

# 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:

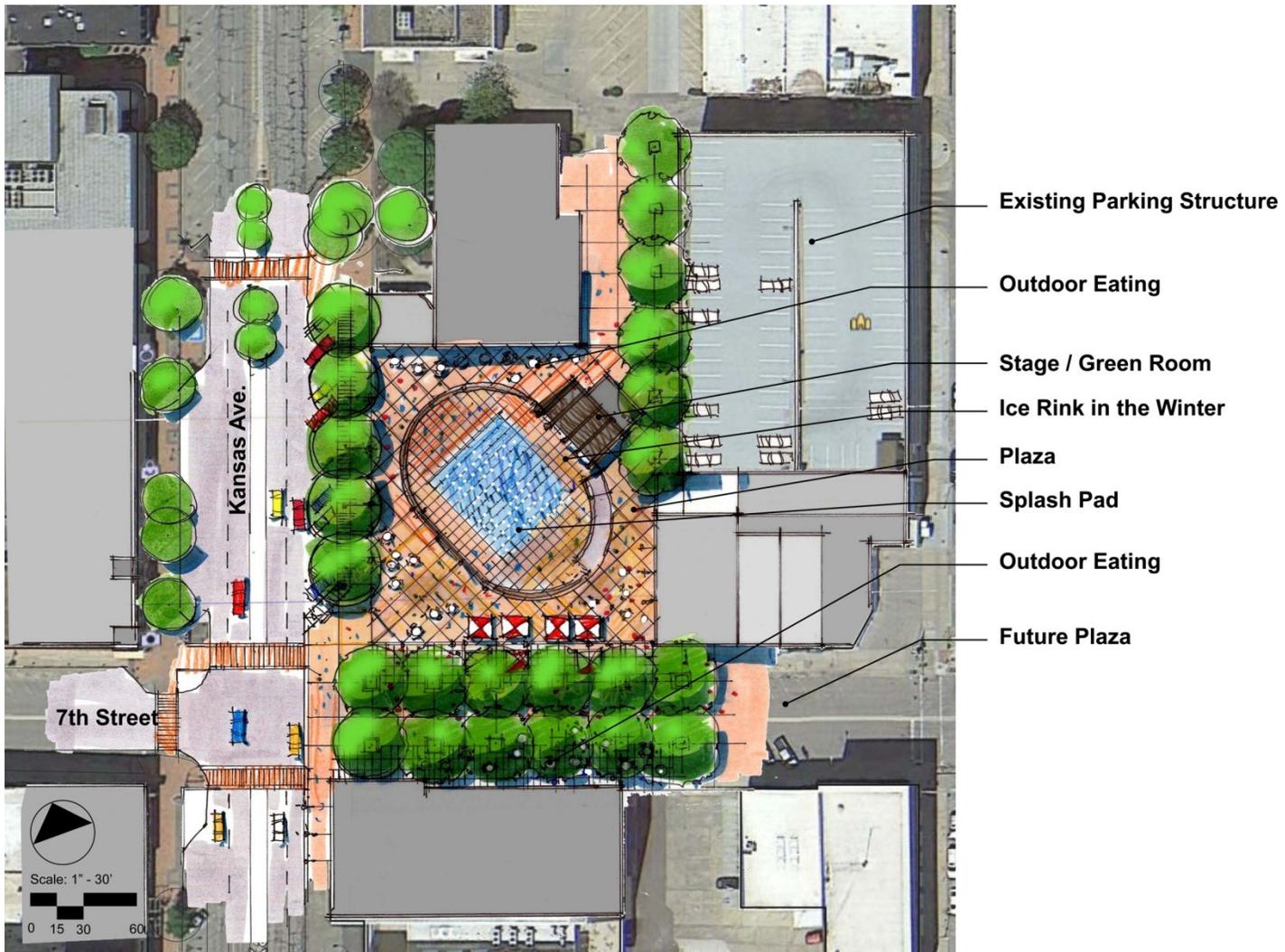
Part One:

[https://player.vimeo.com/external/105100708.hd.mp4?s=af15dc25fe46229a76e89fff0a31900b&profile\\_id=113](https://player.vimeo.com/external/105100708.hd.mp4?s=af15dc25fe46229a76e89fff0a31900b&profile_id=113)

Part Two:

[https://player.vimeo.com/external/105143230.hd.mp4?s=7dccb8edd20bd10b7b15afc92c0f265d&profile\\_id=113](https://player.vimeo.com/external/105143230.hd.mp4?s=7dccb8edd20bd10b7b15afc92c0f265d&profile_id=113)

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



## Topeka Conceptual Plaza Design

8-19-2014

