City of Topeka
City Council Agenda

City Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

October 13, 2015

6:00 PM

Mayor: Larry E. Wolgast

Councilmembers

Karen A. Hiller	**District No. 1**	**Brendan Jensen**	**District No. 6**
Sandra Clear	**District No. 2**	**Elaine Schwartz**	**District No. 7**
Sylvia E. Ortiz	**District No. 3**	**Jeff Coen**	**District No. 8**
Jonathan Schumm	**District No. 4**	**Richard Harmon**	**District No. 9**
Michelle De La Isla	**District No. 5**		

City Manager: Jim Colson

Addressing the Council: No person shall address the Council during a Council Meeting, unless they have notified the City Clerk at (785)368-3940 by 5:00 P.M. on the day of any Council Meeting of their desire to speak on a specific matter on the published meeting agenda or during the public comment portion of the Council Meeting. This limitation shall not apply to items added during the course of a meeting. The Council does not take action with respect to any subject not on the agenda unless added to the agenda by a two-thirds vote of the Council.

Persons addressing the City Council will be limited to four (4) consecutive minutes of public address on a particular agenda item. Debate, question/answer dialogue or discussion between Councilmembers will not be counted towards the four (4) minute time limitation. The Chair may extend time with the unanimous consent of the Council or the Council by affirmative vote of five (5) members may extend the four (4) minute limitation.

Persons will be limited to addressing the City Council one (1) time on a particular matter unless otherwise allowed by an affirmative vote of five (5) members of the City Council.

To make arrangements for special accommodations please call 785-368-3940. A 48-hour advance notice is preferred.

The Federal Communications Commission (FCC) has adopted use of the 711 dialing code for access to Telecommunications Relay Services (TRS). TRS permits persons with a hearing or speech disability to use the telephone system via a text telephone (TTY) or other device to call persons with or without such disabilities. To reach the City Clerk's office using the TRS, please dial 711.

(Agendas are available on Thursday afternoon in the City Clerk's office, 215 SE 7th - Room 166 and on the City's web site at http://www.topeka.org)

CALL TO ORDER:

INVOCATION:

PLEDGE OF ALLEGIANCE:

1. MAYORAL PROCLAMATIONS:

"None scheduled at this time."

2. PRESENTATIONS:

"Snow Rodeo"

3. ROLL CALL:

4. CONSENT AGENDA:

A. Board Appointment - Topeka Board of Zoning Appeals

BOARD APPOINTMENT recommending the re-appointment of Martin Hazen to the Topeka Board of Zoning Appeals for a term ending October 1, 2018. *(Council District No. 1)*

B. Board Appointment - Topeka Board of Zoning Appeals

BOARD APPOINTMENT recommending the re-appointment of Helen Crow to the Topeka Board of Zoning Appeals to fill an unexpired term ending December 1, 2018. *(Council District No. 1)*

C. MINUTES of the regular meeting of October 6, 2015

D. APPLICATIONS:

5. ACTION ITEMS:

A. Labor Agreement - AFSCME - Development Services and Planning

APPROVAL of an amendment to the current labor agreement between the City of Topeka and Local 1294 Missouri/Kansas State Council 72, American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO.

(Approval of the agreement would provide wage increases for employees represented by the bargaining unit.)

B. Resolution - Special Assessment Policy

A RESOLUTION introduced by City Manager Jim Colson, establishing a policy for the financing of public improvements through the use of special benefit districts in the city of Topeka, Kansas, and rescinding Resolution No. 8242.

(Approval would establish a policy for the financing of public improvements through the use of Special Benefit Districts in the City of Topeka, Kansas.)

6. NON-ACTION ITEMS:

A. Discussion - Southeast Topeka Interchange

DISCUSSION relating to a new Southeast Topeka interchange.

(Continue discussion from the Council Meeting of September 15, 2015, regarding the City partnering with Kansas Turnpike Authority to conduct an Interchange Concept Study for Southeast Topeka.)

B. Discussion - Allocation of Transient Guest Tax Proceeds to Certain Recipients

DISCUSSION concerning the Transient Guest Tax Committee recommendations, allocating transient guest tax funding for a period of 12 years to certain designated recipients. *(Deferred from the meeting of September 8, 2015.)*

(Continue discussion from the September 8, 2015, Council meeting regarding approval of transient guest tax funding for a Downtown Plaza, the Evel Knievel Museum, Constitution Hall and the Jayhawk Theatre in certain amounts commencing in fiscal year 2016 for 12 years or until the maximum amount of funding is met.)

7. ANNOUNCEMENTS:

PRELIMINARY AGENDA

(The City Clerk will provide a brief summary of items on the next scheduled Council meeting agenda. Also during this time, the City Manager and Governing Body Members may offer comments regarding City business and announce upcoming events.)

8. PUBLIC COMMENT:

9. EXECUTIVE SESSION:

Executive Sessions are closed meetings held in accordance with the provisions of the Kansas Open Meetings Act.

(Executive sessions will be scheduled as needed and may include topics such as personnel matters, considerations of acquisition of property for public purposes, potential or pending litigation in which the city has an interest, employer-employee negotiations and any other matter provided for in K.S.A. 75-4319.)

10. ADJOURNMENT:

City of Topeka
Council Action Form
Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org
October 13, 2015

DATE:	**October 13, 2015**		
CONTACT PERSON:	**Larry Wolgast**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**Martin Hazen**	**PROJECT #:**	
CATEGORY/SUBCATEGORY	**006 Communication / 005 Other**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

BOARD APPOINTMENT recommending the re-appointment of Martin Hazen to the Topeka Board of Zoning Appeals for a term ending October 1, 2018. *(Council District No. 1)*

POLICY ISSUE:

The board of zoning appeals shall administer the details of appeals from or other matters referred to it regarding the application of the zoning regulations in accordance with the general rules set forth in the Topeka Municipal Code.

STAFF RECOMMENDATION:

Deputy Mayor Hiller nominates and Mayor Wolgast recommends the re-appointment of Martin Hazen for a three-year term ending October 1, 2018. Mr. Hazen does not hold a public office for the city and he resides within the corporate area of the city as required.

BACKGROUND:

This is a City-created board requiring the Council nominate and the Mayor appoint. The board of zoning appeals shall consist of seven members appointed by the mayor. None of the members shall hold any other public office by the city except that two members may be members of the Topeka Planning Commission. The appointees shall reside inside the corporate area of the city of Topeka. Members shall be appointed for terms of three years each.

BUDGETARY IMPACT:

There is no budgetary impact to the City.

SOURCE OF FUNDING:

Not applicable

City of Topeka
Council Action Form
Council Chambers
214 SE 8th Street
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www.topeka.org
October 13, 2015

DATE:	**October 13, 2015**		
CONTACT PERSON:	**Mayor Larry Wolgast**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**Board Appointment-Board of Zoning Appeals**	**PROJECT #:**	
CATEGORY/SUBCATEGORY	**006 Communication / 003 Requests**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

BOARD APPOINTMENT recommending the re-appointment of Helen Crow to the Topeka Board of Zoning Appeals to fill an unexpired term ending December 1, 2018. *(Council District No. 1)*

POLICY ISSUE:

The board of zoning appeals shall administer the details of appeals from or other matters referred to it regarding the application of the zoning regulations in accordance with the general rules set forth in the Topeka Municipal Code.

STAFF RECOMMENDATION:

Deputy Mayor Hiller nominates and Mayor Wolgast recommends the re-appointment of Helen Crow for a three-year term ending December 1, 2018. Ms. Crow does not hold a public office for the city and she resides within the corporate area of the city as required.

BACKGROUND:

This is a City-created board requiring the Council nominate and the Mayor appoint. If no council nominations are received the Mayor may appoint. The Board of Zoning Appeals shall consist of seven members appointed by the mayor. None of the members shall hold any other public office by the city except two members may be members of the Topeka Planning Commission. The appointees shall reside inside the corporate area of the city of Topeka. Members shall be appointed for terms of three years each.

BUDGETARY IMPACT:

There is no budgetary impact to the City.

SOURCE OF FUNDING:

Not applicable

City of Topeka

Council Action Form

Council Chambers
214 SE 8th Street
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October 13, 2015

DATE:	**October 13, 2015**		
CONTACT PERSON:	**Jacque Russell, Human Resources Director**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**AFSCME - Development Services/Planning**	**PROJECT #:**	
CATEGORY/SUBCATEGORY	**007 Contracts and Amendments / 020 Employee Agreements**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

APPROVAL of an amendment to the current labor agreement between the City of Topeka and Local 1294 Missouri/Kansas State Council 72, American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO.

(Approval of the agreement would provide wage increases for employees represented by the bargaining unit.)

POLICY ISSUE:

Pursuant to Topeka Municipal Code Section 2 .25.020(a) approval of employee agreements between the city and a recognized employee organization is approved by the Governing Body and signed by the City Manager.

STAFF RECOMMENDATION:

Staff recommends the Governing Body move to approve the agreement.

BACKGROUND:

This bargaining unit, AFSCME-Development Services, is concentrated in two departments, the Public Works Department and the Neighborhood Relations Department. Additionally, the bargaining unit is spread across two separate funds, the General Fund and the Water Fund.

The 2014-2017 contract provided for a reopener to negotiate wages and an extra personal leave day for 2016. A tentative agreement has been reached and ratified by bargaining unit members regarding wages for 2016. The amendment provides for a 1.5% increase to the wage schedule, longevity for those eligible and no additional personal leave day. Additionally, the amendment restores longevity eligibility to all bargaining unit members; no longer excluding new hires.

The figures below illustrate a basic comparison between the existing agreement and the proposed agreement and provides the estimated levy impact if the agreement were to be financed solely with a property tax increase.

	2015	2016
Wages:	556,959	620,479
Benefits:	113,597	123,041
Total:	$670,556	$743,520

Increase from Prior Year: $72,964
% Increase from Prior Year: 10.88%
Levy Increase Equivalent: 0.070

BUDGETARY IMPACT:

The anticipated budgetary impact is 10.88% over 2015 wages and benefits for this bargaining unit. (Increase would be 4.01% without additional FTE authority.)

SOURCE OF FUNDING:

General Fund and Water Fund

ATTACHMENTS:

Description

Contract Amendment
Finance Memo

CITY OF TOPEKA CONTRACT NO. _______

AMENDMENT NO. 2 TO CITY OF TOPEKA CONTRACT NO. 43043

THIS AMENDMENT NO. 2 to City Of Topeka Contract No. 43043 is entered into this _____ day of ___________________, 2015, by and between the City of Topeka, a duly organized municipal corporation hereinafter referred to as "City" and Local 1294, Missouri/Kansas State Council 72, American Federation of State, County and Municipal Employees (AFSCME), AFL-CIO, hereinafter referred to as "Union."

WHEREAS, the City and Union have previously entered into City of Topeka Contract No. 43043, hereinafter referred to as "the Contract" which governs terms and conditions of the employment relationship between the Employer and the employees represented by Union; and

WHEREAS, provisions in Article 16 of the Contract allowed for a reopener to discuss and negotiate Article 16 for wages and Article 15, § 17 for personal days; and

WHEREAS, after statutory meet and confer sessions between City and Union representatives, agreements were reached on the reopened items as set forth below, the terms of which have been ratified by the Union.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. The existing language of Article 16, Section 2 of the Contract is hereby amended to read as follows:

Section 2. Wages.

Effective with the first day of the first full pay period in January 2016, the all hourly rates in the wage schedule shall be increased by one and one-half percent

(1.5%). Inspectors and Reviewers shall be paid in accordance with their respective Position and Grade Levels set forth in the “Development Services/Planning 2016 Wage Schedule”.

Development Services/Planning 2016 Wage Schedule
Effective January 2, 2016

Inspectors		
(Includes Building, Mechanical, Electrical, Cross Connection, & Zoning)		
Position	Grade	Hourly Rate
Inspector I	Non-Certified	18.48
Inspector II	Certified	21.30
Inspector III	3 Years Certified	24.32
Inspector IV*	3 Years Certified + Master's License	25.55
Inspector V*	6 Years Certified + Master's License	26.31

Inspectors		
Plus Mobile Home (MH)		
Position	Grade	Hourly Rate
Inspector I	Non-Certified	18.85
Inspector II	Certified	21.74
Inspector III	3 Years Certified	24.82
Inspector IV	3 Years Certified + Master's License	26.06
Inspector V	6 Years Certified + Master's License	26.84

Inspectors		
Plus Elevator		
Position	Grade	Hourly Rate
Inspector I	Non-Certified	19.03
Inspector II	Certified	21.94
Inspector III	3 Years Certified	25.05
Inspector IV	3 Years Certified + Master's License	26.32
Inspector V	6 Years Certified + Master's License	27.11

Inspectors				
Plus Multi-Trade				
Position	Grade	Hourly Rate	w/MH	w/Elev.
Inspector I	Non-Certified	19.78	20.17	20.37
Inspector II	Certified	22.80	23.25	23.50
Inspector III	3 Years Certified	26.02	26.55	26.82
Inspector IV	3 Years Certified + Master's License	27.33	27.88	28.16
Inspector V	6 Years Certified + Master's License	28.16	28.72	29.01

Planner Review		
Position	Grade	Hourly Rate
Planner Reviewer I	Non-Certified	22.80
Planner Reviewer II	Certified	25.58
Planner Reviewer III	2 Years Certified + CPRC	28.40
Planner Reviewer IV	4 Years Certified + CPRC	31.20
Planner Reviewer V	6 Years Certified + CPRC	32.15

* For Plumbing, Mechanical, & Electrical only; Building requires Commercial Plan Review Certification (CPRC) and Zoning requires AACE Enforcement Administrator

2. The existing language of Article 16, Section 3 of the Contract is hereby amended to read as follows:

<u>Section 3. Longevity.</u>

Inspectors and Reviewers shall receive one level increase in longevity compensation as set forth in the forty (40) year Longevity Pay Plan at the end of this section. The longevity increase shall become effective on their hiring anniversary dates, provided there has been at least a “Meets Expectations” rating received on the most recent annual performance appraisal preceding that event and the employee is not already at the top of the forty (40) year Longevity Pay Plan. For the purposes of longevity movement under this Section, employees who for whatever reason do not receive annual performance appraisals will be deemed to have qualified for an overall "Meets Expectations" rating.

Longevity Pay Plan Effective January 9, 2010	
1yr	.05/hr
2yrs	.10/h
3yrs	.15/h
4yrs	.20/h
5yrs	.25/h
6yrs	.30/h
7yrs	.35/h
8yrs	.40/h
9yrs	.45/h
10yr	.50/h
11yr	.55/h
12yr	.60/h
13yr	.65/h
14yr	.70/h
15yrs	.75/h
16yr	.80/h
17yr	.85/h
18yr	.90/h
19yr	.95/h
20yr	1.00/h
21yr	1.05/h
22yr	1.10/h
23yr	1.15/h
24yr	1.20/h
25yr	1.25/h
26yr	1.30/h
27yr	1.35/h
28yr	1.40/h
29yr	1.45/h
30yr	1.50/h
31yr	1.55/h
32yr	1.60/h
33yr	1.65/h
34yr	1.70/h

35yr	1.75/h
36yr	1.80/h
37yr	1.85/h
38yr	1.90/h
39yr	1.95/h
40yr	2.00/h

3. All other terms and conditions of City of Topeka Contract No. 43043, as amended, not specifically stricken or amended herein, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereto executed this Amendment as of the day and year first above written.

UNION

____
Roger Levings, AFSCME Council 72 Representative

____
Bruce Pfeiffer, Negotiating Team Member

____
Richard Worden, Negotiating Team Member

____
Craig Johnson, Negotiating Team Member

CITY OF TOPEKA, KANSAS

____
Jim Colson, City Manager

ATTEST:

APPROVED AS TO FORM AND LEGALITY

DATE____________BY_____________

Brenda Younger, City Clerk

MEMORANDUM

Administrative and Financial Services Office

To: Honorable Mayor Larry Wolgast
Members of the Topeka City Council
Jim Colson, City Manager

From: Brandon Kauffman, Director of Finance

Date: October 6, 2015

Subject: Fiscal Effects of Proposed Development Services Agreement

Pursuant to KSA 75-4331, the chief financial officer of the City is required to provide to the governing body an analysis of the fiscal effects on the City of proposed agreements between the City and recognized employee organizations. As part of this analysis, we are required to identify the potential impact on the City's aggregate tax levy and its operating expense limitations.

This bargaining unit, AFSCME—Development Services, is concentrated in two departments, the Public Works Department and the Neighborhood Relations Department. Additionally, the bargaining unit is spread across two separate funds, the General Fund and the Water Fund.

The proposed agreement includes an allowance for individuals meeting the appropriate parameters, an overall "Meets Expectations" or better, to receive a $0.05 longevity pay increase. Additionally, there is a 1.5% increase to the overall pay matrix. Note that during the 2016 budget process, Council authorized adding 1 new Mechanical Trade Inspector FTE, which explains part of the wage increase from 2015 to 2016.* The table below illustrates a basic comparison between the existing agreement and the proposed agreement and provides the estimated levy impact if the agreement were to be financed solely with a property tax increase:

2016 Wage Agreement Estimates

	2015	**2016**
Wages	556,959	620,479
Benefits	113,597	123,041
Total	$670,556	$743,520
Increase from Prior Year		*$72,964*
% Increase from Prior Year		*10.88%*

0.070 Levy Increase Equivalent

**Note the % increase from 2015 to 2016 would be 4.01% without the additional position.*

I have reviewed the economic terms of the AFSCME-Development Services agreement pending before the City Council and have compared its costs to both the expected costs of the status quo ante agreement in the recommended budget for Fiscal Year 2016. Based upon this review of the agreement, we believe that the FY16 proposed budget has sufficient resources to accommodate the agreement as presented.

Please let me know if there are questions or concerns about this analysis.

City of Topeka

Council Action Form

Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org
October 13, 2015

DATE:	**October 13, 2015**		
CONTACT PERSON:	**Brandon Kauffman, Director of Finance**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:		**PROJECT #:**	
CATEGORY/SUBCATEGORY	**020 Resolutions / 005 Miscellaneous**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:	**No Action**	**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

A RESOLUTION introduced by City Manager Jim Colson, establishing a policy for the financing of public improvements through the use of special benefit districts in the city of Topeka, Kansas, and rescinding Resolution No. 8242.

(Approval would establish a policy for the financing of public improvements through the use of Special Benefit Districts in the City of Topeka, Kansas.)

POLICY ISSUE:

The policy issue to consider is whether or not to change the approach to special assessments, in light of development concerns after the financial crisis. Recommendations included in the policy are prudent and would assist with orderly development in the community that is self supporting.

STAFF RECOMMENDATION:

It is recommended that the Governing Body establish a policy for special assessments that would require financial review, financial sureties and water improvements paid for by the developer. This approach is similar to what a financial institution would require: financial review, collateral and a down payment.

BACKGROUND:

In light of the 2008 financial crisis and its impact on the Topeka housing market, staff have taken a comprehensive review of special assessment improvement districts within the City. After reviewing, a new special assessment policy has been drafted with input from developers in the community. Staff conducted two public forums. The first meeting conducted May 21, 2015, collected ideas from developers in the community about what should be included in the policy. The second meeting conducted September 23, 2015, received input from developers about the draft of the proposed policy.

BUDGETARY IMPACT:

In 2014, the City collected approximately $340,000 less than needed for special assessments bond payments. When special assessments collections are less than needed, general property taxes support the bond payments for the improvement districts. Having a special assessment policy in place should assist with improving collections for future improvement districts.

SOURCE OF FUNDING:

When special assessments do not cover debt service payments for improvement districts, general property taxes pay for the remaining amounts.

ATTACHMENTS:

Description

Resolution

Special Assessment Policy Fact Sheet

Summary of Kansas City's Policies

Resolution No. 8242

RESOLUTION NO. _______

A RESOLUTION introduced by City Manager Jim Colson, establishing a policy for the financing of public improvements through the use of special benefit districts in the city of Topeka, Kansas, and rescinding Resolution No. 8242.

WHEREAS, the Governing Body of the City of Topeka, Kansas, is authorized to construct public improvements that confer a special benefit upon real property within a definable area of the City in accordance with K.S.A. 12-6a01 *et. seq*., and to levy special assessments upon the benefited property to pay all or any part of the costs of making such improvements ("benefit district financing"); and

WHEREAS, it is the policy of the City to prudently use its authority to create benefit districts as a tool to encourage and promote orderly development within Topeka that will pay for itself; and

WHEREAS, the City entrusts its Benefit District Committee, comprised of City staff representing all departments involved in the benefit district process, to determine conformance with its benefit district policy, the level of completeness of benefit district petitions, and to provide recommendations to the Governing Body regarding proposed benefit districts; and

WHEREAS, the use of benefit district financing is discretionary with the City, and the Governing Body is under no obligation to approve any petitioned improvements, nor is it relinquishing its authority to initiate improvements by resolution as may be necessary to promote the general welfare of the community.

NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS:

<u>SECTION 1</u>: GENERAL POLICIES. The following general policies and practices apply to benefit district financing in Topeka.

a. <u>Scope</u>. Benefit districts shall only be considered for installation of public improvements owned and maintained by the City of Topeka. This policy applies to developers seeking improvement benefit districts for the purpose of creating subdivision improvements and does not apply to individual property owners or projects less than $100,000.

b. <u>Creation</u>. Benefit district improvement proceedings may be initiated by action of the Governing Body or in response to a petition. The Governing Body may initiate the creation of a benefit district for any improvement authorized by K.S.A. 12-6a01 *et seq.* pursuant to the notice and public hearing procedures set forth in K.S.A. 12-6a04. The Governing Body may initiate the creation of a benefit district for sanitary and/or storm water sewer improvements without a petition or notice and public hearing, as set forth in K.S.A. 12-6a04.

c. Petition Information. Should a benefit district be initiated by petition, all benefit district petitions submitted for consideration shall contain the information required by K.S.A. 12-6a04 or K.S.A. 12-6a19 if applicable.

d. Costs and Methods of Assessment. Benefit district project costs shall include all required reports and studies, preliminary and final engineering, design, land acquisition, construction, inspection, financing, professional analysis, and administrative costs. Determination of all benefit district costs shall occur prior to construction of any benefit district improvements. All petitions for creation of a benefit district must utilize one of the following methods of assessment in accordance with K.S.A. 12-6a08.

1. Unit. If the assessments are to be determined by unit, the total number of lots included in the district will be assigned a number of units per lot. The total cost to be assessed is then divided by the total units. This figure multiplied by the number of units per lot or parcel would determine the assessment costs.
2. Frontage. If the assessments are to be determined by front foot along the improvement, the footage of each lot or parcel must be determined. The total cost to be assessed is then divided by the total footage to fix the amount per foot. This figure multiplied by the footage of the lot or parcel determines the assessment on the lot or parcel.
3. Area. If the assessments are to be determined according to area, the total number of square feet in the benefit district and the number of square feet of each lot and parcel must be determined. The total cost to be assessed divided by the total number of square feet of the district gives the charge per square foot. This amount multiplied by the square foot of a lot or parcel gives the assessment to be charged.
4. Value. If the assessments are to be determined according to appraised value or assessed value, the values of all the lots and parcels are added to get the total value of property within the benefit district. The total cost to be assessed divided by the total appraised or assessed value of the benefit district gives the amount to be paid per dollar value. This amount multiplied by the appraised or assessed value of each lot or parcel gives the amount of the assessment.
5. Other Method. If some other method is used, the assessment method must meet the standard of reasonableness. Examples of alternative assessment plans include determining the assessments according to zoning classifications or decreasing the assessment levels on the basis of proximity from the improvement on the theory that the land nearest to the improvement receives the greatest benefit from the improvement.

The Governing Body, upon the recommendation of the City's Benefit District Committee, may determine the proper method of assessment for a benefit district improvement.

e. Petitions. The City may facilitate new development by providing for the installation of public improvements upon submission of a sufficient petition of the property owners.

f. Signatures of Owners. The City favors benefit districts that have the signature of 100% of the property owners within a proposed district and are funded 100% by the landowners in the proposed district. Pursuant to K.S.A. 12-6a01, the City at-large may, at its sole discretion, pay up to 95% of the benefit district cost. However, the City will, at its sole discretion, give preference to benefit district projects that either are funded entirely by the benefit district or by no more than 5% from the City at-large, subject to the limitations of the City's debt management policy and availability of funds allocated within the City's annual Capital Improvements Program ("CIP").

g. Benefit District Committee. A Benefit District Committee comprised of the City Manager or their appointee, Finance Director, Planning Director, Public Works Director, Neighborhood Relations Director and the City Engineer, will meet to review and make recommendations to the Governing Body consistent with this policy.

h. Maximum Term. General Obligation Bonds. Pursuant to K.S.A. 12-6a01 *et seq*., the Governing Body may authorize the financing of benefit district improvements by the issuance of general obligation bonds to finance benefit district improvements. The general obligation bond term cannot exceed twenty (20) years. The Benefit District Committee shall review the impact of each proposed benefit district in light of the debt management policy.

i. Maximum Term. Special Obligation Bonds. Pursuant to K.S.A. 12-6a01 *et. seq*., the Governing Body may authorize the financing of benefit district improvements by the issuance of special obligation bonds to finance benefit district improvements. The special obligation bond term may extend up to twenty (20) years. The Benefit District Committee shall review the financial feasibility of each benefit district proposed to be financed by special obligation bonds.

j. Financial Due Diligence. The Benefit District Committee will conduct due diligence on developer finances in order to ensure developers have the financial capacity and wherewithal to support the development. Financial due diligence will include:

1. Delinquent Tax Obligations. Benefit district financing will not be approved if any signator to a petition has a financial interest in an existing development with delinquent tax obligations. All petitioners for new development (including anyone with a material ownership interest in the Developer's parent organization or any single purpose entity created for the subject development)

will be required to certify, under oath, that they have no financial interest in any property with delinquent special assessments, ad valorem taxes, or other federal or state tax liens anywhere within the State of Kansas.

2. Review of Finances. Developers desiring to create benefit districts for new housing developments shall be required to provide financial statements and shall be required to document ownership or control of the land. The City recognizes that many developments are constructed under single-purpose legal entities; the City requires financial statements to demonstrate the ability of the Developer, its single-purpose entity or any of its members or shareholders to complete the project as proposed and to make special assessment payments in full and on time, should development not materialize according to the development plan.
3. Special Assessment Monthly Payments. The developer shall provide a certification from a reputable real estate broker with knowledge of the Topeka market that the anticipated annual assessments for the development for which special assessments are granted are not inconsistent with assessments imposed on comparable properties in the market and will not materially impair the salability of the properties benefitted in the current real estate market.
4. Cost Benefit Analysis. A cost-benefit analysis shall be prepared by the Department of Finance to ensure that a public benefit exists for utilizing special assessment financing.

k. Financial Sureties. Any petitioner requesting the creation of a benefit district shall pledge financial commitments guaranteeing payment of assessments levied to pay principal and interest on bonds issued for the improvement project. Financial guarantees shall be in place with the City prior to the construction contract being awarded. Financial guarantees shall equal at least 30% of the estimated costs of the project, except for items i through iii, which would require 20%.

1. A financial guarantee may consist of:
    i. Cash
    ii. Cashier's Check
    iii. Escrow Account, held in trust for the City's benefit by a financial institution approved by the City in its sole discretion, funded with high quality securities approved at the discretion of the City's Director of Finance, where the principal balance along with the project interest is sufficient to satisfy the full amount of the guarantee.
    iv. Irrevocable letter of credit for up to ten (10) years from a reputable bank, subject to the City's Director of Finance approval.
    v. Surety bond. Surety bonds will be on a form approved by the City, from a company authorized to sell insurance in the State of Kansas, and have a rating of at least A – (excellent) from A&M Best. Developers will be responsible for costs incurred by the City to verify the rating for the proposed surety provider.

Project costs shall include, but not be limited to, engineering design, construction, inspection, temporary note interest (which will be calculated by the City), and the City's administrative cost in creating and administering the district. In the event that any special assessment is not paid when due, the financial guarantee will be applied by July 1 of each year to satisfy the principal and interest costs and any additional costs, such as penalties, occasioned by delinquent payment of the bonded public improvements.

Upon request of the developer, the financial guarantee shall be released on the following conditions:

1. Improvements on at least thirty (30%) of the properties (by lot) within the benefit district have been completed and issued an occupancy permit; or
2. The appraised value of improvements located within the benefit district is equal to seven (7) times the amount of the special assessments.

The Director of Finance or designee will approve the release, when the above conditions have been met and proof of evidence has been provided.

l. Phase of Lots. In order to ensure orderly development and limit the potential of too many lots on the market at any given time, the maximum number will be 45 lots per development. Consideration also will be given to the accumulation of lots resulting from multiple benefit districts; and therefore, the City reserves the right to withhold approval of a benefit district if the lots created by said benefit district are anticipated to result in excess market supply. The City may give preference to the use of benefit districts as an incentive to support infill and redevelopment of existing neighborhoods in order to implement the goals and policies of the City's Land Use and Growth Management Plan.

m. Termination. Benefit districts may be terminated by the Governing Body at the Governing Body's sole discretion at any time prior to the issuance of temporary notes in support of the project. Prior to termination, the Governing Body will endeavor to provide regular mail notice to all property owners within the district. The Governing Body may consider the following factors when considering whether to terminate a benefit district:

1. Construction of the improvements described in the petition have not commenced within five (5) years after approval of the petition, or acquisition of all rights-of-way and/or easements necessary for construction of the improvements has not been secured within five (5) years of approval of the petition;
2. Changes in ownership and/or land development patterns in the area have reduced or eliminated the need for the improvements described in the petition; and/or
3. The City's share of the total costs to construct the improvements in the benefit area exceeds the amount described in the resolution creating the benefit district.

n. Development Agreement. Upon submission of a sufficient petition, which is approved by the Governing Body, a development agreement will be submitted acknowledging the terms of this policy by the developer.

o. Foreclosure. Properties with special assessments that are delinquent for a period of at least three years will be subject to a judicial tax foreclosure sale.

SECTION 2: COST DISTRIBUTION POLICIES.

a. Cost Distribution Policies for Streets.

1. Benefit district financing is allowable for the construction of arterial streets, collector streets and local streets in commercial or industrial developments and new residential developments.
2. All streets shall be designed in accordance with the City's technical design criteria for public improvements.
3. One hundred percent (100%) of the construction costs of local streets, including related drainage facilities and sidewalks, shall be funded by the developer or, if by benefit district, shall be assessed to property within the benefit district.
4. Pursuant to K.S.A. 12-6a19, the Governing Body of the City may require the owners of property that benefits from such improvement but that was not included within the original improvement district, to pay a benefit fee at the time the owners of such property request, by petition, will be served by such improvement.
5. Pursuant to K.S.A. 12-692, the owner or owners or predecessors with title to all lots or tracts of land abutting upon any existing or proposed street or highway that have dedicated or conveyed property necessary for the opening, widening or extending of such street or highway, may, at the discretion of the Governing Body, be exempt, in whole or in part, from the payment of special assessment to pay the cost of acquiring land necessary for such opening, widening or extension from owners of lots or tracts of land abutting upon such existing or proposed street or highway and failing or refusing to dedicate or convey such property.

b. Cost Distribution Policies for Water Lines

1. Benefit district financing shall generally be limited to the construction or extension of water mains along arterial, collector and local streets within commercial and industrial developments.
2. Benefit districts shall not be established for the purpose of financing distribution or service line improvements in residential subdivisions.
3. Water main sizes shall be determined in accordance with the City's technical design criteria for public improvements.
4. Construction costs of all water mains up to and including 12" diameter shall be assessed 100% to the property within the benefit district. However, if water

demands caused by the development to be served by the benefit district or unique hydraulic or topographic conditions require construction of a distribution main in excess of 12" to meet building and fire codes, the Governing Body, at its sole discretion, may require all costs of the main in excess of 12" to be assessed and paid 100% by the benefit district.

5. When the City determines that a water transmission main in excess of the size determined in Subsection b. 4., above, is needed to benefit the overall water transmission system, construction costs shall be distributed so that property within the benefit district pays the cost equivalent of the required distribution main and the City-at-large pays the cost differential between the transmission and distribution sized main.
6. Pursuant to K.S.A. 12-6a19, the Governing Body of the City may require the owners of property that benefits from such improvement but which was not included within the original improvement district, to pay a benefit fee at the time the owners of such property request, by petition, will be served by such improvement.

c. Cost Distribution Policies for Sanitary and Storm Sewers.

1. Benefit district financing is available for the construction or extension of sewer main and sub-main district lines, as well as lateral lines within commercial and industrial developments and new residential subdivisions.
2. Sanitary sewer mains shall be sized to carry flows from the ultimate tributary population in accordance with the City's technical design criteria for public improvements. At the discretion of the Governing Body, if improvements are required to downstream receiving sewers, the cost of paralleling or upsizing existing downstream sewer mains may be included in the benefit district.
3. Construction costs of all sanitary sewer improvements shall be assessed 100% to the property within the benefit district.
4. Pursuant to K.S.A. 12-6a19, the Governing Body of the City may require the owners of property that benefits from such improvement but which was not included within the original improvement district, to pay a benefit fee at the time the owners of such property request, by petition, will be served by such improvement.

d. Cost Distribution Policies for Other Improvements.

In addition to the public improvements described above in this Section, the Governing Body may use benefit district financing for other types of public improvements as authorized by law. The Governing Body shall distribute the costs of these improvements to the benefit district in accordance with its determination of the special benefits accruing to the district from the improvement.

SECTION 3: FEES. City may charge up to 5% of the total costs of an improvement or the cost of work done by the City to reimburse for administration and supervision of the improvement by its employees.

SECTION 4: NOTICE. Except in the case of a benefit district petition proposed by a single owner, the Governing Body shall notify all property owners within a proposed benefit district that certain improvements have been proposed, and the date, time, and place the Governing Body will consider authorizing said improvements. In the case of improvements proposed by petition, the petitioner shall provide the City with a current mailing list of property owners within the proposed benefit district, including those not signing the petition.

SECTION 5: AUTHORITY OF GOVERNING BODY. The Governing Body reserves the right to deviate from any policy or practice set forth in this Resolution when it considers such action to be in the best interests of the City.

SECTION 6: EFFECTIVE DATE. This Resolution shall take effect upon passage.

ADOPTED and APPROVED by the Governing Body on this ___ day of_____, 2015.

CITY OF TOPEKA, KANSAS

____
Larry E. Wolgast, Mayor

ATTEST:

____
Brenda Younger, City Clerk

Special Assessment Policy Highlights

Prudent use of Special Assessment to promote orderly development that will pay for itself

The City of Topeka, in conducting a review of its special assessment policies, determined that it would be prudent to draft a new policy to protect the financial interest of the City. This policy was developed in conjunction with developer feedback and reviews of other cities throughout the State. The policy is built to provide financial protection to the taxpayers in order to ensure developments costs are completely born by the improvement districts.

The policy would go into effect upon the governing body adoption. Existing improvement districts would continue to operate under the old policies of the City.

Section One Highlights

A. Scope: Applies to developers seeking improvement benefit districts that would rely on special assessments to finance the improvements. Does not apply to individual or smaller improvement districts.

G. Creation of a benefit district committee to review plans and make recommendations to the governing body. The benefit district committee will be comprised of the City Manager or their appointee, Director of Finance, Planning Director, Public Works Director, Director of Neighborhood Relations and the City Engineer. The committee will meet as applications are received.

J. Financial Due Diligence: The benefit district committee will review the first three items submitted by the developer, and the fourth will be provided by Administrative and Financial Services Department.

   1. No outstanding tax obligations
   2. Developers required to provide financial statements to document ownership and control of land
   3. Special assessments certified within the market range
   4. Cost benefit analysis conducted by Administrative and Financial Services Department

K. Financial Sureties: These are released upon certain conditions such as occupancy permits or based upon the value of the property. The percentage required will be of the total cost of improvements.

   1. 30% for letter of credit or surety bond
   2. 20% for cash, cashier's check or escrow account

I. Lots will be phased in with max amount of 45 per development, in addition the City will monitor the market for oversupply and may give preference to benefit districts to support infill and redevelopment of existing neighborhoods to implement the goals and policies of the City's Land Use and Growth Management Plan.

Section Two Highlights

A. City will allow for financing of street improvements

B. City will not allow for financing of internal water line improvements in residential subdivisions.

C. City will allow for financing of sewer improvements

Summary of Kansas City's Special assessment policies

Below is a summary o f Kansas city's special assessment policies, there are variations between all the communities. Generally, they fall into the following categories:

1) City does not allow special assessment projects

2) City allows special assessment, but enters into development agreements

3) City allows special assessments, but does not require any type of financial securities

4) City allows special assessments and requires financial sureties in place before the project proceeds.

Included is the population of the cities (in addition Shawnee County is listed), this is important because cities are growing at various rates depending on their locations in the State. Topeka, based upon population growth is more comparable to the City of Salina or Hutchinson. These cities both have policies in place for financial sureties to limit risk exposure in the case of a failed development.

City	2013 Pop Est	Pop % Change since 2010	Policy Highlights		Notes
			Allow specials?	Require Sureties?	
Wichita	386,552	1.09%	Yes	Yes	Require 35% of estimated project
Overland Park	181,260	4.55%	No	NA	NA
Kansas City	148,483	1.85%	Yes	No	Enter into development agreement with developers
Olathe	131,885	4.78%	No	Yes	Olathe has a policy for SA, but has placed a moratorium on special assessment projects
Topeka	127,679	.16%	Yes	No	
Lawrence	90,811	3.61%	Yes	Yes	25% cash or letter of credit
Shawnee	64,323	3.40%	Yes	No	Starting to develop policy
Manhattan	56,143	7.39%	Yes	No	Enter into development agreement with developers
Lenexa	50,344	4.47%	Yes	No	
Salina	47,846	.29%	Yes	Yes	Require 35% of estimated project
Hutchinson	41,889	-.45%	Yes	Yes	25% for cash; 35% letter of credit
Shawnee County	178,831	.31%	Yes	Yes	20% for cash; 30% letter of credit

RESOLUTION NO. 8242

A RESOLUTION introduced by Councilmembers Bob Archer, Deborah Swank and Richard Harmon, sitting as the Policy and Finance Committee, establishing certain guidelines relating to petitions for public improvements projects.

WHEREAS, the City of Topeka is committed to the high quality and balanced growth and development of the community while broadening and diversifying the tax base; and

WHEREAS, prominent developers have expressed that the City of Topeka is easy to do business with and the petition process for special assessment projects is relatively streamlined; and

WHEREAS, the City of Topeka finds it in the best interest of the public to establish certain guidelines for the management and control of projects paid for by special assessment, which will assist the City Council in its consideration of petitions for public improvements pursuant to K.S.A. 12-6a01 *et seq.*, as may be amended.

NOW, THEREFORE, BE IT RESOLVED, BY THE COUNCIL OF THE CITY OF TOPEKA, KANSAS that:

Section 1. The City of Topeka desires to support development through public improvement projects paid for by special assessment in order to help the City grow and to help provide affordable housing for citizens.

Section 2. The following guidelines are hereby established for the management and control of public improvement projects paid for by special assessment:

- The City shall require the developer to disclose whether the developer has any financial interest in any property with delinquent special assessments located in the corporate limits of the City or the City's three mile extraterritorial jurisdiction.
- The Council may, at its discretion, refer to the Policy and Finance Committee any legislation to authorize large public improvement projects or projects which are contiguous to the City or other development. The Planning Department shall provide analysis and recommendation to the Policy and Finance Committee which will make a report or recommendation to the Council.
- All public improvement projects which qualify under K.S.A. 12-6a01 *et seq.*, as may be amended, are eligible for consideration by the City Council on a case by case basis.

BE IT FURTHER RESOLVED that all resolutions or rules, or portions thereof, inconsistent with the provisions of this resolution are hereby rescinded or repealed. Should any section, clause or phrase of this resolution be declared to be invalid by a competent court of law, the same shall not affect the validity of this resolution as a whole, or any part thereof, other than the part so declared to be invalid.

ADOPTED and APPROVED by the City Council March 9, 2010.

SEAL OF TOPEKA
CAPITAL CITY
INCORPORATED
FEB. 14, 1857
KANSAS

CITY OF TOPEKA, KANSAS

Wm. W. Bunten

William W. Bunten, Mayor

ATTEST:

Brenda Younger

Brenda Younger, City Clerk

City of Topeka
Council Action Form
Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org
October 13, 2015

DATE:	**October 13, 2015**		
CONTACT PERSON:	**Doug Whitacre, Public Works Director**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**Southeast Topeka Interchange**	**PROJECT #:**	
CATEGORY/SUBCATEGORY	**006 Communication / 005 Other**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

DISCUSSION relating to a new Southeast Topeka interchange.

(Continue discussion from the Council Meeting of September 15, 2015, regarding the City partnering with Kansas Turnpike Authority to conduct an Interchange Concept Study for Southeast Topeka.)

POLICY ISSUE:

Approval would allow a preliminary Interchange Concept Study to assess the feasibility of constructing and operating a new Southeast Topeka Interchange with I-470. Four different options are being proposed to include either SE 29th Street or SE California Avenue.

STAFF RECOMMENDATION:

Staff supports the concept of a new Southeast Topeka interchange to improve transportation access and economic development in Southeast Topeka.

BACKGROUND:

The Metropolitan Topeka Planning Organization (MTPO) presented the idea of a new interchange as one of the top priorities for funding during the KDOT/KTA statewide local consult sessions last year. The Public Works Department has followed up working with the Kansas Turnpike Authority (KTA) to construct an additional interchange on the southeast side of the city that would provide access to the turnpike. The KTA would like to partner with the City on a preliminary engineering Interchange Concept Study so they can add the interchange to their 10-year long-term needs plan which they are finalizing over the next several months. This study would equate to a 10% total design and determine the feasibility and cost estimates for one interchange option. The study is expected to take 60-90 days. The City held two public forums September 28, 2015, and October 1, 2015, for additional feedback from the community.

BUDGETARY IMPACT:

KTA is requesting that the City agree to fund half of the cost of the study in the amount not to exceed $20,000. The total cost of the study is approximately $40,000.

SOURCE OF FUNDING:

Public Works Administration

ATTACHMENTS:

Description

Resolution

Presentation and Location Maps

RESOLUTION NO. ________

A RESOLUTION introduced by City Manager Jim Colson relating to a new Southeast Topeka interchange

WHEREAS, in order to improve transportation access and economic development, the City has been advocating for a new Southeast Topeka interchange to the Kansas Turnpike Authority (KTA); and

WHEREAS, the KTA has retained an engineering firm to prepare a proposal for engineering services to develop and evaluate a concept for adding a new interchange on the I-470 section of the Kansas Turnpike in the southeast part of Topeka; and

WHEREAS, this Interchange Concept Study will assess the feasibility of constructing a new interchange on the I-470 section of the Kansas Turnpike near California Avenue and 29th Street; and

WHEREAS, the KTA is requesting that the City agree to fund half of the cost of the Interchange Concept Study in an amount not to exceed $20,000.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Topeka that:

1. The governing body supports a new Southeast Topeka interchange and will partner with the KTA to facilitate the interchange.

2. The governing body approves an expenditure in an amount not to exceed $20,000 to fund the Interchange Concept Study.

ADOPTED and APPROVED by the Governing Body on ____________________.

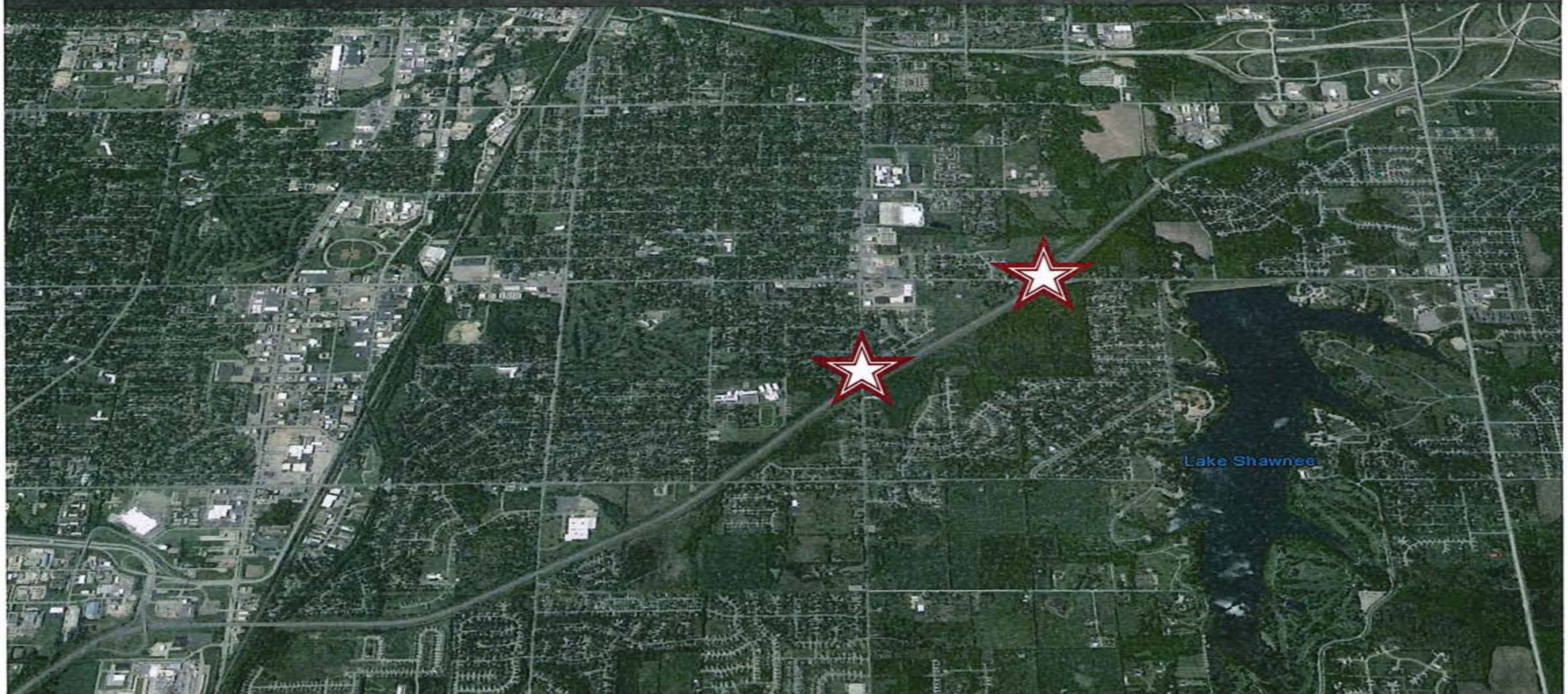
CITY OF TOPEKA

Larry E. Wolgast, Mayor

ATTEST:

Brenda Younger, City Clerk

KTA/I-470 Interchange Concept Study



KTA/I-470 Interchange Concept Study

WHY?

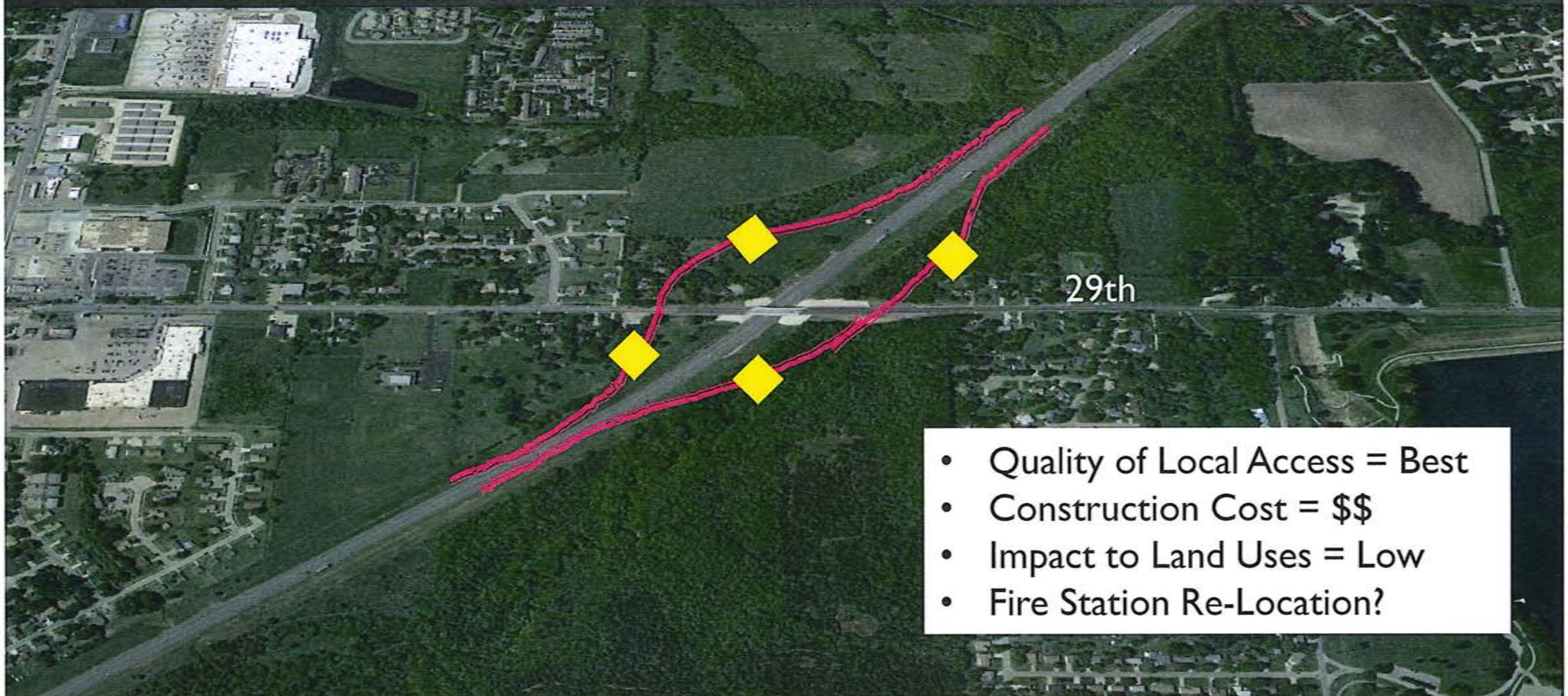
- Economic Development/Growth
- LUGMP Priority – Tier I Investment
- Connects City
- Equity/Environmental Justice

CITY OF TOPEKA
LAND USE & GROWTH
MANAGEMENT PLAN

Background

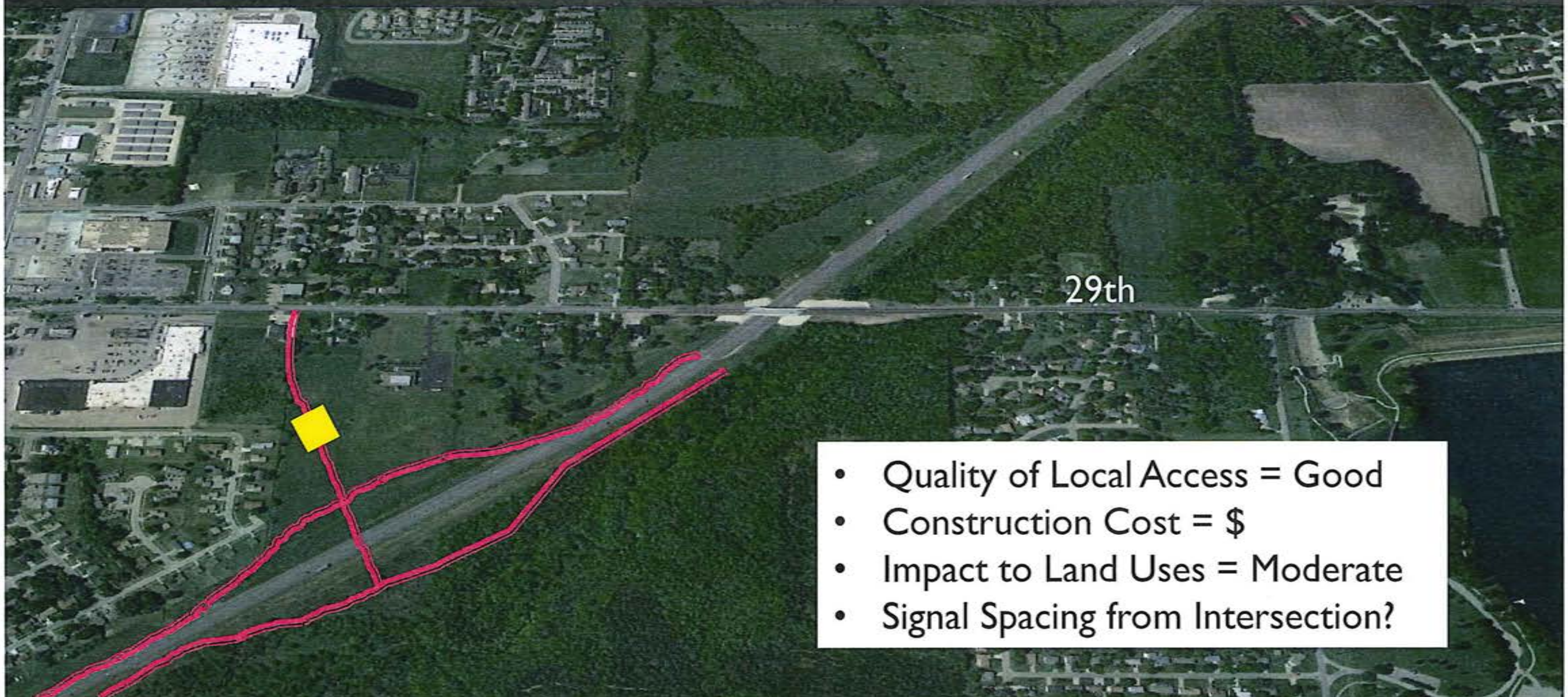
- **One of two MTPO priorities at Local Consult (2014)**
- **Added placeholder to City's approved 2016-2020 Capital Improvement Plan (CIP) - $500k for design in 2020**
- **City requested inclusion in KTA's 10-year long term needs plan**
- **KTA supportive**
  - **developed 4 feasible design options; choose one to engineer**
  - **asked City to split costs of 10% design study ($20k)**

Option 1: SE 29th Diamond



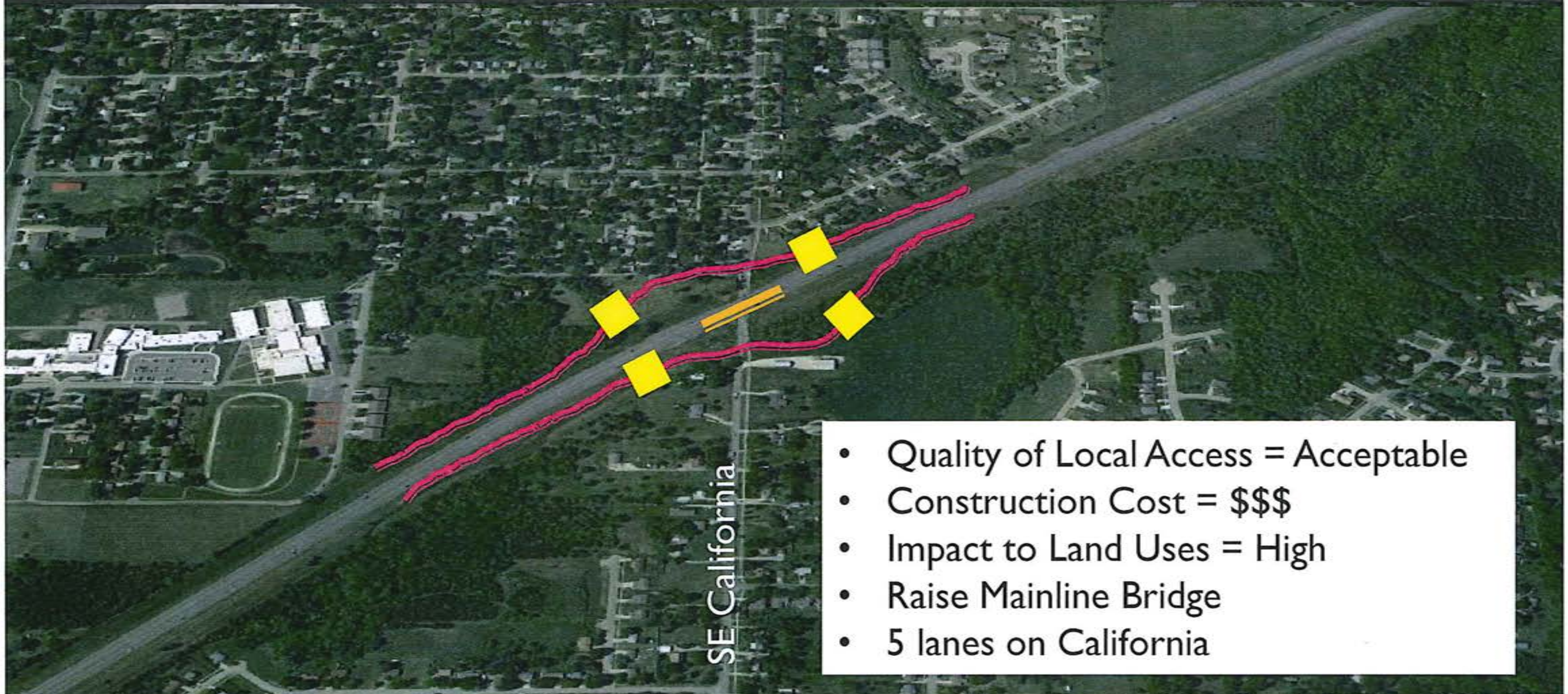
- Quality of Local Access = Best
- Construction Cost = $$
- Impact to Land Uses = Low
- Fire Station Re-Location?

Option 2: SE 29th "Offset" Diamond



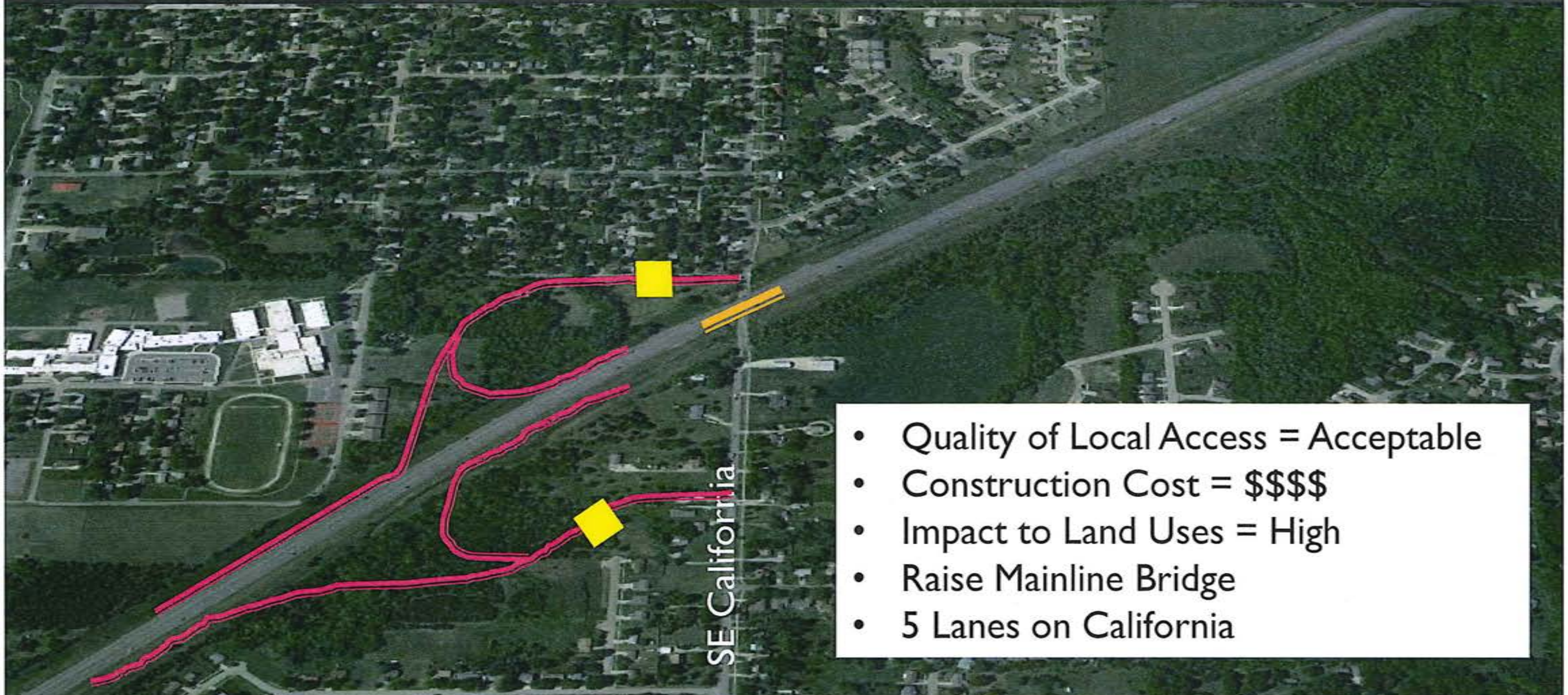
- Quality of Local Access = Good
- Construction Cost = $
- Impact to Land Uses = Moderate
- Signal Spacing from Intersection?

Option 3: SE California Diamond



- Quality of Local Access = Acceptable
- Construction Cost = $$$
- Impact to Land Uses = High
- Raise Mainline Bridge
- 5 lanes on California

Option 4: SE California "Folded" Diamond



- Quality of Local Access = Acceptable
- Construction Cost = $$$$
- Impact to Land Uses = High
- Raise Mainline Bridge
- 5 Lanes on California

Next Steps

- Hold Public Meetings for feedback
- Resolution Oct 13 in support of Concept Study
- KTA performs 10% Concept Study in 60 days
- Measure impact to local streets/economic growth
- Determine level of cost sharing as part of CIP

City of Topeka

Council Action Form

Council Chambers

214 SE 8th Street

Topeka, Kansas 66603

www.topeka.org

October 13, 2015

DATE:	**October 13, 2015**		
CONTACT PERSON:	**Councilmember Elaine Schwartz**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:		**PROJECT #:**	
CATEGORY/SUBCATEGORY	**020 Resolutions / 005 Miscellaneous**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:	**09-01-15 Defer One Week. 09-08-15 Defer Until 10-13-15**	**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

DISCUSSION concerning the Transient Guest Tax Committee recommendations, allocating transient guest tax funding for a period of 12 years to certain designated recipients. *(Deferred from the meeting of September 8, 2015.)*

(Continue discussion from the September 8, 2015, Council meeting regarding approval of transient guest tax funding for a Downtown Plaza, the Evel Knievel Museum, Constitution Hall and the Jayhawk Theatre in certain amounts commencing in fiscal year 2016 for 12 years or until the maximum amount of funding is met.)

POLICY ISSUE:

Charter Ordinance No. 116 was adopted by the Governing Body on September 1, 2015, and will become effective on November 14, 2015, extending the 1% Transient Guest Tax for 12 years commencing in fiscal year 2016.

Approval of the recommendation of the Transient Guest Tax Committee would authorize transient guest tax funding for a Downtown Plaza, the Evel Knievel Museum, Constitution Hall and the Jayhawk Theatre over a period of 12 years.

STAFF RECOMMENDATION:

Staff makes no recommendation.

BACKGROUND:

Charter Ordinance No. 116 was adopted by the Governing Body on September 1, 2015, and will become effective on November 14, 2015, extending the 1% Transient Guest Tax for 12 years commencing in fiscal year 2016. Following discussion at the September 8, 2015, Council meeting the resolution was deferred until October 13, 2015. A separate resolution authorizing allocation of funding will be considered for each applicant at the October 20, 2015 Council meeting.

Transient guest taxes are imposed on individuals staying in hotels and motels. The funds can be spent on tourism-related activities and to promote the general welfare of the city including attracting industry. The Transient Guest Tax Committee recommends continuing the 1% transient guest tax that will expire on December 31, 2015 for an additional 12 years to fund a downtown plaza, the Evel Knievel Museum, Constitution Hall and the Jayhawk Theatre as follows:

Name of Project	Maximum Expenditure Amount
Downtown Plaza	$3,435,000
Evel Knievel Museum	$300,000
Constitution Hall	$355,000
Jayhawk Theatre	$680,000

BUDGETARY IMPACT:

The City will be required to approve an annual budget for the Transient Guest Tax funds, however this is a dedicate revenue stream that will not impact City operation funding.

SOURCE OF FUNDING:

Transient Guest Tax Fund

ATTACHMENTS:

Description

TGT Committee Report
Downtown Plaza - Resolution
Downtown Plaza Cover Letter
Downtown Plaza Application
Evel Knievel Museum - Resolution
Evel Knievel Museum Application
Constitution Hall - Resolution
Constitution Hall Application
Jayhawk Theatre Application
Jayhawk Theatre - Resolution
TGT Resolution - Council Meeting 090815
Charter Ordinance No. 116

COMMITTEE REFERRAL SHEET
COMMITTEE REPORT

Name of Committee: Transient Guest Tax (TGT)

Title: Allocations for the additional 1**%** TGT funds.

Date referred from Council meeting: n/a

Date referred from Committee: August 19, 2015

Committee Action: The Committee recommends to the full Council approval of the allocations for the additional 1% TGT funds totaling $4,770,000 .

Applicant	Funding Request	Review Board Recommendation
Downtown Plaza	$ 5,000,000	$ 3,435,000
Evel Knievel Museum	$ 500,000	$ 300,000
Constitution Hall	$ 935,000	$ 355,000
Jayhawk Theatre	$ 2,500,000	$ 680,000
Planning Historic Grants ($20k/year)	$ 240,000	$ -
Visit Topeka Research	$ 100,000	$ -
Visit Topeka Web	$ 50,000	$ -
Wayfinding Signs	$ 325,000	$ -
Chesney Park Mural	$ 40,000	$ -
Combat Air Museum	$ 5,000	$ -
Friends of the Zoo	$ 2,480,000	$ -
Great Overland Station	$ 550,000	$ -
Riverfront Park	$ 2,300,000	$ -
Topeka Horseshoe	$ 200,000	$ -
Total	**$ 15,225,000**	**$ 4,770,000**

Comments: Extension of the additional 1% TGT fund, beginning January 1, 2016.

Members of Committee: Chair Elaine Schwartz, Jeff Coen and Brendan Jensen

Agenda Date Requested: September 1, 2015

RESOLUTION NO. ___________

A RESOLUTION introduced by Councilmembers Elaine Schwartz, Brendan Jensen and Jeffery Coen sitting as the Transient Guest Tax Committee, allocating transient guest tax funding for a period of 12 years for a Downtown Plaza.

WHEREAS, transient guest taxes (TGT) may be imposed on individuals who occupy hotel and motel rooms for short durations; and

WHEREAS, the funds generated by such taxes may be used for convention and tourism activities and to promote the general welfare of the city, including the attraction of industry; and

WHEREAS, the City currently imposes a 7% TGT; and

WHEREAS, on August 20, 2002, the governing body, in Resolution No. 7253, allocated 1% of the TGT for a period of 13 years to the development of the Great Overland Station, including Riverfront Park, and the historic preservation fund; and

WHEREAS, that funding will expire on December 31, 2015; and

WHEREAS, the TGT Committee is desirous of extending the 1% for an additional 12 years to provide a funding source for certain projects that the Committee believes will enhance tourism by putting more ‘heads on beds’ and delivering a quantifiable return on the City’s investment; and

WHEREAS, the TGT Committee developed a process to consider applications for funding which were reviewed by a review board comprised of staff and tourism industry representatives; and

WHEREAS, on August 19, 2015, the TGT Committee adopted the review board’s recommendations to allocate approximately $4.7 million dollars over a period of 12 consecutive years to fund four projects, including construction of a Downtown Plaza.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that:

Section 1. The City shall allocate $3,435,000 over a period of 12 years to provide funding for a Downtown Plaza subject to the conditions in this Resolution.

Such funds will be allocated annually in an amount determined by the City's chief financial officer or designee. The commitments will begin in fiscal year 2016 and continue until December 31, 2027 or until the maximum expenditure amount of $3,435,000 is met, whichever event is earlier.

Section 2. The City's funding commitment shall be conditioned upon the occurrence of the following:

(a) Enactment of a charter ordinance extending the current 1% TGT (which expires on December 31, 2015) for an additional 12 years commencing in fiscal year 2016 and ending on December 31, 2027.

(b) Approval of an agreement by the governing body with the appropriate entity responsible for the project. Such agreement will contain provisions addressing use of the funds, project budgets, project timelines, reporting/inspection/audit responsibilities, indemnification, insurance, and fund repayment under certain circumstances. The agreement will also acknowledge that grant funding may be reduced to correspond to lower than expected TGT revenues.

Section 3. Funding shall also be contingent upon the following:

(a) Funding shall be expended only for capital improvements.

(b) Submission and approval of a project budget that identifies all funding sources, and, specifically identify how TGT funds will be spent.

(c) TGT funds shall be used only for the Downtown Plaza and for those items identified in the project budget. Any changes to the scope of the project shall be reviewed by the TGT Committee and approved by the governing body. In order to ensure that TGT funds are used only for the Downtown Plaza, quarterly reports will be provided to the City financial administrator who will provide those reports to the governing body on a quarterly basis. The reports shall identify expenditures of TGT funds, an invoice report identifying expenditures and payees as well as progress toward completion of the project. The TGT Committee or designee may audit financial documents relative to a project at any time and request reimbursement for expenditures determined to be improper, unauthorized or unsubstantiated. The TGT Committee or designee shall have sole authority in this regard and shall base the decision upon reports submitted or in the alternative, absence of documents to substantiate expenditures.

(d) If the entity approved to receive TGT funding for the Downtown Plaza is a not-for-profit entity, it will comply with the requirements of K.S.A. 45-240 and amendments thereto regarding recordkeeping requirements for not-for-profit entities that receive public funds.

(e) The TGT Committee may require an independent audit of the Downtown Plaza project by an auditing firm approved by the Committee. The entity approved to receive TGT funding shall be responsible for all costs. TGT funds cannot be expended for any audit.

(f) The entity approved to receive TGT funding shall not owe any debt due to the City, including, but not limited to property taxes and special assessments and, if a business entity, shall be in good standing with the Kansas Secretary of State.

Section 4. In addition to compliance with Section 3, no funding shall be provided for the Downtown Plaza project until the following occurs:

(a) An appropriate recipient of the funds is considered by the TGT Committee and approved by the governing body.

(b) A proposal, design drawings, and a project timeline are submitted and approved by the TGT Committee.

Section 5. All financial commitments referenced in this Resolution shall be subject to the Budget and Cash Basis laws and any other applicable ordinances or statutes.

ADOPTED and APPROVED by the Governing Body on ___________________________.

CITY OF TOPEKA, KANSAS

____
Larry E. Wolgast, Mayor

ATTEST:

____
Brenda Younger, City Clerk

TOPEKA LODGING ASSOCIATION

To the Transient Guest Tax Committee,

On behalf of the Topeka Lodging Association (TLA), I submit this application for use of transient guest tax funds to select a site, design, build and eventually program a downtown public plaza/park.

The TLA counts as its members nearly all of the hotels and motels that collect the transient guest tax in Topeka. The taxes' fundamental purpose is to improve our economy by attracting additional conventions, conferences and tourists to Topeka.

We know there are many different and worthy projects proposed to receive tax money. All deserve community support.

But the TLA urges you to make your primary goal to fund projects that can demonstrate they can have a specific impact on increasing both the average daily rate (ADR) and the occupancy in our hotels and motels.

The TLA believes a downtown public plaza/park, as described in this application, provides the project most likely to achieve that goal of providing the greatest increases in both the ADR and occupancy rates in Topeka.

By funding this downtown public plaza/park, we believe this application shows the significant increases in both ADR and occupancy this project will bring. That will allow the transient guest tax receipts to increase dramatically to provide funding for other projects.

The TLA made this downtown public plaza/park the only project we have endorsed. We urge you to approve this application and fund this project.

Sincerely,

Rodger Fry
President
Topeka Lodging Association

APPLICATION FOR TRANSIENT GUEST TAX FUNDS

August 14, 2015

Respectfully submitted to the City of Topeka Transient Guest Tax Committee

1. Describe the Project:

   Acquisition, design, construction and programming a year-round public plaza/park in the Topeka downtown area.

   The Topeka Lodging Association (TLA) believes a public plaza/park in downtown Topeka addresses several important needs.

- It gives the TLA and Visit Topeka (VTI) an important tool to increase convention bookings.
- It gives Downtown Topeka, Incorporated (DTI) and VTI an important tool to lure tourism spending.
- It combats "leakage" of local dollars now spent in other nearby communities.
- It gives Shawnee County Parks and Recreation a downtown special event venue and other amenities that young professionals want in their community.
- It gives DTI an additional asset to develop downtown Topeka.

Background: It has become increasingly difficult for our convention hotel properties as well as VTI to book meeting and convention business to Topeka. Competing cities have a much more active evening and weekend schedule of entertainment to give convention attendees something to do after the meetings each day.

In an effort to better define how to market Topeka, VTI hired Roger Brooks International to recommend a strategy for Topeka, based on success in other communities, that would allow Topeka to increase convention bookings, lure daily tourism spending, combat the leakage of local dollars to other communities and improve property values in downtown Topeka.. Roger Brooks International has done this work for some 200 communities.

The solution Mr. Brooks offered to remedy these problems is the design, construction and programming of at least 250 nights per year of a year-round public plaza/park in downtown Topeka. This year-round plaza would become the hub of activities in the downtown area. It solves the problem of not having a central place for activities and at the same time provides an incentive for additional growth downtown.

This project would be a collaboration between the city of Topeka and Shawnee County. We would use these guest tax receipts to build the year-round plaza/park. Shawnee County Parks and Recreation would operate the facility in partnership with other downtown entities such as DTI and VTI.

2. What is the total budget for the project:

   $5,000,000 to $5,250,000 capital investment to build the year-round plaza/park coming from the transient guest tax. $300,000 annually operationally to run and program the plaza/park.

3. What are funding sources other than TGT dollars for this project:

   The Shawnee County Parks and Recreation Foundation will underwrite the Site Selection and Analysis Process in the amount of $19,000 and Shawnee County will operate the plaza/park.

4. How much TGT funding is requested:

   100% of the capital cost to build the year-round plaza/park.

5. What will the TGT funds be used for:

   Acquisition of land, architectural drawings, actual construction and any other expense related to the development of the year-round plaza/park.

6. What are the economic development and tourism benefits to the City:

   The benefits to the City of Topeka with this project are numerous. As Roger Brooks has stated in his summary presentation, “There is, flat out, nothing the city (or downtown) can do for less money that will have a stronger, faster and better return on investment.”

   Development of the plaza is a means to an end:

- It will increase convention bookings.
- It will increase tourism.
- It will slow the leakage of locally money spent elsewhere.
- It will increase property values and the retail sales tax base.
- It will provide a downtown special event venue and other amenities that young professionals want in their community.
- It will build community pride.

   Plazas are an investment, not an expense.

7. What is the projected return on investment for the City (direct and indirect):

   Roger Brooks surveyed more than 100 public plaza/park projects throughout the United States. The results:

- Commercial occupancy level for the properties within two blocks of the plaza park went from an average of 30% to 100%. EVERY project had 100% commercial occupancy. No vacancies.
- Property values increased 20% to 60%.
- Travel spending by visitors increased 70%.
- Spending by local residents in the zone around the plaza/park increased by 18%-25%.

   Brooks reports the number one activity of visitors is shopping, dining and entertainment in a pedestrian-friendly environment. 80% of the non-lodging spending takes place there. Visitors look to go where locals hang out. The year-round public plaza/park programmed at least 250 days per year gives locals a reason to gather between 4p-9pm. The visitors go to where the locals go.

8. What is the timeline for the project:

The TLA believes the year-round plaza/park can be completed within 24 to 36 months of funding its construction.

9. How many visitors will come to your project:

Roger Brooks projects, based on his survey of 100 public plaza/parks, that Topeka should see 300,000 or more visitors to a fully programmed, year-round plaza/park. See the attached artist's renderings of one design for a proposed plaza.

10. How will your project create overnight stays at hotels:

Most large national conventions and conferences rotate between cities such as Las Vegas, San Antonio, New Orleans and Miami because these cities have something to entertain attendees after the meetings complete each day.

While we don't compete for that scale of conventions and conferences, the rule is the same for Topeka: to successfully attract conferences and conventions, visitors must have a consistent place to hang out, shop and eat after the meetings end each day.

Further, by giving those convention and conference goers a popular location with the year-round plaza/park, they are more likely to book additional nights both before and after the convention or conference.

Brooks projects that Topeka should see convention/conference sales TRIPLE by building and programming the year-round public plaza/park. In 2014, Topeka's three largest convention hotels did $9.6 million in convention/conference business. With the plaza/park, we can see that number approach $30,000,000 in convention/conference bookings. That will generate $2,000,000 in additional transient guest tax revenues for the city that can be applied to tourism and conference development and other tourism-related projects in the community.

11. Is there additional information and/or materials, including pictures, other details etc., that would be helpful to the committee:

Roger Brooks recorded a two-part video presentation about the value of year-round public plazas/parks for communities. The presentation lays out the justification for a year-round public plaza/park, how communities have taken advantage of the benefits of a year-round public plaza/park and the key characteristics that should be part of any year-round public plaza/park review.

Here are the links for those two recordings:

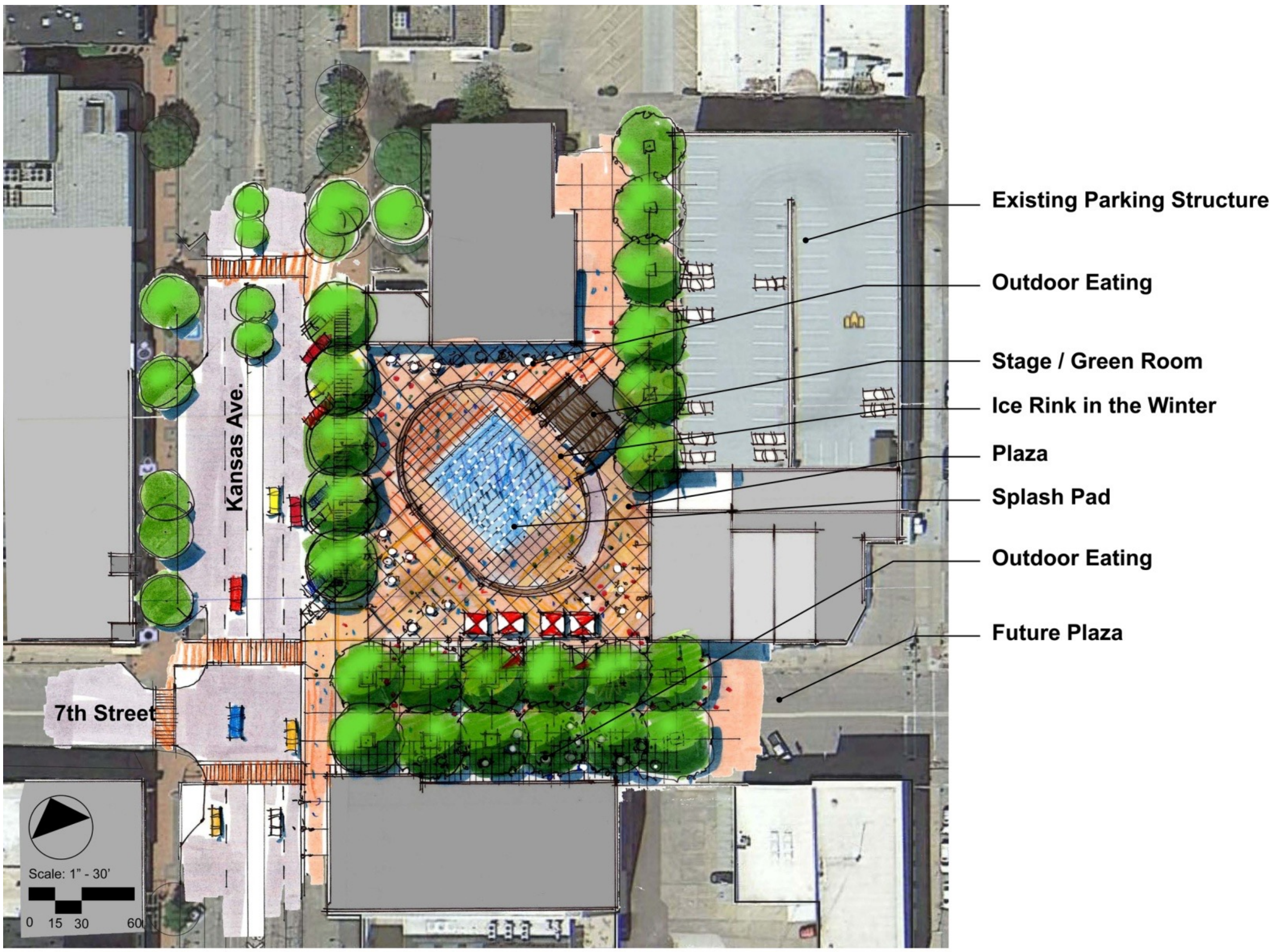
Part One:

https://player.vimeo.com/external/105100708.hd.mp4?s=af15dc25fe46229a76e89fff0a31900b&profile_id=113

Part Two:

https://player.vimeo.com/external/105143230.hd.mp4?s=7dccf8edd20bd10b7b15afc92c0f265d&profile_id=113

See the attached artist's renderings of one design for a proposed plaza.



Topeka
Conceptual Plaza Design

8-19-2014

RESOLUTION NO. ___________

A RESOLUTION introduced by Councilmembers Elaine Schwartz, Brendan Jensen and Jeffery Coen sitting as the Transient Guest Tax Committee, allocating transient guest tax funding for a period of 12 years for the Evel Knievel Museum.

WHEREAS, transient guest taxes (TGT) may be imposed on individuals who occupy hotel and motel rooms for short durations; and

WHEREAS, the funds generated by such taxes may be used for convention and tourism activities and to promote the general welfare of the city, including the attraction of industry; and

WHEREAS, the City currently imposes a 7% TGT; and

WHEREAS, on August 20, 2002, the governing body, in Resolution No. 7253, allocated 1% of the TGT for a period of 13 years to the development of the Great Overland Station, including Riverfront Park, and the historic preservation fund; and

WHEREAS, that funding will expire on December 31, 2015; and

WHEREAS, the TGT Committee is desirous of extending the 1% for an additional 12 years to provide a funding source for certain projects that the Committee believes will enhance tourism by putting more ‘heads on beds’ and delivering a quantifiable return on the City’s investment; and

WHEREAS, the TGT Committee developed a process to consider applications for funding which were reviewed by a review board comprised of staff and tourism industry representatives; and

WHEREAS, on August 19, 2015, the TGT Committee adopted the review board’s recommendations to allocate approximately $4.7 million dollars over a period of 12 consecutive years to fund certain projects, including the Evel Knievel Museum.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that:

Section 1. The City shall allocate $300,000.00 over a period of 12 years to provide funding for the Evel Knievel Museum ("Museum") subject to the conditions in this Resolution.

Such funds will be allocated annually in an amount determined by the City's chief financial officer or designee. The commitments will begin in fiscal year 2016 and continue until December 31, 2027 or until the maximum expenditure amount of $300,000.00 is met, whichever event is earlier.

Section 2. The City's funding commitment will be conditioned upon the occurrence of the following:

(a) Enactment of a charter ordinance extending the current 1% TGT (which expires on December 31, 2015) for an additional 12 years commencing in fiscal year 2016 and ending on December 31, 2027.

(b) Approval of an agreement by the governing body with the appropriate entity responsible for the project. The agreement will contain provisions addressing use of the funds, project budgets, project timelines, reporting/inspection/audit responsibilities, indemnification, insurance, and fund repayment under certain circumstances. The agreement will also acknowledge that grant funding may be reduced to correspond to lower than expected TGT revenues.

Section 3. Funding shall also be contingent upon the following:

(a) Funding shall be expended only for capital improvements.

(b) Submission and approval of a project budget that identifies all funding sources, and, specifically identify how TGT funds will be spent.

(c) TGT funds shall be used only for those items identified in the project budget. Any changes to the scope of the project shall be reviewed the TGT Committee and approved by the governing body. In order to ensure that TGT funds are used only for the Museum project, quarterly reports will be provided to the City financial administrator who will provide those reports to the governing body on a quarterly basis. The reports shall identify expenditures of TGT funds, an invoice report identifying expenditures and payees as well as progress toward completion of the project. The TGT Committee or designee may audit financial documents relative to the project at any time and request reimbursement for expenditures determined to be improper, unauthorized or unsubstantiated. The TGT Committee or designee shall have sole authority in this regard and shall base the decision upon reports submitted or in the alternative, absence of documents to substantiate expenditures.

(d) If the entity receiving funding for the Museum project is a not-for-profit entity, it will comply with the requirements of K.S.A. 45-240 and amendments thereto regarding recordkeeping requirements for not-for-profit entities that receive public funds.

(e) The TGT Committee may require an independent audit of the Museum project by an auditing firm approved by the Committee. The entity responsible for the Museum project shall be responsible for all costs. TGT funds cannot be expended for any audit.

(f) The entity receiving funding for the Museum shall not owe any debt due to the City, including, but not limited to property taxes and special assessments and shall be in good standing with the Kansas Secretary of State.

Section 4. In addition to compliance with Section 3, no funding shall be provided for the Museum project until the following occurs:

(a) An appropriate recipient of the funds for the Museum is considered by the TGT Committee and approved by the governing body.

(b) A proposal, design drawings, and a project timeline are submitted and approved by the TGT Committee.

Section 5. All financial commitments referenced in this Resolution shall be subject to the Budget and Cash Basis laws and any other applicable ordinances or statutes.

ADOPTED and APPROVED by the Governing Body on _________________________.

CITY OF TOPEKA, KANSAS

____
Larry E. Wolgast, Mayor

ATTEST:

____
Brenda Younger, City Clerk

The Evel Knievel MUSEUM

AT HISTORIC HARLEY-DAVIDSON

2047 SW Topeka • Topeka, KS 66612
☎ 785-234-6174 • 785-234-6177
www.topekaharley.com

Project

The Evel Knievel Museum will be constructed as an addition to the Historic Harley-Davidson building at 21st and Topeka Boulevard. The addition will be two stories for a total of 16,000 square feet. The museum will occupy both levels in addition to an expanded showroom on the upper floor for bike sales.

Agreements have been accomplished with the Knievel family to utilize "Evel Knievel" for the naming and marketing of the attraction. The Knievels have also approved rights for the destination to be called "The Evel Knievel Museum". This is an exclusive advantage. With the amount of items we have in possession, there will not be the possibility of another museum like this.

This provides Topeka to have an attraction like this exclusive to our city. Evel Knievel was one of the most famous celebrities of the 70's. The museum will be a national as well as an international tourism draw.

Budget

The total budget for the project is estimated, with acquisition costs, design fees, building construction, museum displays and fixtures to be $3.5 million.

Funding Sources

The project will be funded by Historic Harley-Davidson along with a construction loan from Fidelity State Bank of Topeka.

TGT Funding Request

We are requesting $500,000 from the Transient Guest Tax fund.

TGT Fund Usage

Our plan is to utilize the TGT funds to assist with design fees, construction, and displays specific to the museum only. We will not allocate any of these dollars to the construction of the main building or any other part of the project that does not relate to the museum. Our estimates show that $500,000 will be a fraction of the costs to complete the museum specific part of the project. The funds will be used to enhance the presentation for a higher quality finished product. Our goal, with these funds, is to elevate the production of an attraction for the city that we as a community can be proud of and "brag" about to the rest of the country. The $500,000 will be the difference in making this a nice display of Evel's items or a high revving attraction that creates an extraordinary experience. Our goal is to leave visitors with an unforgettable memory of Topeka. Something they will encourage friends, family and broadcast on social media as a destination everyone should see and experience.

Economic/ Tourism Benefits to the City

Visit Topeka has estimated direct spending generated by this attraction to be $3,000,000 to $5,000,000 not including overnight stays or spending on related events the museum can attract. The announcement of the project has already created interest from groups for holding rallies and festivals centered around the museum and the dealership. Examples: Kansas State HOG Rally has inquired about returning as soon as the museum opens, Evel Knievel Festivals similar to the one held in Butte, MT each year that attracts tens of thousands of people (see pictures from 2015 Evel Knievel Days). The potential also exists to attract vintage motorcycle rallies, car shows, and even the possibility of trucking industry trade shows with our newly created Mack Truck relationship using the Evel Knievel rig and museum as the centerpiece. These will all generate multiple overnight stays in Topeka.

The direct tourism benefits cannot be overstated. This is an opportunity for the highway traveler to have a "reason to pull off the highway" and stop in our city. It will also be a destination for family vacation plans throughout the country. We haven't had an opportunity such as this in our community for many years, if ever.

It needs to be pointed out that this attraction is not just "pull off the highway", but it will involve driving into the heart of our city at 21st and Topeka Blvd. The Evel Knievel museum will provide a captured out of town audience of tourists providing us the opportunity to promote other Topeka attractions while they are here. This will increase the odds of an overnight stay along with additional meals or shopping. Our responsibility at the Evel Knievel Museum will be to act as a concierge for the rest of the city. We accept this responsibility. This is what we plan to do.

Projected City Return

As stated we would never request funding or a partnership from anyone unless a return is guaranteed. This is the case for the city and the community with regard to our project. Visit Topeka projects an economic impact on Topeka anywhere from $6-$9 million.

The potential for rallies, festivals and conventions is where returns to the city could explode. Early on we have had discussions with the Expocentre and the Capital Plaza with regard to conventions. We asked if incorporating a night at the museum for conventions being held at their facility would help their ability to sell our city to out of town groups looking to meet here. Their answer - "absolutely yes". We plan to have several rallies and promotional events held at our store on a yearly basis. The Expocentre has already been presented with an exciting nationwide tour event usually only reserved for large markets. Topeka is now being considered for this simply because of the Evel

Knievel Museum being here next year. Visit Topeka estimates an additional 1000 group room nights a year generated by incremental events derived from the museum. This number does not include the room stays generated from the daily transient visitors.

This attraction will fund itself through incremental overnight hotel stays generated from the transient guest tax.

Project Timeline

We plan to begin construction as soon as possible. Building plans are complete and have been submitted to the City for final permits. Our goal is to have the doors to the museum open mid-2016 if not sooner.

Visitor Projections

A great deal of research has been done on visitor projections. We have polled other “like” museums around the country and local museums in our state. With conservative estimates the museum is projected to have 100,000 visitors a year. The bonus for our attraction is the fact that Evel Knievel is not just a national celebrity but an international celebrity that draws intrigue from all parts of the world. There will be thousands upon thousands of people that design a vacation around a stop in Topeka. This attraction is not a one weekend a year event or a seasonal destination. We will be open 7 days a week and will be drawing tourist all year long.

Overnight Stays

The Historic Harley-Davidson/Evel Knievel Museum will be and already is a destination. Our dealership is a place that many motorcyclists put on their map as a stop because of our unique attractions such as the restaurant, our current museum along with our historic dealership and building. With the addition of the Evel Knievel Museum, the number of motorcyclists that seek us out is going to sky rocket. Motorcyclists that are touring are unique to other tourists. When they stop, they always get gas. Always. They are much more likely to make a longer stop and get a meal when you are riding a motorcycle. Overnight stays are much more likely with motorcyclists because the distances traveled per day are less. Our goal will be to keep them in the museum and dealership for two hours or more, have them eat one or two meals in town increasing the chances of overnight hotel stays. The same applies for travelers that will visit us through other modes of transportation. We feel the museum may even provide more of a reason for air travel to return to Topeka.

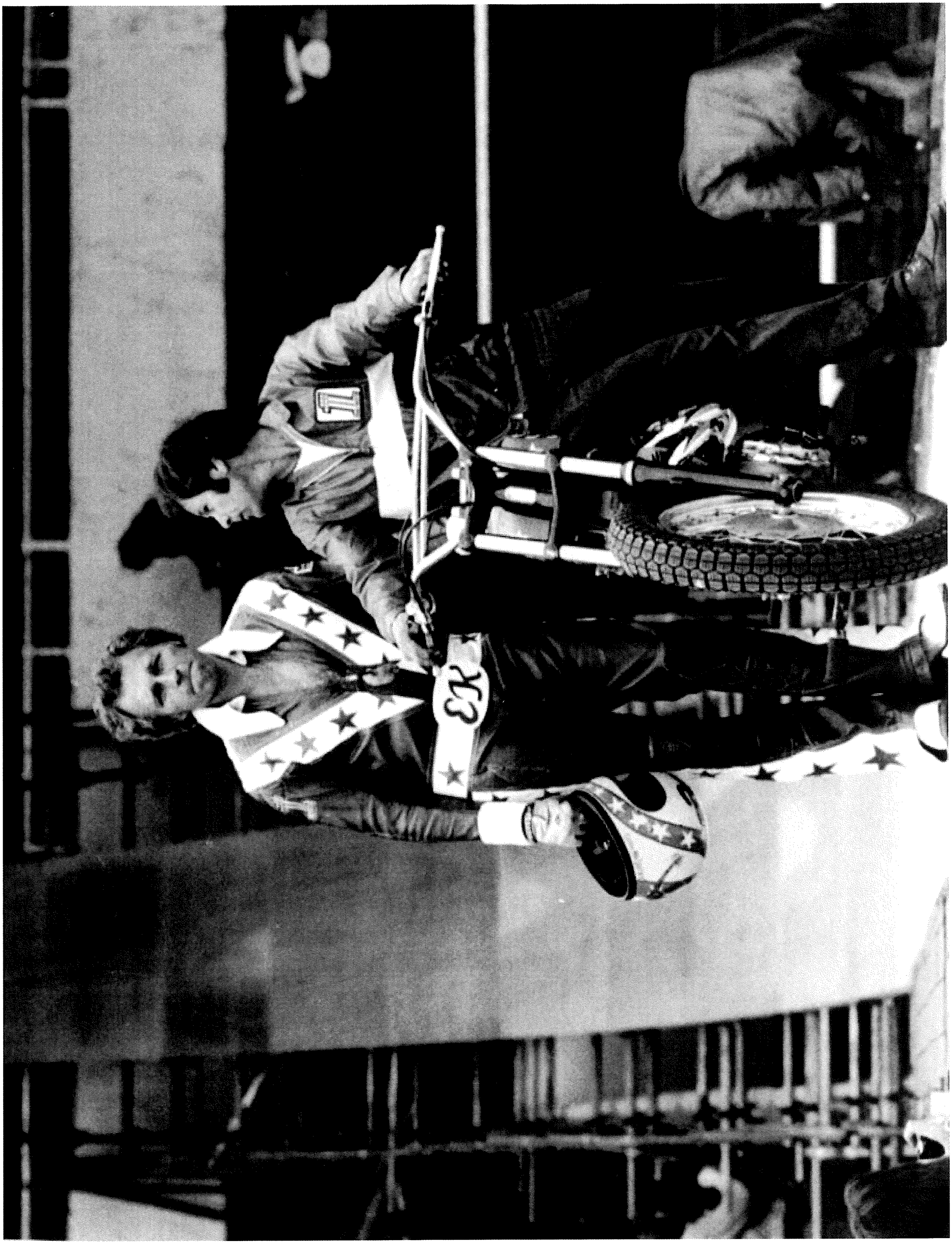
We plan to provide a small discount to each museum visitor if they will fill out a short survey. These questions will be provide insight on where our visitors are from, what they did while here and if they stayed or are planning to stay the night. We plan to share all of our results to the City. We want to be held accountable in an objective way providing reports for what our attraction is contributing to the community. We're confident the investment in this project will return in a very positive way for the city and we plan to provide the evidence.

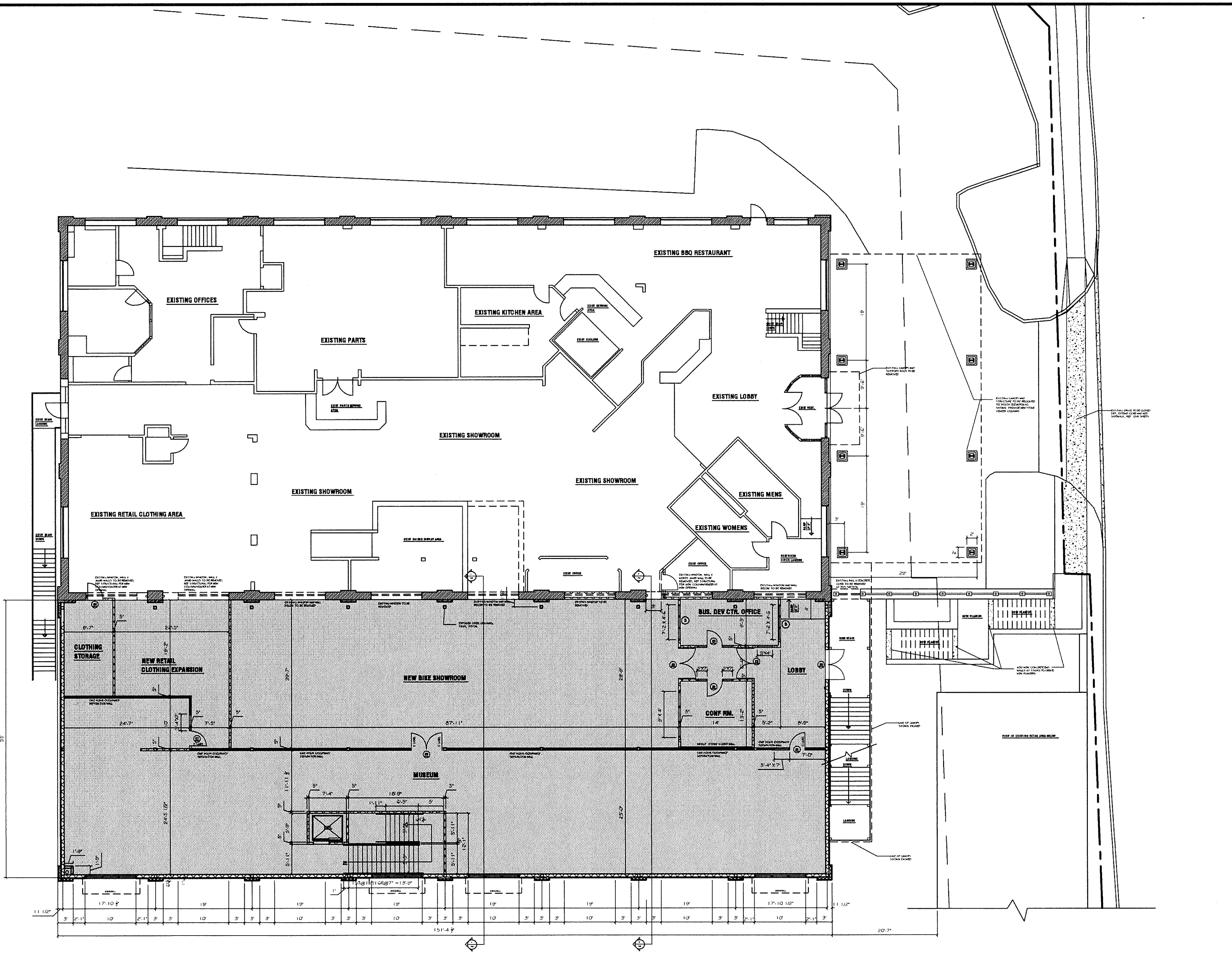
Conclusion

The Evel Knievel Museum is an opportunity. It's something that doesn't come along everyday for our city or any city for that matter. There are many communities that would love to have this attraction. Several have spoken up since we made our announcement and the news of the museum went national.

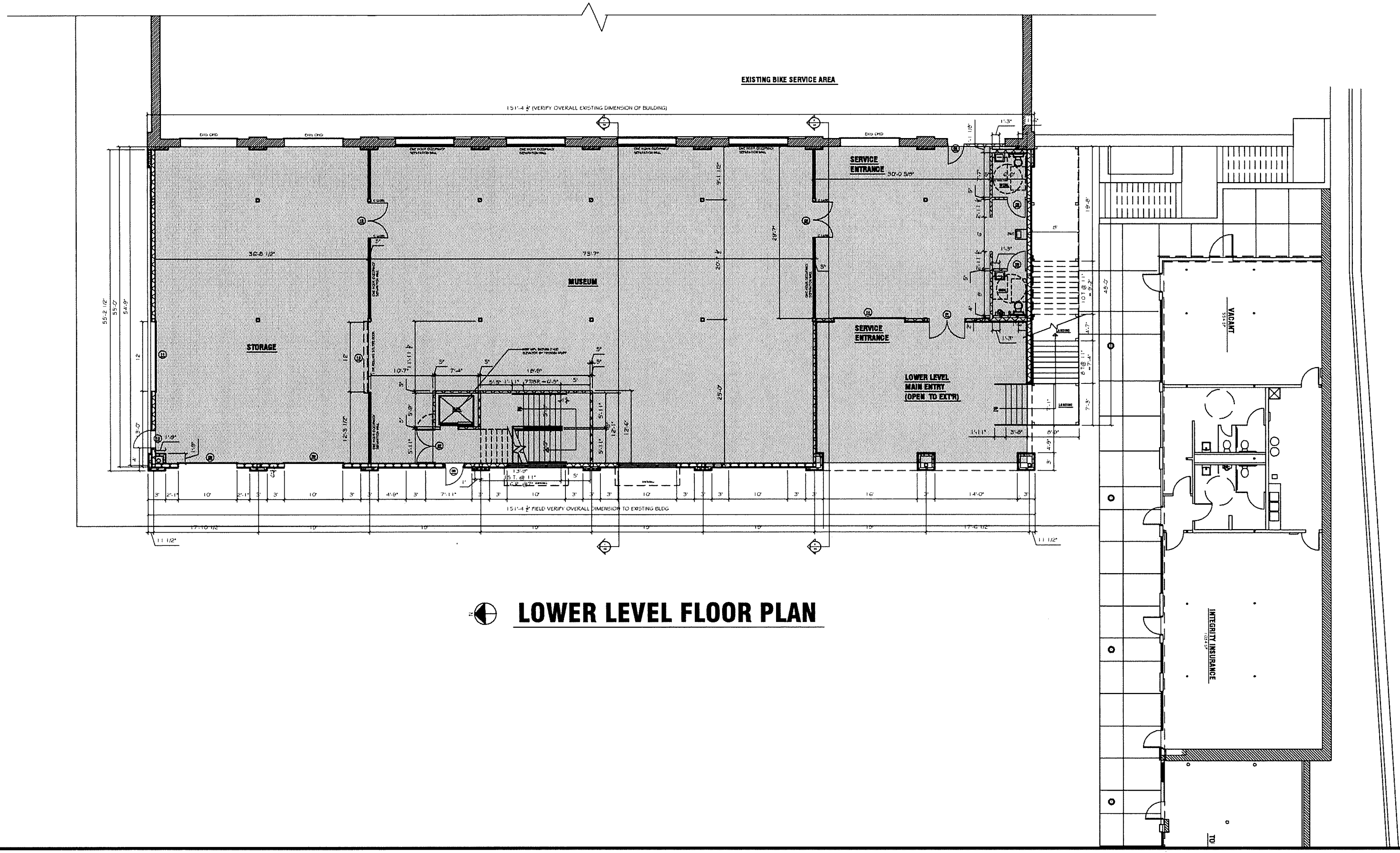
It's our job to make the most of it. We at Historic Harley-Davidson are committed to do our part. We are willing to take the risk and invest in this project. To maximize the experience for our visitors and position our community to see the greatest return to our city, this $500,000 from the Transient Guest Tax in additional funding is vital.

Mike Patterson
Historic Harley-Davidson of Topeka
Since 1949
Store: 785-234-6174
Cell:785-925-2792





UPPER LEVEL FLOOR PLAN



LOWER LEVEL FLOOR PLAN

SHOWROOM AND MUSEUM ADDITION

HISTORIC HARLEY DAVIDSON OF TOPEKA

2047 SW TOPEKA BLVD.
TOPEKA, KANSAS

BATIS DEVELOPMENT
2933 SW WOODSIDE DR., SUITE 200
TOPEKA, KANSAS 66614
785.272.4400
785.271.0944 F

RESOLUTION NO. ___________

A RESOLUTION introduced by Councilmembers Elaine Schwartz, Brendan Jensen and Jeffrey Coen sitting as the Transient Guest Tax Committee, allocating transient guest tax funding for a period of 12 years for Constitution Hall.

WHEREAS, transient guest taxes (TGT) may be imposed on individuals who occupy hotel and motel rooms for short durations; and

WHEREAS, the funds generated by such taxes may be used for convention and tourism activities and to promote the general welfare of the city, including the attraction of industry; and

WHEREAS, the City currently imposes a 7% TGT; and

WHEREAS, on August 20, 2002, the governing body, in Resolution No. 7253, allocated 1% of the TGT for a period of 13 years to the development of the Great Overland Station, including Riverfront Park, and the historic preservation fund; and

WHEREAS, that funding will expire on December 31, 2015; and

WHEREAS, the TGT Committee is desirous of extending the 1% for an additional 12 years to provide a funding source for certain projects that the Committee believes will enhance tourism by putting more ‘heads on beds’ and delivering a quantifiable return on the City’s investment; and

WHEREAS, the TGT Committee developed a process to consider applications for funding which were reviewed by a review board comprised of staff and tourism industry representatives; and

WHEREAS, on August 19, 2015, the TGT Committee adopted the review board’s recommendations to allocate approximately $4.7 million dollars over a period of 12 consecutive years to fund certain projects, including Constitution Hall.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that:

Section 1. The City shall allocate $355,000.00 over a period of 12 years to provide funding for Constitution Hall subject to the conditions in this Resolution.

Such funds will be allocated annually in an amount determined by the City's chief financial officer or designee. The commitments will begin in fiscal year 2016 and continue until December 31, 2027 or until the maximum expenditure amount of $355,000.00 is met, whichever event is earlier.

Section 2. The City's funding commitment will be conditioned upon the occurrence of the following:

(a) Enactment of a charter ordinance extending the current 1% TGT (which expires on December 31, 2015) for an additional 12 years commencing in fiscal year 2016 and ending on December 31, 2027.

(b) Approval of an agreement by the governing body with the appropriate entity responsible for the project. Such agreement will contain provisions addressing use of the funds, project budgets, project timelines, reporting/inspection/audit responsibilities, indemnification, insurance, and fund repayment under certain circumstances. The agreement will also acknowledge that grant funding may be reduced to correspond to lower than expected TGT revenues.

Section 3. Funding shall also be contingent upon the following:

(a) Funding shall be expended only for capital improvements.

(b) Submission and approval of a project budget that identifies all funding sources, and, specifically identify how TGT funds will be spent.

(c) TGT funds shall be used only for those items identified in the project budget. Any changes to the scope of the project shall be reviewed the TGT Committee and approved by the governing body. In order to ensure that TGT funds are used only for the project, quarterly reports will be provided to the City financial administrator who will provide those reports to the governing body on a quarterly basis. The reports shall identify expenditures of TGT funds, an invoice report identifying expenditures and payees as well as progress toward completion of the project. The TGT Committee or designee may audit financial documents relative to the project at any time and request reimbursement for expenditures determined to be improper, unauthorized or unsubstantiated. The TGT Committee or designee shall have sole authority in this regard and shall base the decision upon reports submitted or in the alternative, absence of documents to substantiate expenditures.

(d) If the entity contracting on behalf of Constitution Hall is a not-for-profit entity, it will comply with the requirements of K.S.A. 45-240 and amendments thereto regarding recordkeeping requirements for not-for-profit entities that receive public funds.

(e) The TGT Committee may require an independent audit of the Constitution Hall project by an auditing firm approved by the Committee. The entity responsible for the Constitution Hall project shall be responsible for all costs. TGT funds cannot be expended for any audit.

(f) The entity contracting on behalf of Constitution Hall shall not owe any debt due to the City, including, but not limited to property taxes and special assessments and shall be in good standing with the Kansas Secretary of State.

Section 4. In addition to compliance with Section 3, no funding shall be provided for Constitution Hall until the following occurs:

(a) An appropriate recipient of the funds for Constitution Hall shall be considered by the TGT Committee and approved by the governing body.

(b) A proposal, design drawings, and a project timeline are submitted and approved by the TGT Committee.

<u>Section 5</u>. All financial commitments referenced in this Resolution shall be subject to the Budget and Cash Basis laws and any other applicable ordinances or statutes.

ADOPTED and APPROVED by the Governing Body on _________________________.

CITY OF TOPEKA, KANSAS

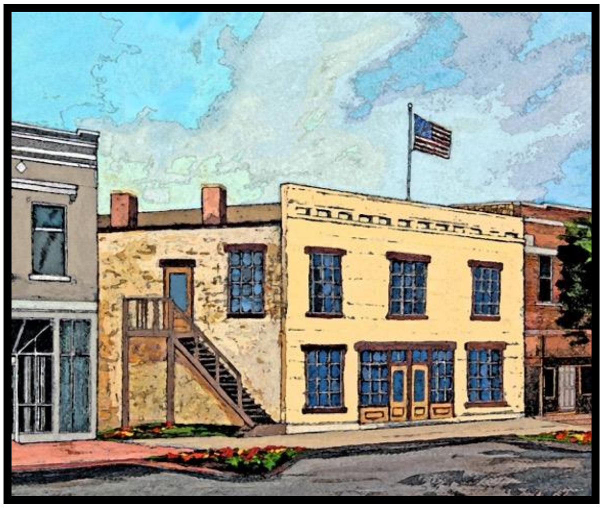
____

Larry E. Wolgast, Mayor

ATTEST:

____

Brenda Younger, City Clerk

Left, the historic façade when recreated on Topeka's principal historic landmark.
Right, the Topeka Constitutional Convention in session, 1855.

Opening Constitution Hall

Important Anchor for Topeka Heritage Tourism

August 15, 2015 Request for Transient Guest Tax Funding

Executive Summary

Constitution Hall is like no other historic building anywhere in America. Here in the 1850s were principal events of the important American era, the nation's "Prelude to Civil War."

For today and tomorrow, those historic events have brought a rare and beneficial distinction by the National Register of Historic Places, that of National Level importance.[1] By continuing to restore Constitution Hall, this valuable tourism advantage will be fully promoted.

Heritage tourism is travel that includes the "experience" of *authentic* sites in a *unique* story of place. Topeka —in particular the 400 block of S. Kansas Avenue— is the *authentic* home of two *unique* freedom actions that are also *nationally important* among valiant battles for Freedom in the United States.

The very name Constitution Hall attests to its importance. From the 19th century town of Topeka this landmark hosted Topeka's accomplishments under the *Topeka Constitution* and Free State Legislature. Nearly a century later, a second nationally important Topeka initiative culminated in arguably the most important U.S. Supreme Court case ever decided. This was the 20th century's *Brown v. Board of Education of Topeka*, of which Federal case trial occurred across the street from Constitution Hall in the Old Federal Building. These two compelling stories fully promoted together, and with other Topeka attractions, will drive visitors to stay here longer to see, learn and experience this unique historic setting.

However, another wonderful benefit exists. Convention and tourism planners strive to locate seminars, gatherings, conferences and summits in cities that provide cultural opportunities for families of attendees and when it comes to nationally important historic sites, Topeka has no real match in this part of our Country. When completed Constitution Hall will be an ideal setting for convention receptions and

[1] Keeper of the National Register of Historic Places listing statement, National Park Service.

frontier-style dinners catered by the host hotel. Events and tours held here in Topeka's storehouse of the Underground Railroad route northward into Canada will be among the most memorable a visitor can have. Inside this historic hall, colorful Free State leaders James Lane and railroad builder Cyrus K. Holiday stood up for freedom, both social and economic. This exceptional opportunity will make Topeka a particularly captivating city for regional and national planners of conventions and sporting events.

The National Park Service invested in Topeka for the National Historic Site at the Monroe School. Topeka has invested some funds in stabilization of Constitution Hall. There is no other funding than proposed transient guest tax funding to complete its structural stabilization, provide a secure building facade and install basic visitor amenities. While Constitution Hall continues irregularly open to the public, its power to increase economic development and sales tax collection through Topeka tourism is untapped.

Friends of the Free State Capitol Inc. requests $935,000 in Transient Guest Tax funding. Matching funds of $235,000 will be raised privately as matching funds in this phase of the project costing a total $1,170,000. An additional $200,000 will be privately raised to complete the surrounding park and exhibits designed to serve overnight visitors.

Topeka's Intersection of Freedoms on S. Kansas Avenue

Left, 2015 view of building showing its conglomeration of decayed facades

"Freedom's Crossroads" pocket park at Constitution Hall by Downtown Rotary

The Constitution Hall project received significant community boosting when the Topeka Downtown Rotary Club and Brown v. Board of Education National History Site joined with Friends of the Free State Capitol Inc. for a new pocket park in the site's open green space. This commemorates Rotary's first 100 years in Topeka. About 100 Rotarians gave an average of nearly $300 for what has been called "Freedom's Crossroads at Topeka's Intersection of Freedom." The park is across the street from the Old Federal Building, site of the Brown v. Board of Education of Topeka trial. Outdoor signage will help tell the Freedom story of both sites and encourage visitors to explore Topeka's historical sites. A Wi-Fi accessible "hot-spot" and video board will stream messages that encourage touring of all Topeka heritage sites.

This major commitment by Rotarians was made with the belief that its visitors will be treated to a fully-functioning capital city landmark, not the yet unfinished project at such a critical junction of the refurbished downtown, vibrant NOTO and future riverfront recreational area.

Tourism and Economic Benefits

Constitution Hall, centrally located in the city's historic core, is the capital city's historical anchor connecting the restored Kansas Statehouse, commercial district, Kansas riverfront, North Topeka arts district, future Oregon Trail park project and the Great Overland Station. Constitution Hall is the only downtown building surviving from the route of the Oregon Trail[2] (and likely in all of Topeka.)

A primary economic feature of Constitution Hall is attraction of Civil War related heritage tourism, of which studies show this form of tourism is consistently popular.[3] A leading national study shows: [4]

- Unique historic sites result in longer stays by out-of-town conventioneers and travelers.
- These sites bring more money spent locally than by other focuses in travel,
- Help make private investment in commercial property viable, and
- Increase local sales tax collections and help attract new residents.

Historic Heart of S. Kansas Avenue a Pre-Civil War Battleground

The 1854 Kansas Nebraska Act provided settlers the vote on their state's slavery status. In March 1855, free state men laid the foundation for what became Constitution Hall when just days earlier, pro slavery forces had plundered their federal voting rights. Kansas had become a prize of contention by the abolitionist North and proslavery South. Both sides understood that future Kansas leaders would–one way or the other–tip the long-standing balance of Congressional power and spread slavery across the West.

On July 4, 1856, soldiers from Forts Riley and Leavenworth marched on Topeka under proclamations by President Franklin Pierce. Colonel Edwin V. Sumner's 400 troops thundered down Kansas Avenue on horseback. The long fuses of cannons alight and aimed at Constitution Hall, Sumner stood before the Free State legislature to announce it the "most painful duty of my life" to disperse them. Surrounding in front were 500 free state settlers prepared for a battle. A horrified Eastern press looked on as military forces took up arms against American citizens exercising their Constitutional Rights to Freedom of Assembly and Freedom of Speech. Had calm not prevailed, the Civil War could have started on Kansas Avenue in 1856 and not as it did five years later at Fort Sumter.

CONSTITUTION HALL

WHERE THE

TOPEKA CONSTITUTIONAL CONVENTION

MET IN 1855

AND THE

TOPEKA LEGISLATURE WAS DISPERSED

BY COLONEL E.V. SUMNER

JULY 4, 1856

USED AS STATE CAPITOL

1864–1869

PLACED HERE BY THE

DAUGHTERS OF THE AMERICAN REVOLUTION

JULY 4, 1903

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[2] Downtown Topeka Historic Resources Survey by the City of Topeka. Rosin Preservation, Kansas City, MO.

[3] National Trust for Historic Preservation: http://www.preservationnation.org/information-center/economics-of-revitalization/heritage-tourism/.

[4] Harbinger Group for the Civil War Trust. Washington D. C. . "Blue Green and Gray." Economic & Tourism Benefits of Battlefield Preservation. March 2012

Why Constitution Hall in Topeka Tourism?

This principal historic site will substantially assist in the attraction of conventions and special events, and result in attendees staying longer in Topeka. "Civil War sites are Tourism magnets:[5]

- Civil War site visitors stay in town longer and are repeat visitors,
- Form a U.S. market of **more than 72.2 million** eager affluent adult travelers,
- Civil War related tourism brings stays twice as long and thus expenditures double the average.

Constitution Hall will help generate increases in sales and surrounding property tax revenue:[6]

- At 20 Civil War sites, each visitor's expenses brought in an average $2.92 to local governments.
- Civil War sites spur investment and the boosting of property values and
- These heritage site visitors flock to anniversary and special events.

Subject-specific research finds that cultural and heritage tourists are:

- More frequent travelers, making 5.01 leisure trips vs 3.98 for non-cultural/heritage travelers,
- More frequent business and international travelers,
- Prefer that their leisure travel be "educational" and travel farther for experiences they seek.

New Visitors

Constitution Hall compares in scale and primary significance with the First Missouri State Capitol, which was also a Territorial Capitol. This building in St. Charles, once blighted and near demolition, attracts 80,000 day visitors and an additional 60,000 for special events annually.

Those who take Kansas Statehouse tours total 60,000 annually, not including self-guided tours believed to twice-exceed this sum.[7] Annual downtown events attract 100,000 area residents. High School and Little League sports events attract many out-of-town visitors to Topeka.

The Freedoms Frontier National Heritage Area provides heritage tourism support for 41 counties in Kansas and Missouri, including Topeka and Shawnee County. Many travelers focus on tourism of active and historic capitols nationwide. Brown v Board of Education National Historic Site hosts about 30,000 visitors annually. Based on support for heritage tourism and the capital city location, convenient access for hundreds of thousands of Kansas Scenic Byways travelers on Interstates 70 and 35, and wide interest in Civil War heritage sites while attending conventions and events:

- Constitution Hall may draw upon a motivated segment of 250,000 passing travelers annually.[8]
- Initially, 10 percent of this projection may add one overnight stay in Topeka or stop overnight to tour Topeka's two nationally important historic sites along with the Kansas Statehouse.
- By availability of area parking, motor coach access, amenities and volunteer staffing by local partnership including the Oregon Trail project, a restored Constitution Hall could readily accommodate up to 100,000 visitors annually (initially, attendance would compare with area attractions while new visitors add overnight stays in response to new marketing.)

However, of the 60,000 recorded annual Kansas Statehouse visitors, an estimated 40 percent or nearly 25,000 are believed to be out-of-town adult travelers who would specifically extend their Topeka stay by one night to also see the Free State Territorial Capitol and Brown v Board of Education anchor sites. From other considerable sources cited, an estimated additional 10, 000 new visitors would add an overnight stay for the same purpose. This potential 35,000 more overnight visitors[9] would add – applying the standard of .7 room nights per person– 24,500 new room nights.

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[5] Ibid.. Note: Based on site questionnaires and data reflecting subject sites in Missouri and other states

[6] The Cultural & Heritage Traveler Study. Laura Mandala, Mandala Research. Washington, D.C.

[7] Telephone discussion with Mike Bell, director of sales, Visit Topeka Inc.

[8] This theoretical "reach" may in fact be higher by twice, however; the applicant is not versed in travel analysis.

[9] To reach this potential, a Topeka heritage tourism marketing program will be necessary.

Local Return on Investment

Increase in room nights and transient guest tax income:

Topeka room nights in 2014 totaled 551, 216, which provided TGT income of $2,890,486, or an average of $5.24 TGT per room night.[10]

- Discussed above is how the fully opened Constitution Hall will add new and extended visits for an initial total of 24,500 room nights annually. These additional room nights would thus provide nearly **$128,500 per year in new local transient guest tax income annually**.

Increase in Sales Tax Income:

State collection of applicable 2014 sales taxes totaled $146 million in Topeka.[11] Per capita, this sum in balance of trade is a very positive factor of 1.32, which is indicative of the high draw of Topeka among those making out-of-town trips to purchase goods and services in Kansas.[12] A break-out of data sufficient to estimate a tourism related increase is unavailable.

However, an applicable guide is the sum of our local sales tax, or typically 2.65%.[13] An estimated average daily expenditure by tourists is $140.

- It is reasonable and conservative to estimate that that Constitution Hall will extend and bring new stays of convention visitors by 35,000 annually, not including day trippers numbering 20,000, for a total 55,000 visitors annually when the building is restored and heritage tourism marketing is created. Added local sales tax revenue, based on a daily total average expenditure of $100—more than a third less than the average per-person costs of dining, shopping, entertainment, sales tax on lodging and other travel costs incurred locally, would provide nearly **$145,750 in new local sales tax annually**.

Summary of Potential Return on Investment in Fully Opening Constitution Hall:

Note: A margin of error cast 25 percent downward is included in each sum (from above) and the total sum.

New Transient Guest Tax Income	$96,500 annually
New General Sales Tax Income	$109,250 annually
Total Projected Return of Income	**$205,750 annually**

Area Organizations in Support

- Leading organizations support fully opening this anchor historic site for heritage tourism. Among these are Topeka Heartland Visioning, the Kansas Historical Society, Downtown Topeka Inc., Brown v. Board of Education National Historic Site, Freedoms Frontier National Heritage Area and many other local individuals and groups.

Before

After

Left, near total collapse in 1999 and after initial Transient Guest Tax funding, in 2011

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[10] Data provided by VisitTopekaInc.

[11] Kansas Department of Revenue, Office of Policy and Research. December 2014.

[12] Ibid.

[13] This and related sales tax data provided by the City of Topeka. Nikki Lee, Administrative Services.

Project Budget

Current (2013-2014) transient guest tax funding of $236,000 and private match funding is committed for urgent repair of original second floor and roof framing. The requested 2016-2028 funding will allow other urgently needed work.

Competitive federal historic site funding is long discontinued by the Congress. The State of Kansas' typically one-time award fund has been utilized. Limited local transient guest tax funds, intended in 2002 for Constitution Hall and several specific projects, have instead been more widely expended. Continuing thorough investigation into approach reveals no other applicable funding sources.

Funding herein requested will substantially open Constitution Hall as a Topeka attraction sustained independently by sufficient site income and local partnership cross-management (see page 7.)

Dedicated transient guest tax funding is critical to attract and assure private donors. Options for state or federal management are dim. Jennie Chinn, Executive director of the Kansas Historical Society, states;[14]

> In the past, the Kansas Historical Society has provided an $1,800 grant to assist in the nomination of the Free State Capitol to the National Register of Historic Places and a $35,000 grant to fund an essential Historic Structure Report, the project's 154 page intensive research document. Historic events at Constitution Hall in Topeka are significant in both state and U.S. history. . . . The Kansas Historical Society has no pass-through funds for restoration of Constitution Hall. The Historical Society receives only a small amount of money to cover the cost of preserving its own state-owned properties across the state, so there is no money available to take on outside projects. For this reason we hope the City of Topeka will be able continue its support for Constitution Hall.

Constitution Hall must be restored under the *Secretary of the Interior's Standards and Guidelines for Restoration*. While this ensures authenticity necessary to visitor experiences and protection of National Register properties, restoration costs are greater than for most construction. The project budget follows an opinion of probable costs by Slemmons Associates Architects, consultation with area contractors and preservation guidelines review.

Budget Summary

Transient guest tax funding request	$935,000
Private restoration match	$235,000
Privately funded exhibits and landscape	$200,000
Unrequested Completion Budget	**$1, 370,000**

Requested Project Budget

BASEMENT		
Fire suppression, utility lines, lighting		$45,000
Front and rear foundation repairs		95,000
	Subtotal:	140,000
FIRST FLOOR		
Joist repair and lighting ADA qualified		110,000
toilets, major flooring/wall repair		85,000
	Subtotal:	195,000
SECOND FLOOR & ROOF		
ADA qualified toilets, major flooring/wall		85,000
repair, metal roofing w/guttering		90,000
	Subtotal:	175,000

[14] Ms. Chinn noted that after project completion, limited site management partnership might be possible should the Kansas governor and state legislature approve.

PROVISION OF BUILDING FAÇADE	
Brick removal, stone on masonry backing, seven large windows and two front doors, foundation and roof connections	355,000
BASIC HEATING, VENTILATION, COOLING	80,000
FIRE EGRESS	
One ADA qualified elevator and stair on the west side in accessory structure	225,000
Total Private / Public Funds	**$1,170,000**

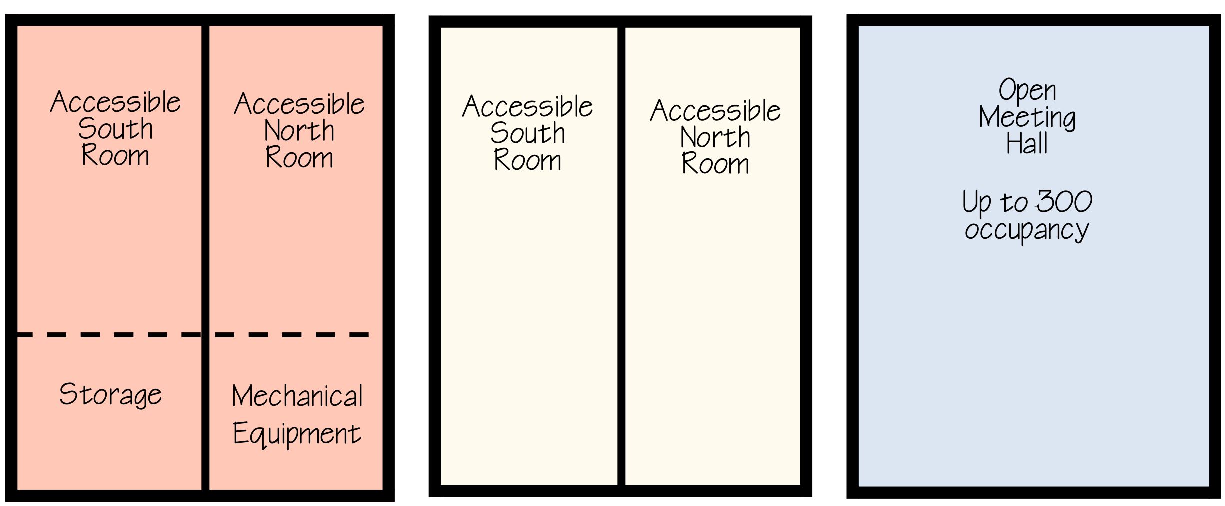
Project Timeline and Sustainability

Site restoration will be complete in 24-30 months after bond proceeds become available. Future guest bookings will be accepted accordingly. Funding will commend a larger community board in project oversight and volunteer tour leaders. Additional tour scripts are now in progress.

Constitution Hall is independently sustainable. Building leasehold income, from partial retail or office rental of first floor space, is in today's market valued at $24,000 per annum. (This floor area would likely return to city tax rolls. Federal tax credits may be applicable by tenants.) Special events rental income is valued at $50,000 based on 100 paid events annually, averaging $500 per event. Visitor tour fees of $2.00 per adult, based on initial total visitors and free admittance to children, would add at least $50,000. Total income is thus at least $124,000, which sum will afford a strong maintenance fund and contribution to a salaried staff shared locally.

Floor Plan for Tourism Use

Diagrams below display tourism site usage. This program compares with the authentic original use of the building in the 1855-1860 period of National Register of Historic Places significance.



Basement
Public exhibits and touring of the lead Underground Railroad depot on the Jim Lane Trail

First Floor
Public exhibits within tourism friendly leaseholder space, partially returned to tax rolls

Second Floor
Public Meeting Hall and touring for special events and receptions rental, heritage exhibits and presentations.

www.OldKansasCapitol.org and www.facebook.com/FriendsoftheFreeStateCapitol
Tours by appointment: tour@oldkansascapitol.org

END OF DOCUMENT

Historic Jayhawk Theatre
Transient Guest Tax Request
8/15/15

EXECUTIVE SUMMARY - The Historic Jayhawk Theatre requests $2.5 million to begin restoration of the theatre into a 1st class live event and film venue. We will use these funds to leverage $1.5 million in private donations. These dollars, combined with more than $3 million in historic tax credits will allow us to break ground in 2016 and to be operational in 2017.

HISTORICAL LANDMARK - The Jayhawk is 89 years old and is on the National Register of Historic Places. For years, the historic Jayhawk Theatre, 720 S Kansas Ave., served as a popular movie house and entertainment venue that helped launch the career of burlesque performer Gypsy Rose Lee, fueled the popularity of Bob Hope and other vaudeville veterans and featured uniformed ushers and usherettes strolling the aisles. With plaster sunflowers and Jayhawks lining the arch and the Goddess of Agriculture gazing over the audience, the state-of-the-art theater built in 1926 was Topeka's premier destination. However, when White Lakes Mall opened in 1976 and newer theaters brought competition, the Jayhawk Theatre's entertainment era ended.

TOURISM DRAW - The Jayhawk will offer tourists a truly unique experience. The diverse programming of live music, dance, film, and special event programming means our guests can come to expect something new and enriching during every visit. Best of all? The Jayhawk will be the spark downtown needs to generate a real nightlife with retail and dining options nearby. We will attract over 60,000 visitors a year, mostly to after hours events. Our strategic plan includes marketing throughout the state to ensure top of mind awareness.This means people visiting Topeka for business or pleasure can plan to catch a movie or live show and perhaps even extend their stay.

PARTNERSHIP - We as a community have a unique opportunity to turn downtown Topeka into a thriving entertainment, housing and retail district. But we must get it right. We must make bold decisions and continue on our path to make downtown a success. The City has invested over $5 million into the Kansas Avenue renovation. Private partners have raised nearly $3 million for accoutrements. The planned outdoor plaza, Constitution Hall, Riverfront Park, and other attractions will need to be developed expertly and in a coordinated fashion. It is CRITICAL to remember that the Jayhawk Theatre can and should be the focal point of all of this progress. If we don't get the Jayhawk project going first, there will be less incentive for businesses to move downtown, and even less incentive for them to remain open after 5pm. Now is the time to help sustain the Jayhawk's momentum.

TGT DOLLARS HELP THE JAYHAWK THEATRE - The Transient Guest Tax program is the perfect fit for the Jayhawk Theatre in our goal to preserve the proud heritage of Topeka and attract visitors. In 2011, the City of Topeka awarded the the Jayhawk $43,000 from the Heritage Tourism Grant program for 2, 5-Ton air conditioners and temporary electrical work to help us improve lighting and preserve the venue. And last spring, the Transient Guest Tax Committee awarded us $100,000 for a Marquee to be installed on the 7th st. entrance to the Jayhawk Walk. The Marquee plans are currently being developed by the architect. We will receive an additional $5,000 in TGT funds for marketing purposes once we secure a match for that grant. All of these funds are prime examples of the City doing its part to step up and help out. We hope the committee sees fit to continue that support.

CITY OF TOPEKA APPLICANT QUESTIONS

1) Describe the project.

The Jayhawk Theatre “project” consists of the main Theatre space, a 900 seat venue, and a 2,700 sq ft area adjacent to the theatre for use as a gathering space, ticket counter, coat check, administrative offices, bathrooms, etc.

2) What is the total budget for the project?

The total budget is $8.2 million. Additionally, we are planning to develop an endowment of $300,000 to be used for long term improvements and repairs.

3) What are funding sources other than TGT dollars for this project?

We will receive more than $3 million in Historic state and federal tax credits. We intend to raise $2 million through private donations, grants and other gifts.

4) How much TGT funding is requested?

We are requesting $2.5 million in TGT funds

5) What will the TGT funds be used for?

90% of these funds will go directly to construction and restoration. We will use a portion of the remainder to enlist an experienced professional Executive Director to manage the construction phase, operations and marketing planning. These remaining TGT funds are also intended to hire professional historic tax credit and fundraising consultants to maximize those complex and critical areas.

6) What are the economic development and tourism benefits to the City?

Clearly, an enhanced downtown will be a value add for Topeka drawing 60,000 visitors a year. We are adjacent to the Capitol. We will be the focal point for downtown. Employers will be able to do a better job recruiting, and the City should be more attractive to potential new businesses and home buyers who might otherwise invest elsewhere. Event planners can include the Jayhawk as yet another entertainment amenity for the attendees of conferences and events. Another important benefit is that Topeka will see the Jayhawk as a source of community pride, similar to other cities in Kansas with operating downtown historic theaters.

7) What is the projected return on investment for the City (direct and indirect)?

We project the city will experience a direct impact of at least $1.5 million/year once the theatre is operational. This does NOT include tax revenues generated by theatre attendees dining and shopping elsewhere before and after events. We anticipate ticket and concession sales of $300,000 and total income of around $450,000/year in the first year, and $800,000/year by year 3. Our estimate would be that sales tax collections would be in the $30,000 to $40,000 range.

8) What is the timeline for the project?

If we are awarded these TGT dollars, we are confident that the fundraising goals can be reached in the next 12 months, and that we can break ground on the restoration in 2016 and be open in late 2017. If we are denied this opportunity, the timeline would be extended by at least two years.

9) How many visitors will come to your project?

Conservatively, we anticipate 56,000 people will attend events in the first year of operation based on 65% capacity and 70 events per year in our 900 seat venue. However, we intend to program much more extensively than that and it is feasible that we may program over 200 events and even at only 50% capacity, that would attract 90,000 visitors.

10) How will your project create overnight stays at hotels?

Our statewide marketing strategy for high quality live events and conferences should attract many people here from outside a 60 mile radius. We estimate 25% of our attendees will be from outside the market. If we sell out our 900 seats, that would mean 200 would be from out of town. It is impossible to estimate, but this should result in overnight stays for many of those guests. Additionally, performers and tech crews will also be staying in local hotels for one or two nights per event.

11) Is there additional information and/or materials, including pictures, other details, etc., that would be helpful to the committee?

In summary, we understand you have some difficult decisions to make as you allocate the TGT funds. The support of the Jayhawk is crucial at this point in time. We currently have the best team of board members imaginable with DIRECT historic restoration and tax credit experience. Two own buildings on the National Historic Register. Our board has depth and experience in fundraising, financial stewardship, architecture, entertainment, business and connections with the right people to get the job done. We have built the most credible team possible during the last few years and we are attracting more people who see the value of the project. We are a purely volunteer board, and we believe in this project and we are confident you will choose to support our goals and vote to fully fund our $2.5 million request.

Attached is our construction budget and 3 letters of support.

Thank you.

08/11/2015

To whom it may concern,

This letter is in support of the Jayhawk Theatre's request for funding from the Transient Guest Tax Committee. As a businessman, my company has invested over a million dollars in the Historic Old Town area of Topeka, part of Topeka's central core. For any city to be dynamic and growing, a number of factors need to be present. A strong, vibrant Downtown and residential core of the city are two of those factors.

As a former Landmarks Commissioner, former President of the Topeka High School Historical Society, former President of the Shawnee County Historical Society, and former President of the Jayhawk State Theatre of Kansas Board, I have spent thousands of hours and dollars working to preserve Topeka's historic fabric. I applaud the City of Topeka for moving forward with Historic Designations for several areas of the Downtown. It is not just about preserving historic buildings. It is much more complex than that. Supporting these projects is a form of economic development that will pay dividends to the city in the future. Heritage tourism has the potential to generate a significant economic benefit to our city.

Once the Downtown revitalization is complete, then we need to have consistent reasons for people to come Downtown to enjoy the new atmosphere. That is where the Jayhawk Theatre is a key component. With up to 900 seats, the Jayhawk is a medium-sized venue that does not compete with TPAC, the Expocentre, TCT, or any other venue. It is truly unique. Almost all cities that have successfully revitalized their Downtowns and core areas have a restored historic theater. The programming for the Jayhawk will be events that currently are not happening in Topeka, programming that will compliment, not compete with, other Topeka cultural venues. As an example, the Stiefel Theatre in Salina, Ks. has been restored and has extremely dynamic and aggressive programming that bring tourists from over 100 miles away(myself included). Check out their website to review their programming. Emporia, McPherson, Wichita, and numerous other cities in Kansas have done this. Topeka's Downtown needs the Jayhawk Theatre to be open for business as a vital anchor for events and programming. It is a perfect fit for all of the other exciting things that are taking place Downtown.

I urge your committee to support the application of the Jayhawk Theatre for financial support from Transient Guest Tax funds. Every dollar invested in venues like the Jayhawk will return additional dollars to our committee from enhanced tourism. The quality of life issues are important to companies considering relocating to Topeka, and also important to companies considering expanding. It is a whole package that brings new companies and workers to Topeka, and keep them here. These quality of life issues are an important part of the equation, and a vibrant and open Jayhawk Theatre would become a crown jewel for our community.

Thanks for listening!! Doug Jones, VP of JQ Historic Properties

August 13, 2015

Transient Guest Tax Committee,

It is my privilege to be able to submit a letter of support to your committee for the Jayhawk Theatre. As a former City Council member from 2001-2005, I was part of the original group that proposed the use of the transient guest tax for purposes of Heritage Tourism. It was because of this funding source that we were able to provide the matching funds necessary for The Great Overland Station to leverage federal grants to completely renovation of their magnificent building. The Great Overland Station is a success story for how the Heritage Tourism is to be used.

I believe that the Jayhawk Theatre can be another one of these magnificent success stories. Like The Great Overland Station was to a N. Kansas Ave. revitalization (the prospering NOTO Art District), the Jayhawk Theatre has an opportunity to provide this same type of energy to the S. Kansas Ave. and surrounding area revitalization efforts. The time to act is now- the newly renovated Capitol currently brings thousands of people to Topeka's downtown area but we need to give these heritage tourists a reason to stay downtown after the Capitol is closed. Millions of dollars are going into S. Kansas Ave. (6^{th} to 10^{th} St.) infrastructure and private donations are funding other amenities like 8 pocket parks, architectural crosswalks, fountains, statues of notable Kansans, landscaping and much more.

As a private owner of a downtown building (that is a contributing building to the newly designated Commercial Historic District) and its renovation, plus personally living in this building, I know that it is imperative for Topeka to create a dynamic core that includes a thriving business and entertainment district. Without this, the downtown will not be able to become an economic success for our community. The Jayhawk Theatre will be an important part of accomplishing that goal. The Jayhawk Theatre will provide additional choices for entertainment that will compliment the Topeka Performing Arts Center. It will provide a medium-sized venue for live performances, concerts, movies, company events, weddings and much more. The history of The Jayhawk Theatre is equally impressive and worth remembering.

Finally, as a member of the Management Committee for Heartland Visioning, it is important to note that the Jayhawk Theatre is considered an anchor project within the dynamic core. Having a dynamic core was identified by our community as a major Visioning priority. Mayor Wolgast chairs the Dynamic Core committee.

For these reasons, I hope you can support the Jayhawk Theatre with the Transient Guest Tax funds.

Sincerely,

Lisa D. Stubbs

Lisa D. Stubbs

August 11, 2015

Transient Guest Tax Committee:

I am writing in support of the Jayhawk Theatre and its effort to utilize Transient Guest Tax Funds for the renovation of the Theatre. A renovated and operating Jayhawk Theatre is essential to continue the renovation and excitement Downtown.

While I am the Treasurer for the Jayhawk Theatre, I also own 10 residential lofts downtown. The residents of these lofts are largely young professionals. Many of the loft residents moved to Topeka from other cities. They love the cosmopolitan feel of the city. Many of these residents have told me that had they not found the lofts, they would have lived in Lawrence or Kansas City because of those cities commitment to Downtown. We lose too many people that work in Topeka to Lawrence because of the flavor of its downtown. Places that people love to live are also places that people love to visit.

We are turning the corner in Topeka when it comes to having a lively Downtown. In order to keep that momentum growing, we have to establish a core of entertainment and eating establishments Downtown. The Jayhawk provides that medium size venue that will attract movie-goers and other audiences for entertainment that cannot be found anywhere else in Topeka. In turn, other entertainment venues and eating establishments will flourish as people attend movies and other shows. These businesses will attract not only residents but visitors who will in turn stay in hotels as part of their visit to the Capital City.

I believe this renaissance in Downtown will continue. A group of investors and myself have purchased the former Assumption Grade School at 735 S. Jackson. We will be turning the building into 21 residential lofts. The project is called Jackson Street Lofts. Young professionals want to live downtown and celebrate the urban lifestyle. Please support the Jayhawk Theatre in your Transient Guest Funds discussions and help Topeka attract residents and visitors alike.

Sincerely Yours,

Mark L. Burenheide

Historic Jayhawk Theatre Restoration

SLEMMONS ASSOCIATES architects, p.a.

Updated Opinion of Costs

Project No. 950811
04.07.15

A. Phase 1:

1. Jackson Street Marquee:

a. Demolition	$5,000
b. Structural Supports	20,000
c. Electrical Rough-Ins	15,000
d. Marquee	75,000
e. Wiring	5,000
f. Software	15,000
g. Sub-Total	$135,000
h. Contingency (10%)	13,500
i. A/E Fees (10%)	13,500
j. Total	$162,000

2. 7th Street Marquee:

a. Demolition	$5,000
b. Structural Supports	20,000
c. Electrical Rough-Ins	15,000
d. Marquee	75,000
e. Wiring	5,000
f. Software	15,000
g. Sub-Total	$135,000
h. Contingency (10%)	13,500
i. A/E Fees (10%)	13,500
j. Total	$162,000

3. Kandynook Restoration:

a. Demolition	$10,000
b. Plaster Repair	25,000
c. Electrical	30,000
d. HVAC	80,000
e. Sprinkler System	50,000
f. Lighting	30,000
g. Cabinetry/Equipment	40,000
h. Plumbing	30,000
i. Finishes	75,000
j. Doors/Frames/Hardware	30,000
k. Temporary Partitions	10,000
l. Stair Restoration	40,000
m. Sub-Total	$450,000
n. Contingency (10%)	45,000
o. A/E Fees (10%)	45,000
p. Total	$540,000

4. Recap Phase 1:

a. Jackson Street Marquee	$162,000
b. 7th Street Marquee	162,000
c. Kandynook Restoration	540,000
d. Total	$864,000

B. Phase 2:

1. Theatre/Main House:

a. Demolition/Scaffolding	$100,000
b. Structural Repairs	25,000
c. Electrical Rough-In	200,000
d. HVAC	300,000
e. Sprinkler	100,000
f. Lighting	100,000
g. Plaster Repairs	250,000
h. Painting	150,000
i. Floor Prep/Finish	120,000
j. Exit Stairs	25,000
k. Doors/Frames/Hardware	25,000
l. Seating (House Floor)	200,000
m. Platforms	25,000
n. Project Room/Sound Alcove	30,000
o. Special Systems	25,000
p. Curtains/Track	110,000
q. Jayhawk Walk Stair Lift	40,000
r. Kiosk Restoration	25,000
s. Roof	80,000
t. Sub-Total	$1,940,000
u. Contingency (10%)	194,000
v. A/E Fees (10%)	194,000
w. Total	$2,328,000

2. Lobby/Toilets:

a. Demolition	$35,000
b. Electrical Rough-In	50,000
c. HVAC	150,000
d. Sprinkler Modifications	30,000
e. Lighting	50,000
f. Finishes/Partitions	250,000
g. Façade Upgrade	50,000
h. Doors/Frames/Hardware	40,000
i. Plumbing	75,000
j. Special Systems	50,000
k. Sidewalk Modifications	25,000
l. Cabinetry/Millwork	50,000
m. Backstage Stair/Lift	40,000
n. Sub-Total	$925,000
o. Contingency (10%)	92,500
p. A/E Fees (10%)	92,500
q. Total	$1,110,000

3. Jayhawk Walk:

a. Demolition	$5,000
b. Electrical Rough-In	15,000
c. HVAC	30,000
d. Sprinkler Upgrade	30,000
e. Lighting	40,000
f. Restoration of Finishes	20,000
g. Restoration of Display Cabinets	30,000
h. Special Systems	20,000
i. Sub-Total	$190,000
j. Contingency (10%)	19,000
k. A/E Fees (10%)	19,000
l. Total	$228,000

4. Mezzanine/Promenade:

a. Demolition	$15,000
b. Plaster Repair	45,000
c. Electrical	25,000
d. HVAC	80,000
e. Sprinkler	50,000
f. Lighting	30,000
g. Concessions:	
1) Cabinetry	20,000
2) Equipment	10,000
h. Finishes/Painting	50,000
i. Toilets/Accessories/Plumbing, etc.	100,000
j. Furnishings	25,000
k. Sub-Total	$450,000
l. Contingency (10%)	45,000
m. A/E Fees (10%)	45,000
n. Total	$540,000

5. Balcony:

a. Demolition	$20,000
b. Floor Prep/Finish	30,000
c. Electrical	20,000
d. HVAC	40,000
e. Lighting	30,000
f. Doors/Frame/Hardware	5,000
g. Fire Stair (Exterior)	40,000
h. Railings Restoration and Upgrades	30,000
i. Seating	150,000
j. Special Systems	5,000
k. Sub-Total	$370,000
l. Contingency (10%)	37,000
m. A/E Fees (10%)	37,000
n. Total	$444,000

6. Recap Phase 2:

a. Theatre/Main House	$2,328,000
b. Lobby/Toilets	1,110,000
c. Jayhawk Walk	228,000
d. Mezzanine/Promenade	540,000
e. Balcony	444,000
f. Total Phase 2	$4,650,000

C. Phase 3:

1. Basement:

a. Demolition	$20,000
b. Partitions	10,000
c. Lighting	20,000
d. Electrical	30,000
e. HVAC	25,000
f. Finishes	20,000
g. Doors/Frames/Hardware	10,000
h. Sub-Total	$135,000
i. Contingency (10%)	13,500
j. A/E Fees (10%)	13,500
k. Total	$162,000

2. Stage:

a. Demolition	$35,000
b. New Stage Floor	80,000
c. New Fly Loft/Grid	150,000
d. Ventilation	80,000
e. Stage Equipment	100,000
f. Sound System	110,000
g. Lighting Panel	110,000
h. Lighting	50,000
i. Sprinkler	50,000
j. Doors/Frames/Hardware	5,000
k. Sub-Total	$770,000
l. Contingency (10%)	77,000
m. A/E Fees (10%)	77,000
n. Total	$924,000

3. Backstage/Green Room/Storage/Etc.:

a. Demolition	$30,000
b. Structure/Stairs/Lift	60,000
c. Flooring	30,000
d. Finishes	100,000
e. Electrical	30,000
f. HVAC	100,000
g. Sprinkler	30,000
h. Lighting	25,000
i. Toilets/Plumbing/Accessories	100,000
j. Cabinetry	25,000
k. Doors/Frames/Hardware	20,000
l. Sub-Total	$550,000
m. Contingency (10%)	55,000
n. A/E Fees (10%)	55,000
o. Total	$660,000

4. Recap Phase 3:

a. Basement	$162,000
b. Stage	924,000
c. Backstage/Green Room/Shop/Set Storage/Etc.	660,000
d. Total Phase 3	$1,746,000

D. Phase 4;

1. Banquet/Meeting Hall/Set Shop/Etc.;

a. Demolition	$30,000
b. Structure	30,000
c. Flooring	20,000
d. Stairs	20,000
e. Partitions	30,000
f. Finishes	100,000
g. Electrical	50,000
h. HVAC	150,000
i. Lighting	35,000
j. Sprinkler	45,000
k. Doors/Frames/Hardware	40,000
l. Toilets/Accessories	75,000
m. Façade Restoration	50,000
n. Loading Dock Upgrade	30,000
o. Kitchen Equipment	35,000
p. Cabinetry/Millwork	30,000
q. Furnishings	20,000
r. Sub-Total	$790,000
s. Contingency (10%)	79,000
t. A/E Fees (10%)	79,000
u. Total	$948,000

E. RECAP;

1. Phase 1	$864,000
2. Phase 2	4,650,000
3. Phase 3	1,746,000
4. Phase 4	948,000
5. TOTAL	$8,208,000

RESOLUTION NO. ___________

A RESOLUTION introduced by Councilmembers Elaine Schwartz, Brendan Jensen and Jeffrey Coen sitting as the Transient Guest Tax Committee, allocating transient guest tax funding for a period of 12 years for the Historic Jayhawk Theatre.

WHEREAS, transient guest taxes (TGT) may be imposed on individuals who occupy hotel and motel rooms for short durations; and

WHEREAS, the funds generated by such taxes may be used for convention and tourism activities and to promote the general welfare of the city, including the attraction of industry; and

WHEREAS, the City currently imposes a 7% TGT; and

WHEREAS, on August 20, 2002, the governing body, in Resolution No. 7253, allocated 1% of the TGT for a period of 13 years to the development of the Great Overland Station, including Riverfront Park, and the historic preservation fund; and

WHEREAS, that funding will expire on December 31, 2015; and

WHEREAS, the TGT Committee is desirous of extending the 1% for an additional 12 years to provide a funding source for certain projects that the Committee believes will enhance tourism by putting more 'heads on beds' and delivering a quantifiable return on the City's investment; and

WHEREAS, the TGT Committee developed a process to consider applications for funding which were reviewed by a review board comprised of staff and tourism industry representatives; and

WHEREAS, on August 19, 2015, the TGT Committee adopted the review board's recommendations to allocate approximately $4.7 million dollars over a period of 12 consecutive years to fund certain projects, including the Jayhawk Theatre.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that:

Section 1. The City shall allocate $680,000.00 over a period of 12 years to provide funding for the Jayhawk Theatre subject to the conditions in this Resolution.

Such funds will be allocated annually in an amount determined by the City's chief financial officer or designee. The commitments will begin in fiscal year 2016 and continue until December 31, 2027 or until the maximum expenditure amount of $680,000.00 is met, whichever event is earlier.

Section 2. The City's funding commitment will be conditioned upon the occurrence of the following:

(a) Enactment of a charter ordinance extending the current 1% TGT (which expires on December 31, 2015) for an additional 12 years commencing in fiscal year 2016 and ending on December 31, 2027.

(b) Approval of an agreement by the governing body with the appropriate entity responsible for the project. The agreement will contain provisions addressing use of the funds, project budgets, project timelines, reporting/inspection/audit responsibilities, indemnification, insurance, and fund repayment under certain circumstances. The agreement will also acknowledge that grant funding may be reduced to correspond to lower than expected TGT revenues.

Section 3. Funding shall also be contingent upon the following:

(a) Funding shall be expended only for capital improvements.

(b) Submission and approval of a project budget that identifies all funding sources, and, specifically identify how TGT funds will be spent.

(c) TGT funds shall be used only for those items identified in the project budget. Any changes to the scope of the project shall be reviewed the TGT Committee and approved by the governing body. In order to ensure that TGT funds are used only for the project, quarterly reports will be provided to the City financial administrator who will provide those reports to the governing body on a quarterly basis. The reports shall identify expenditures of TGT funds, an invoice report identifying expenditures and payees as well as progress toward completion of the project. The TGT Committee or designee may audit financial documents relative to the project at any time and request reimbursement for expenditures determined to be improper, unauthorized or unsubstantiated. The TGT Committee or designee shall have sole authority in this regard and shall base the decision upon reports submitted or in the alternative, absence of documents to substantiate expenditures.

(d) If the entity contracting on behalf of the Jayhawk Theatre is a not-for-profit entity, it will comply with the requirements of K.S.A. 45-240 and amendments thereto regarding recordkeeping requirements for not-for-profit entities that receive public funds.

(e) The TGT Committee may require an independent audit of the Jayhawk Theatre project by an auditing firm approved by the Committee. The entity responsible for the project shall be responsible for all costs. TGT funds cannot be expended for any audit.

(f) The entity contracting on behalf of Jayhawk Theatre shall not owe any debt due to the City, including, but not limited to property taxes and special assessments and shall be in good standing with the Kansas Secretary of State.

Section 4. In addition to compliance with Section 3, no funding shall be provided for the Jayhawk Theatre until the following occurs:

(a) An appropriate recipient of the funds for Jayhawk Theatre is considered by the TGT Committee and approved by the governing body.

(b) A proposal, design drawings, and a project timeline are submitted and approved by the TGT Committee.

Section 5. All financial commitments referenced in this Resolution shall be subject to the Budget and Cash Basis laws and any other applicable ordinances or statutes.

ADOPTED and APPROVED by the Governing Body on __________________________.

CITY OF TOPEKA, KANSAS

____
Larry E. Wolgast, Mayor

ATTEST:

____
Brenda Younger, City Clerk

RESOLUTION NO. ___________

A RESOLUTION introduced by Councilmembers Elaine Schwartz, Brendan Jensen and Jeffrey Coen sitting as the Transient Guest Tax Committee, allocating transient guest tax funding for a period of 12 years to certain designated projects.

WHEREAS, transient guest taxes (TGT) may be imposed on individuals who occupy hotel and motel rooms for short durations; and

WHEREAS, the funds generated by such taxes may be used for convention and tourism activities and to promote the general welfare of the city, including the attraction of industry; and

WHEREAS, the City currently imposes a 7% TGT; and

WHEREAS, on August 20, 2002, the governing body, in Resolution No. 7253, allocated 1% of the TGT for a period of 13 years to the development of the Great Overland Station, including Riverfront Park, and the historic preservation fund; and

WHEREAS, that funding will expire on December 31, 2015; and

WHEREAS, the TGT Committee is desirous of extending the 1% for an additional 12 years to provide a funding source for certain projects that the Committee believes will enhance tourism by putting more ‘heads on beds’ and delivering a quantifiable return on the City’s investment; and

WHEREAS, the TGT Committee developed a process to consider applications for funding which were reviewed by a review board comprised of staff and tourism industry representatives; and

WHEREAS, on August 19, 2015, the TGT Committee adopted the review board’s recommendations to allocate approximately $4.7 million dollars over a period of 12 consecutive years to fund four projects.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that:

Section 1. The City shall allocate 1% of TGT funds annually over a period of 12 years to provide funding for the following projects with the following maximum expenditure amounts:

Name of Project	**Maximum Expenditure Amount**
Downtown Plaza	$3,435,000
Evel Knievel Museum	$300,000
Constitution Hall	$355,000
Jayhawk Theatre	$680,000

Such funds will be allocated on a pro rata basis, as determined by the City's chief financial officer or designee. The commitments will begin in fiscal year 2016 and continue until December 31, 2027 or until the maximum expenditure amount is met, whichever event is earlier.

Section 2. The City's funding commitment shall be conditioned upon the occurrence of the following:

(a) Enactment of a charter ordinance extending the current 1% TGT (which expires on December 31, 2015) for an additional 12 years commencing in fiscal year 2016 and ending on December 31, 2027.

(b) Execution of an agreement with the appropriate funding recipient. Such agreement will contain provisions addressing use of the funds, project budgets, project timelines, reporting/inspection/audit responsibilities, indemnification, insurance, and fund repayment under certain circumstances. The agreement will also acknowledge that grant funding may be reduced to correspond to lower than expected TGT revenues.

Section 3. Funding shall also be contingent upon the following:

(a) Funding shall be expended only for capital improvements.

(b) Submission and approval of a project budget included in a development agreement approved by the TGT Committee and executed by the City Manager. The budget shall identify all funding sources, and, specifically identify how TGT funds will be spent.

(c) Each recipient shall use the TGT funds only for the project identified in this Resolution and for those items identified in the project budget. Any changes to the scope of the project shall be approved by the TGT Committee. In order to ensure that TGT funds are used only for the project approved in this Resolution, each recipient shall provide quarterly reports to the TGT Committee. The reports shall identify expenditures of TGT funds, an invoice report identifying expenditures and payees as well as progress toward completion of the project. The TGT Committee or designee may audit financial documents relative to a project at any time and request reimbursement for expenditures determined to be improper, unauthorized or unsubstantiated. The TGT Committee or designee shall have sole authority in this regard and shall base the decision upon reports submitted or in the alternative, absence of documents to substantiate expenditures.

(d) Each recipient, whether a for--profit or non-profit entity, shall comply with the requirements of K.S.A. 45-240 and amendments thereto regarding recordkeeping requirements for not-for-profit entities that receive public funds.

(e) The TGT Committee may require an independent audit of a recipient by an auditing firm approved by the Committee. The recipient shall be responsible for all costs. TGT funds cannot be expended for any audit.

(f) Recipient shall not owe any debt due to the City, including, but not limited to property taxes and special assessments. Each recipient shall be in good standing with the Kansas Secretary of State.

Section 4. In addition to compliance with Section 3, no funding shall be provided for the Downtown Plaza project until the following occurs:

(a) An appropriate recipient of the funds is approved by the TGT Committee. At a minimum, such recipient shall be a governmental entity or a non-profit entity that is exempt from paying federal income taxes.

(b) A proposal, design drawings, and a project timeline are submitted and approved by the TGT Committee.

Section 5. All financial commitments referenced in this Resolution shall be subject to the Budget and Cash Basis laws and any other applicable ordinances or statutes.

ADOPTED and APPROVED by the Governing Body on ___________________________.

CITY OF TOPEKA, KANSAS

____
Larry E. Wolgast, Mayor

ATTEST:

____
Brenda Younger, City Clerk

(Published in the Topeka Metro News September 7, 2015 and September 14, 2015.)

CHARTER ORDINANCE NO. 116

A CHARTER ORDINANCE introduced by Councilmembers Schwartz, Jensen, and Coen sitting as the Transient Guest Tax Committee, amending Section A15-17 of the Topeka Municipal Code concerning the transient guest tax levy.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS:

Section 1. That section A15-17, Levied – Amount, of the Code of the City of Topeka, Kansas, is hereby amended to read as follows:

Levied – Amount.

a. Beginning with the effective date of this Charter Ordinance as provided in section 3 herein, and continuing through December 31, ~~2015~~2027, a transient guest tax of seven percent shall be levied in the City of Topeka, Kansas, upon the gross rental receipts derived from or paid by transient guests for lodging or sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel, or tourist court.

b. Effective January 1, ~~2016~~2028, and continuing through December 31, 2032, a transient guest tax of six percent shall be levied in the City of Topeka, Kansas, upon the gross rental receipts derived from or paid by transient guests for lodging or sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel, or tourist court.

c. Effective January 1, 2033, a transient guest tax of five percent shall be levied in the City of Topeka, Kansas, upon the gross rental receipts derived from or paid by transient guests for lodging or sleeping accommodations, exclusive of charges for incidental services or facilities, in any hotel, motel, or tourist court.

Section 2. This Ordinance shall be published once each week for two (2) consecutive weeks in the official City newspaper.

Section 3. This Charter Ordinance shall take effect sixty-one (61) days after final publication unless a sufficient petition for a referendum is filed and a referendum held on this Charter Ordinance as provided in Article 12, Section 5, Subdivision (c)(3), of the Kansas Constitution, in which case this Charter Ordinance shall become effective if approved by a majority of the electors voting therein.

Section 4. Upon the effective date of this Charter Ordinance, this Charter Ordinance shall be recorded by the City Clerk in a book maintained for such purposes with a statement of the manner of adoption and a certified copy shall be filed with the Secretary of State of the State of Kansas.

Section 5. That Charter Ordinance No. 108, as codified in Topeka City Code § A15-17 is hereby specifically repealed.

PASSED AND APPROVED by the Governing Body on September 1, 2015.

CITY OF TOPEKA, KANSAS

Larry E. Wolgast

Larry E. Wolgast, Mayor

ATTEST:

Brenda Younger

Brenda Younger, City Clerk

STATEMENT OF MANNER OF ADOPTION OF FOREGOING

The foregoing Charter Ordinance No. 116 was passed on the 1st day of September, 2015, as shown by the minutes, Book 2015 Page _____, by a vote of 8 for and 2 against, being not less than two-thirds (2/3) of the members-elect of the governing body, published in the Topeka Metro News, the official city newspaper, on the 7th day of September, 2015, and on the 14th day of September, 2015, being once each week for two (2) consecutive weeks, and there being no petition demanding a referendum filed with the City Clerk within sixty (60) days after the final publication, said Charter Ordinance took effect on the 14th day of November, 2015.

____
Brenda Younger, City Clerk

<u>CERTIFICATE</u>

CITY OF TOPEKA)
COUNTY OF SHAWNEE) ss:
STATE OF KANSAS)

I, Brenda Younger, City Clerk of the City of Topeka, County of Shawnee, State of Kansas, do hereby certify that the above and foregoing, consisting of 3 typewritten pages, including the page upon which this Certificate is written, is a full true and correct copy of Charter Ordinance No. 116 of the said City of Topeka, that all acts and things required by Article 12, Section 5 of the Constitution of the State of Kansas were done and performed in the manner and within the time prescribed and that said Ordinance became effective on the 14th day of November, 2015.

____
Brenda Younger, City Clerk