeka & Shawnee County
- Advancement of youth development in region
- Opportunity for physical & personal growth city wide
- Additional quality of place in Eco Dev

Questions?

Thank you!