



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: March 6, 2025

Time: 1:00pm

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

Committee members present: Committee members: Christina Valdivia-Alcalá, Michelle Hoferer. Absent Spencer Duncan.

City staff present: City Manager Dr. Robert M. Perez, Senior City Attorney Mathew Mullen, Budget & Finance Division Director Josh McAnarney

1. Call to Order

Committee chair Hoferer called the meeting to order at 1:00pm.

2. Elect 2025 Committee Chair

Committee member Spencer Duncan nominated Michelle Hoferer to serve as the 2025 Chair. Committee member Christina Valdivia-Alcalá seconded. Committee member Hoferer accepted the nomination. Motion approved 3-0-0.

3. Approve November 13, 2024 Minutes

Committee member Christina Valdivia-Alcalá made a motion to approve the minutes. Committee Chair Hoferer approved. Minutes approved 2-0-0.

Committee member Spencer Duncan entered the room.

4. Budget Review

Josh McAnarney Budget & Finance Division Director provided an overview of the Transient Guest Tax (TGT) budget. He spoke to the current 7% TGT sales tax through 2027, 6% runs through 2028-2032 and 5% after those years unless the Governing Body elects to renew a TGT portion.

2024 7% came to \$3,059,465. The below is a breakdown:

- 1% - Sunflower Soccer - \$437,066
- 1% - 4 Organizations - \$437,066
 - (1) Jayhawk Theatre (14.26%) - 62,307
 - (2) Constitution Hall (7.44%) - \$32,528
 - (3) Evergy Plaza (72.01%) - \$314,743

Transient Guest Tax Committee
Minutes Taken: 3/6/2025
Minutes Approved: 4/23/2025
Minutes Submitted By: TLB

- (4) Evel Kinevel (6.29%) - \$27,488 (Did not Distribute)
- 5% - General - \$2,185,333
 - (1) Transfer to City's General Fund (10%) - \$218,533
 - (2) Visit Topeka (79%) - \$1,726,413
 - (3) Topeka BID (11%) - \$240,386

Financial Summary- Distribution to date

- (1) Constitution Hall \$260,714
- (2) Every Plaza \$2,443,026
- (3) Jayhawk Theatre \$483,623
- (4) Evel Kinevel \$119,811

McAnarney added that Evel Knievel's final fund balance totaled \$493,553 and Sunflower Sports current balance is \$702,779. He also added that since 2016 there is remaining \$52,000 left from the TGT General 5% fund.

Updates:

- a. **Constitution Hall** update was provided by Grant Glenn, Friends of the Free State Capitol Board Member. He spoke to the 2024 4th Quarter report. There was an update given that Kelley Construction Company continues to be engaged in construction and rehabilitation. It was noted that the progress is good with plans to open summer 2025. He stated that the second floor will allow for community events. He also expressed his appreciation and thanked the City of Topeka for the TGT funds.

Committee chair Hoferer requested to have the date for the dedication and Open House. Mr. Glenn responded that current and past council members will be invited.

- b. **Jayhawk Theatre** update was provided by Mark McCallister, Board of Director Treasurer. He spoke to the 2024 4th Quarter highlights. The construction schedule is reporting on time and having substantial progress. He spoke to having 50 headline events a year and generating a half million dollars in tourism revenue. He continued to speak to the construction plans for the 1st quarter and added with the help of the State Park Revitalization and Investment in Notable Tourism (SPRINT) funding is helping with the design of development, construction, and acquisition of the property. On March 10, 2025 will be a VIP Legislative reception to thank the State of Kansas. Lastly, he spoke to pursuing grant and funding opportunities as they arise to continue the construction to make the theatre a community asset. Mr. McCallister thanked the TGT Committee for their commitment to help the Jayhawk Theatre project and added he looks forward to celebrating in the summer of 2026 the commemorative anniversary.

Committee member Christina Valdivia-Alcalá thanked Mark McCallister and

Joanne Morrell for their hard work during the construction period.

- c. **Evergy Plaza** update was provided by Josh Sturm, Director of Evergy Plaza. He stated that 2024 has been a successful fourth quarter and spoke to the holiday festivities that were held at Evergy Plaza.

Committee chair Hoferer referenced that Evergy Plaza's financial profitability was good to see for the fourth quarter.

6. Downtown Topeka Business Improvement District Advisory Board

Kurt Young, member of the Downtown Topeka Foundation Board, thanked the TGT Committee members for their diligence and time to ensure that the transient guest tax dollars are invested into the community.

He presented information about the Ice Rink project and spoke to the financial numbers being in the black for the first time for Evergy Plaza. He added the importance to continue to make improvements to expand the operation. He spoke to the challenge of having a sponsor to front \$400,000 and how it caused an evaluation of the scope of the ice rink and has led to having smaller amounts of sponsorships for further phases of work. Kelly Foster, Facility Service Director of MCP Group was acknowledged for her work with the design and construction and finding a more efficient way to build the ice rink. Phase 1 will begin April 21, 2025 for the construction of the concrete; the allocated funds from the remaining Evel Knievel Museum can be used. There will be a glycol-water solution used that transfers heat and prevents freezing. This will allow the rink to be rolled up and stored. By using this procedure, it will allow for additional events and have a saving of nearly \$150,000. The concrete slab will have an approximated size of 40' wide and 100' long.

Committee chair Michelle spoke to the proposed modification of the resolution to allow the Downtown Topeka Foundation Ice Rink to receive the funds and to increase revenues and have the space available for use.

Committee member Christina Valdivia-Alcalá spoke to her disappointment that NOTO has been shut out of receiving any TGT funds. She stated that she will be active in making sure that NOTO receives a fair process for any distribution of TGT funds in the future.

Josh McAnarney Budget & Finance Division Director confirmed that it is approximately \$183,000 in funds to be re-allocated for the Downtown Topeka Foundation project Ice Rink.

Committee member Spencer Duncan spoke to the importance of not shorting any organization while also spreading any overages to other candidates. He added

that the contracts are a set amount but depending on collections the distribution could come quicker.

Committee member Christina Valdivia-Alcalá spoke to the importance of transparency of seeing the proposed resolution before going before the Governing Body.

Committee chair Hoferer supports directing the City of Topeka legal department to prepare the proposed resolution and contract. The TGT Committee will have a virtual meeting March 12, 2025 to discuss and vote on final documents in time for March 18, 2025 Governing Body agenda.

7. Sunflower Sports Association Update

TJ McDonald Executive Director of the Sunflower Sports Association spoke to funding approval for Sunflower Sports and the 5-year complex expansion project called NextGen. The project design is to allow additional teams to participate giving Topeka additional sports tourism and give the community more of an opportunity for growth. He stated the request for funding is for Phase 1 installation of lighting at the complex.

Josh McAnarney Budget & Finance Division Director confirmed that there is approximately \$700,000 but after owing special assessments and administrative fees, it is close to \$450,000 for the Sunflower Sports Association.

Committee member Christina Valdivia-Alcalá requested how much Sunflower Sports Association gets from TGT funds. McAnarney confirmed 2024 at 1% generated it \$437,066. He also confirmed that the contract began in 2012. She requested a meeting with Josh McAnarney on how much they have received funds and the history of the TGT Committee.

TJ McDonald confirmed that funding sources come from operational funding, which is registration fees from programs. The NextGen project will be also be funded through sponsorship dollars. He stated that the total cost for the entire project is not known at this time.

Dustin Gale President Board of Director of Sunflower Sports Association confirmed in 2019 there was a turf field installed and a recreational area for patrons at the complex.

Committee member Spencer Duncan spoke to the funds and that they are not given automatically, there is a TGT Committee approval process.

Committee Chair Michelle Hoferer thanked TJ McDonald for his presentation. She added that there will be a resolution prepared by the City of Topeka to allocate the funds.

Other Items

Committee Chair Michelle Hoferer spoke to the \$53,000 in Reserve Fund. She stated that the TGT Committee can discuss where the dollars be put towards; dollars can go to an existing project or there can be new proposals submitted.

Committee member Duncan spoke to NOTO making requests in the past and there has not been an opportunity. He supports NOTO presenting to the TGT Committee what their needs are.

Josh McAnarney Budget & Finance Division Director stated he will get the guidelines sent to committee on the application process.

Committee member Christina Valdivia-Alcalá questioned the funds that were allotted to the Ice Rink and if the dollars were open to all entities. Committee chair Hoferer responded the Ice Rink project was the only project that was know to and that there was not an application process used.

The consensus of the TGT committee is to review the guidelines and support NOTO to submit the proper information for distribution of Reserve Fund dollars.

Adjourn

Committee chair Hoferer adjourned the meeting at 2:02 pm.

Video recording of the meeting can be found at: <https://youtu.be/cZhTzvLT84Q>