



Jonesboro Advertising and Promotion Commission
Minutes: October 18, 2022
City Council Chambers

Attending: Jerry Morgan, David McClain, Tom Fielder, Chris Gibson, Bill Hurt and Tracy Owens.
Absent: Dan Das.

Chairman Jerry Morgan called the meeting to order at 10:00 a.m. announcing that an official quorum was present. Mr. Morgan reviewed the minutes of the meeting held August 23, 2022, which were included in the meeting materials. Mr. Gibson moved to approve the minutes and Mr. McClain seconded. The minutes were approved as presented.

Financial Report:

Chairman Morgan presented a current overview of financial status of the Jonesboro A&P Commission.

Morgan presented A&P Revenue Trends for 2022 (the 3% hotel tax only.) Totals from January through September indicated a 31.31% increase from 2021. The economic impact of increased hotel usage and the results of the many projects sponsored by the Jonesboro A&P to promote tourism in Jonesboro have resulted in a strong hotel tax revenue. The additional 1% has produced an additional \$216,536 as of September 30.

A review of 2022 approved grant awards reported the events to be on schedule and should be fulfilled at year end. These investments are producing a significant economic impact on the Jonesboro economy as shown in the increased tax revenue totals.

Morgan reported on the A&P Current and Estimated Cash Position as of 9-30-22. Current cash position of the three revenue sources:

3% Hotel Tax - \$647,683 with \$189,795 projected at Year End.

1% Hotel Tax (in effect 1-1-22) - \$217,321 with \$298,321 projected at Year End.

2% Prepared Food Tax (in effect 1-1-22) - \$3,769,577 with \$5,119,577 projected at Year End.

Morgan noted that the feasibility study is paid from the prepared food tax income revenue. Mr. Gibson moved to accept the financial report and McClain seconded. Financials were approved as presented.

New Business:

Chairman Morgan asked for approval of the Resolution included with the meeting packet. The Resolution authorized Chris Gibson to execute **any and all documents necessary for the purchase of property by the Commission**. Chairman Morgan recused himself from these actions due to a conflict of interest. David McClain moved to accept the resolution and Bill Hurt seconded. Motion as approved.

The next item on the agenda was the approval of site locations purchase prices for the Sports Complex. Mayor Harold Copenhaver is the City of Jonesboro's representative in negotiating properties owned by Arkansas State University, and they had met numerous times concerning the property. The Mayor recommended accepting the appraised value of \$4 million for the property owned by ASU. Mr. Fielder moved to accept this price and Ms. Owens seconded. The motion was approved.

The second property under review was the corner next to the original property owned by Mid-South Health Systems. The property was appraised for \$1,150,000. This property has three houses that will need to be moved. It was noted that it could take up to 12 months to complete this transaction which might include a lease back until the properties are moved. The motion was made to offer \$1.1 million with a \$50,000 credit for sponsorships for the property by Bill Hurt. Tom Fielder seconded the motion and the motion was approved. Chairman Morgan noted that the Commission is fortunate again to have a team partnership with the City of Jonesboro, and their assistance with operations.

Morgan asked Kevin Hodges, Chairman of the Sports Complex steering committee to update the Commission of the progress of extending RFQ's for Architect and Engineering Services. Hodges reported that 16 RFQ's were received from companies across the country. The 16 have been reduced to 7 at this time, and the sub-committee will reduce to 3 or 4 to bring to the full committee and commission. This does NOT include management companies.

Morgan introduced John Wack, Eastern Sports Management, to present the final feasibility study and economic impact report. Mr. Wack, CEO of ESM, has dedicated many visits and much time to this project.

Scope of Work:

- Market analysis of sports landscape – includes a list of needs currently unmet
- Business plan for facility for future operations.
- Pro Forma – financial performance
- Economic impact report – tax revenues – total over 20 years estimated income of \$22 million
- Status Facility Audit
- “Conceptual” facility design, and site selection – ESM recommended The Race Street Site.

Mr. Wack thanked Morgan and Commission for the opportunity to work on the project. Questions were answered from the Commission and public in attendance.

Comments:

- Local vs competitive use of the facilities. The Community will benefit by utilizing the facilities 60 – 80% of the time. Monday through Friday will be local use with competitive use mostly on the weekends. Local use is critical to the success of the facility. Local team will have the advantage of staying home to host events instead of always leaving town for their events.
- There will be opportunities for sponsorships. Significant traffic merits business opportunity for marketing .
- Indoor facility will be utilized for volleyball, basketball, indoor soccer, wrestling, pickleball, dogshows, to name a few.
- Will alcohol be served at the facility? Will need to be researched.

Morgan thanked Mr. Wack for his 9 months of work and service. The report was to be presented to the City Council that evening.

Morgan announced the 2023 A&P grants cycle will begin January 1, 2023. The A&P Commission will meet the first week in December to award the grants. Website re-design is going smoothly. Morgan thanked everyone for their continued work.

Chairman Morgan called for further questions and there being none, Mr. Gibson moved to adjourn, seconded by Mr. McClain. Motion was approved and the meeting was adjourned at 10:50 a.m.

Submitted by

Christy Appleton
Administrative Officer