

# **Jonesboro Advertising and Promotions Commission**

## **AGENDA**

**Monday, Oct 9th, 2023**

**1:00 City Hall Council Chambers**

### **Table of Contents**

- I. Call to Order- Jerry Morgan
- II. Review and approval of minutes of meeting held on July 12<sup>th</sup>, 2023.
- III. Review of Financials
  - a. Review of tax collection trends
  - b. 2023 hotel tax expenditures
  - c. A&P current and estimated year end cash position

### **New Business**

- IV. Update on sports complex initiative-Kevin Hodges
  - a. Status update on project
  - b. Water detention and maintenance agreement-final approval
- V. Renewal of contract for grants coordinator
  - a. other items
- VI. Additional request for funds for soccer turf project

### **Executive Session (to be held in conference room adjacent to council chambers)**

- VII. Executive Director Interviews
- VIII. Approval of Personnel Actions

### **OTHER BUSINESS:**

- IX. Adjournment



Jonesboro Advertising and Promotion Commission  
Minutes: July 12, 2023  
City Council Chambers  
2:30 p.m.

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

Chairman Jerry Morgan called the meeting to order at 2:30 p.m. announcing that an official quorum was present. Mr. Morgan announced that Mr. Bill Hurt has served on the Commission for 19 years, but has retired from the Commission. He introduced Mr. Hurt's replacement, Ms. Mallory Hurt White and welcomed her to the Commission. Ms. White is the manager of the 501 Restaurant. Mr. Morgan reviewed the minutes of the meeting held April 3, 2023, 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:**

Morgan reported on the A&P Current Cash Position:  
Current cash position of the three revenue sources.

3% Hotel Tax – \$446,374

1% Hotel Tax – \$443,107

2% Prepared Food Tax – \$3,983,050

There is a slight trend downward from 2022 and we are watching that closely.

Mr. Gibson moved to accept the financial report and Mr. McClain seconded. Financials were approved as presented.

#### **New Business:**

Mr. Morgan asked for approval of the 2024 Grant application. Mr. Gibson moved and Mr. McClain seconded. Motion was approved. This application will be posted on the TourJonesboro.com website by September 1, 2023. It will also be posted on the City of Jonesboro website at the same time. Organizations wishing to apply for grants must have the applications submitted by October 1, 2023 to be considered.

One grant that was approved since the last meeting went to USA TF Track. It was a grant to fund a large track meet originally scheduled to be held in Missouri. There was a problem with the track, and they requested assistance to move it to Jonesboro. The Commission awarded

A & P Commission Minutes  
Approved:

\$12,520 to make this possible. The event was very well attended, and bringing it to the Jonesboro facilities was considered so successful they have planned to move it to Jonesboro the next two years. The track coach at ASU was very actively involved, as it was held at the ASU track facility. This funding was made possible from the Miscellaneous expenses budget item.

Morgan asked Kevin Hodges, Chairman of the Sports Complex steering committee to update the Commission on the progress of the committee. Mr. Hodges reported that the committee has been very busy. The architecture firm has been engaged. Nine town meetings were held with about 200 people from the community attending. Spirited debates concerning competitive vs recreation swimming were up for discussion. Other activities such as cricket were introduced for discussion. Many venues for Sports facilities were presented and voted on to gain consensus on the "style" of facility we want here in Jonesboro. Mr. Hodges showed pictures of styles and facilities being considered. Basketball and volleyball slides were presented showing how the different courts could be converted to make it very flexible. After discussion, Hodges reported that consensus was consistent across all town hall meetings. The process is taking a little longer than anticipated, but "we want to get it "right." Hodges asked for approval to engage Eastern Sports Management for \$45,000.00 to assist in getting the right equipment and other necessities for the operation of the facility. Morgan stated that the steering committee has approved the request and recommends it to the full Commission today. The pricing was discussed and was determined to be very reasonable. Mr. Gibson and Mr. McClain seconded after Mr. Morgan presented the recommendation to approve the engagement of ESM. Recommendation was approved.

Hodges then presented a diagram of a Regional Detention Pond proposed on the site of the future Sportsplex. Hammerhead will develop and maintain a new location for this Regional Retention Pond. This project will also need to be approved by the City of Jonesboro. Morgan asked for any questions. This project will continue under review for the present time. Mr. Morgan thanked Kevin Hodges for all his work on this project.

The Mitchell Williams law firm's representative Michelle Longwood gave a presentation to address the best legal options for financing the Sport Complex. At least a portion of the complex will need to be financed. Who has the authority to borrow the money for this process? The City of Jonesboro or the Public Facilities Board of the City would be the two options at this time. She recommended The Public Facilities Board borrow the money needed for the project. This will clarify that this money is operated and maintained outside the normal working budget of the City of Jonesboro. The Public Facilities Board should also be the owner of the Sports Complex. The A&P Commission should be the operator of the facility and make it available to the community. We are a governmental entity so tax exempt financing would be available if determined that was the most efficient way. An issue of bonds was discussed. A construction loan or drawdown bond structure was recommended by the law firm. The benefit would be an amount of money with the ability to borrow as needed. The A&P Commission would lease the property from the Public Facilities Board. There is not a direct pledge of sales tax money with this structure. The Public Facilities Board is the owner of the property with the A&P Commission leasing the property and

A & P Commission Minutes

Approved:

paying rent. The A&P Commission will maintain all operations and financials of the facility. Legal and financial representatives will be in place to orchestrate the financing ensuring transparency and oversight of all components of this process. The bids process will be totally transparent with an underwriter in the position of accepting the bids. The volunteer Commissioners will not be involved in this bids process. The next step is deciding to accept this recommendation, and moving forward to determine if this is acceptable to all involved. A motion to accept the recommendation and move forward to work with the Public Facilities Board was made by Mr. Gibson and seconded by Mr. McClain. Motion was approved.

Danny Kapalas from the City Parks and Recreation Department requested additional funding to help with a Parks Conference being held in Jonesboro in September. Mr. Morgan suggested Mr. Kapalas come back when they know how much they will need.

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 3:45 p.m.

Submitted by

Christy Appleton  
Administrative Officer

**A&P Revenue Trends 2023**

**HOTEL REVENUES (3%)**

	2018	2019	2020	2021	2022	2023	Mthly \$ chg
January	\$29,408	\$33,229	\$ 51,390	\$ 36,727	\$ 74,121	\$ 58,391	\$ (15,730)
February	\$59,171	\$46,446	\$ 56,764	\$ 43,044	\$ 64,081	\$ 90,365	\$ 26,284
March	\$54,305	\$50,606	\$ 66,173	\$ 40,757	\$ 74,746	\$ 66,579	\$ (8,167)
April	\$49,773	\$61,722	\$ 42,413	\$ 64,802	\$ 86,642	\$ 93,229	\$ 6,587
May	\$59,203	\$58,431	\$ 25,758	\$ 63,812	\$ 98,277	\$ 82,472	\$ (15,805)
June	\$55,005	\$67,987	\$ 34,837	\$ 83,393	\$ 95,970	\$ 88,752	\$ (7,218)
July	\$64,645	\$61,750	\$ 51,088	\$ 79,043	\$ 83,931	\$ 84,279	\$ 348
August	\$59,030	\$62,178	\$ 43,395	\$ 74,702	\$ 81,614	\$ 76,142	\$ (5,472)
September	\$63,322	\$60,724	\$ 45,902	\$ 80,257	\$ 84,587		
October	\$58,555	\$57,872	\$ 52,954	\$ 74,789	\$ 87,040		
November	\$65,613	\$70,383	\$ 53,093	\$ 84,923	\$ 89,933		
December	\$45,295	\$60,153	\$ 41,781	\$ 71,703	\$ 67,695		
<b>Total</b>	<b>\$663,325</b>	<b>\$691,482</b>	<b>\$565,548</b>	<b>\$797,952</b>	<b>\$988,637</b>	<b>\$640,209</b>	<b>-\$19,173</b>

% Change

4.07%

-18.21%

41.10%

23.89%

1%

Additional 1% added 1-1-22
\$ 19,508
\$ 30,038
\$ 22,193
\$ 31,257
\$ 27,490
\$ 29,584
\$ 28,094
\$ 25,380
\$ 213,544

**RESTAURANT REVENUES**

	2018	2019	2020	2021	2022	2023	Mthly \$ chg
January					\$ -	\$ 556,167	\$ 556,167
February					\$ 318,737	\$ 458,204	\$ 139,467
March					\$ 448,114	\$ 521,265	\$ 73,151
April					\$ 498,576	\$ 561,589	\$ 63,013
May					\$ 529,497	\$ 520,953	\$ (8,544)
June					\$ 484,030	\$ 519,121	\$ 35,091
July					\$ 498,783	\$ 517,906	\$ 19,123
August					\$ 488,119	\$ 492,432	\$ 4,313
September					\$ 490,165		
October					\$ 571,995		
November					\$ 481,788		
December					\$ 455,930		
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,265,734</b>	<b>\$4,147,637</b>	<b>\$881,781</b>

2023

Hotel Tax Expenditures

2023 Approved Amounts	Event Name (See list below)	Payments Made through 6-31-23		Unpaid	Terms if Not a one-time payment
		2023 Approved	2023 Payments		
1	Organization				
2	Jonasboro ASP Administration	\$ 136,200.00	\$ 124,224	\$ 13,976	
3	Arkansas State University	\$ 100,000.00	\$	\$ 10,000	3 Yr-22,23,24 6 mth estimation-expired on 6-30-23
4	American Red Wolf Research Center	\$ 10,000.00	\$	\$ 10,000	(3yr) 22,23,24 \$10K per year for 3 years (\$30K total)
5	Christmas Attractions - Xmas at the Park	\$ 67,000.00	\$	\$ 67,000	(2yr) 22,23 Total \$174,000
6	City of Jonesboro	\$ 15,000.00	\$	\$ 15,000	
7	Youth Sports Shooting Complex Improvements	\$ 15,000.00	\$	\$ 15,000	
8	TBD	\$ 15,000.00	\$	\$ 15,000	Quarterly
9	Annual Program Support	\$ 11,250	\$	\$ 3,750	Quarterly
10	Delta Symphony Orchestra	\$ 60,000.00	\$ 45,000	\$ 15,000	Quarterly
11	The Foundation of Arts	\$ 30,000.00	\$ 22,500	\$ 7,500	Quarterly
12	Downtown Jonesboro Alliance	\$ 30,000.00	\$ 22,500	\$ 7,500	Quarterly
13	Higginic Community Services	\$ 15,000.00	\$ 11,250	\$ 3,750	Quarterly
14	Downtown Jonesboro BBQ Fest	\$ 100,000.00	\$	\$ 100,000	
15	Annual BBQ Fest	\$ 100,000.00	\$	\$ 100,000	
16	Arkansas State Red Wolves Foundation	\$ 50,000.00	\$	\$ 50,000	
17	All Athletic Events held in Jonesboro	\$ 4,000.00	\$	\$ 4,000	
18	Annual Car Show	\$ 20,000.00	\$	\$ 20,000	
19	The Jonesboro Open - Disc Golf Pro Tour	\$ 5,000.00	\$	\$ 5,000	
20	Regional Duck Call Contest	\$ 25,000.00	\$	\$ 25,000	
21	Spring/Summer Events	\$ 40,000.00	\$	\$ 40,000	
22	2023 Sports and Business Tournaments	\$ 50,000.00	\$	\$ 50,000	
23	2023 Youth Sports League and Tournaments	\$ 25,000.00	\$	\$ 25,000	
24	Tennis Shoot & Lights	\$ 15,000.00	\$	\$ 15,000	
25	Open To Be A Champion	\$ 40,000.00	\$	\$ 40,000	
26	Jonasboro Softball Association	\$ 2,500.00	\$	\$ 2,500	
27	Jonasboro Softball Tournaments	\$ 10,000.00	\$	\$ 10,000	
28	People Ball Tournament	\$ 10,000.00	\$	\$ 10,000	
29	Annual Duck Classic	\$ 10,000.00	\$	\$ 10,000	
30	Annual Health and Fitness Expo	\$ 5,000.00	\$	\$ 5,000	
31	Peik Warmor Events	\$ 10,000.00	\$	\$ 10,000	
32	Professional Theatre	\$ 7,500.00	\$	\$ 7,500	
33	Bidding for a Better Tomorrow	\$ 10,000.00	\$	\$ 10,000	
34	United Way	\$ 10,000.00	\$	\$ 10,000	
35	Softball tournaments and camps	\$ 10,000.00	\$	\$ 10,000	
36	ASU Cup Softball	\$ 10,000.00	\$	\$ 10,000	
37	The National Guard Association of Arkansas	\$	\$	\$	
38	Previous Year Payments Made in 2023	\$	\$	\$	
39	Hampton Inn	\$ 573	\$	\$ 573	
40	Combot Inn	\$ 299	\$	\$ 299	
41	Red Wolf Classic	\$ 75,000	\$	\$ 75,000	
42	2022 Arkatic Events Commitment	\$ 6,000	\$	\$ 6,000	
43	2022 Duck Classic	\$ 10,000	\$	\$ 10,000	
44	Arkansas Elvis Festival	\$ 35,000	\$	\$ 35,000	
45	Local Festival	\$ 10,000	\$	\$ 10,000	
46	June/Sept 2023	\$ 40,000	\$	\$ 40,000	
47	Hickory Open Bowfing Tournament	\$ 3,000	\$	\$ 3,000	
48	Local Fire Additional Funds Security	\$ 15,000	\$	\$ 15,000	
49	Joyfest	\$ 5,000	\$	\$ 5,000	
50	Brewing Hopa Collier Festival	\$ 1,086,072	\$	\$ 508,068	
51	Totals	\$	\$ 1,086,072	\$ 508,068	\$ 482,979

Administrative Budget Detail	2023 Paid year to Date	Remaining to be Paid
Office Rent and Expenses (Estimated)	\$ 30,000	\$ 3,900.00
Sports Marketing Officer (Sal and Benefits)	\$ 72,500	\$ 41,269.00
Administrative Assistant, \$1000 per month:	\$ 12,000	\$ 8,000.00
STR Report	\$ 1,700	\$ 1,700.00
Website Maintenance, \$1000 mth	\$ 12,000	\$ 9,911.00
Website Design	\$ 5,000	\$ 5,000.00
Misc Expenses and Advertising	\$ 25,000	\$ 61,144.00
New Position Estimated for 2 Months	\$	\$ 20,000.00
Estimated Totals:	\$ 138,800.00	\$ 177,924.00

**A&P Current and Estimated Cash Position  
8/31/2023**

<b>3% Hotel Tax</b>		
Current Cash Position		\$ 477,349
Projected Revenues:	4 months at \$80,000	\$ 320,000
Total Current Cash plus expected Revenues		\$ 797,349
Minus Expected Embassy Suites Payment	Q3 and Q4	\$ (125,000)
Remaining 2023 Commitments		\$ (530,576)
Ending Cash minus remaining 2023 Commitments		\$ 141,773

<b>1% Hotel Tax (in effect 1-1-22)</b>		
Current Cash Position		\$ 531,056
Projected Revenues:	4 months at \$25,000	\$ 100,000
Total Current Cash plus expected Revenues		\$ 631,056
Remaining 2023 Commitments	Request approved for \$750k soccer Turf	\$ -
Actual Cash at Year End		\$ 631,056
Request has been increased to \$1,200,000. Estimated to be paid in full in December 2025.		

<b>2% Prepared Food Tax (in effect 1-1-22)</b>		
Current Cash Position		\$ 5,394,829
Projected Revenues:	4 months at \$500,000	\$ 2,000,000
Total Current Cash plus expected Revenues		\$ 7,394,829
Remaining 2023 Commitments	Mid-South Properties	\$ (1,000,000)
Actual Cash at Year End		\$ 6,394,829
Estimated Expenses Do not include Crafton Tull Architecture Fees or other related expenses that are pending		

**Prepared Foods Tax Expenditures**

**Sports Complex Project Expense Summary**

Payee	Description	Date	Check No.	Amount
<b>Professional Services</b>				
Preston King Appraisal	Land Appraisal for Sports Complex	Feb	Check	\$ 2,000
Associated Engineering	Land Title Surveys	3/27/2023	149069	10,000
Geotechnology	Geotechnical Data	6/22/2023	150459	13,200
Crafton Tull & Associates	Pre-design Services	YTD	Checks	\$ 150,129
<b>Land Acquisition</b>				
Professional Title Services	Land Acquisition-Race Street	3/27/2023	149072	4,000,305
<b>Total (Sports Complex) Expenses (Cash Basis)</b>				<b>\$ 4,175,634</b>

**Other**

Payee	Description	Date	Payment method	Amount
Miscellaneous Expenses	Detail Available Upon Request	YTD	Checks	\$ 1,617
<b>Total (Other) Expenses (Cash Basis)</b>				<b>\$ 1,617</b>
<b>Total (Prepared Foods) Expenses (Cash Basis)</b>				<b>\$ 4,177,251</b>





October 3, 2023

Mr. Jerry Morgan  
City of Jonesboro A & P Commission  
Jonesboro, Arkansas

Mr. Brandon Holmes, Member  
Hammerhead Contracting & Development, LLC  
Jonesboro, Arkansas

Re: Regional Detention Facilities  
Proposed Sports Complex  
Jonesboro, Arkansas

Dear Mr. Sirs.

Associated Engineering, LLC has been asked to review a potential agreement between the City of Jonesboro A & P Commission and Hammerhead Contracting & Development, LLC. This agreement is in regard to regional stormwater facilities for developments currently in progress or in design. The A & P Commission is currently working on a proposed sports complex to be located at the corner of Race Street and McClellan Drive. Hammerhead Contracting & Development, LLC is constructing a mixed-use development along McClellan Drive, south of the proposed sports complex.

The City of Jonesboro Stormwater Regulation requires runoff mitigation as a part of any development. Both projects would be required to address the additional runoff generated from each as a part of the design. The location and timing of these projects suggest the use of regional detention facilities. Both projects would provide the required stormwater mitigation by use of a common detention basin.

The A & P Commission and Hammerhead Contracting & Development, LLC have agreed to share a detention basin located at the southeast corner of the proposed sports complex. The A & P Commission will retain ownership of the property. In exchange for the use of the basin, Hammerhead Contracting & Development, LLC has agreed to remove the material, shape the basin, install outlet structures and dispose of the material on the mixed-use site. The basin design, as a part of the ongoing development process, shall be reviewed by the City of Jonesboro for code compliance. Hammerhead Contracting & Development, LLC further agrees to provide adequate long-term maintenance of the detention basin in perpetuity. Long-term maintenance is defined as the removal of sediment deposits, re-grading or shaping of embankments, drainage channels and detention areas, and repair or replacement of outlet structures.



# *Associated Engineering, LLC*

103 S. Church Street – P.O. Box 1462 – Jonesboro, AR 72403 – Phone: (870) 932-3594 – Fax: (870) 935-1263

Agreement accepted this \_\_\_\_ day of October, 2023.

\_\_\_\_\_

Jonesboro A & P Commission

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Hammerhead Contracting & Development, LLC

## INDEPENDENT CONTRACTOR AGREEMENT

This independent contractor agreement (the “**Agreement**”) is made and entered into as of September 1, 2023 (the “**Effective Date**”) between the Jonesboro Advertising & Promotion Commission (the “**Commission**”), and Christina Appleton, (the “**Contractor**”) (collectively, the “**Parties**”).

The Commission requests the Contractor to perform services for it and may request the Contractor to perform other services in the future; and

The Parties therefore agree as follows:

### **Term and Termination**

1. This agreement takes effect immediately as of the Effective Date, and remains in full force and effect for one year, unless terminated earlier as allowed under this Section.
2. Either Party may terminate this Agreement by giving the other party thirty (30) days written notice of the termination.

### **Contractor Services**

3. During the Term, the Commission may engage the Contractor to provide the following services as needed (the “**Services**”), or other such services as mutually agreed upon in writing by the Parties (email is acceptable):
  - A. Be the primary point of contact for organizations needing assistance in applying for Commission funding.
  - B. Recording and preparing minutes from all Commission meetings.
  - C. Managing all Commission funds.
  - D. Other reasonable duties as needed by the Commission.
4. The Contractor shall issue invoices to the Commission for pay on a monthly basis no later than the 5<sup>th</sup> day of month for the previous month’s work. Contractor shall be paid in the amount of \$1,000.00 per month.
5. The Commission shall not be responsible for federal, state and local taxes derived from the Contractor’s net income or for the withholding and/or payment of any federal, state and local income and other payroll taxes, workers’ compensation, disability benefits or other legal requirements applicable to the Contractor.

### **Independent Contractor Status.**

6. The Parties intend that the Contractor be engaged as an independent contractor of Company. Nothing contained in this Agreement will be construed to create the relationship of employer and employee, principal and agent, partnership or joint venture, or any other fiduciary relationship.

7. The Contractor may not act as agent for, or on behalf of, the Commission, or to represent the Commission, or bind the Commission in any manner, and is not a voting member of the Commission.
8. The Contractor will not be intitled to worker's compensation, retirement, insurance or other benefits afforded to employees of the Commission.

#### **Ownership**

9. The Parties intend that any work product created by the Contractor shall be owned solely by the Commission.

#### **Representation**

10. Both Parties represent that they are fully authorized and empowered to enter into this Agreement, and that the performance of the obligations under this Agreement will not violate or infringe upon the rights of any third-party, or violate any agreement between the Parties and any other person, firm or organization or any law or governmental regulation.

#### **Miscellaneous Provisions**

11. This Agreement, and any accompanying appendices, duplicates, or copies, constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement, and supersedes all prior negotiations, agreements, representations, and understandings of any kind, whether written or oral, between the Parties, preceding the date of this Agreement.
12. This Agreement may be amended only by written agreement duly executed by an authorized representative of each party.
13. If any provision or provisions of this Agreement shall be held unenforceable for any reason, then such provision shall be modified to reflect the parties' intention. All remaining provisions of this Agreement shall remain in full force and effect for the duration of this Agreement.
14. This Agreement shall not be assigned by either party without the express consent of the other party.
15. A failure or delay in exercising any right, power or privilege in respect of this Agreement will not be presumed to operate as a waiver, and a single or partial exercise of any right, power or privilege will not be presumed to preclude any subsequent or further exercise, of that right, power or privilege or the exercise of any other right, power or privilege.
16. This Agreement is to be governed by and construed in accordance with the laws of the State of Arkansas. Any action instituted by either party arising out of this Agreement will only be brought, tried and resolved in the applicable federal or state courts having jurisdiction in the

State of Arkansas and each party hereby consents to exclusive jurisdiction and venue of the courts, state and federal, having jurisdiction in the State of Arkansas.

The Parties are signing this Agreement on the date stated in the introductory clause.  
Jonesboro Advertising and Promotion Commission.

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By: \_\_\_\_\_ Date: \_\_\_\_\_

Name: **Jerry Morgan**  
Title: **Jonesboro Advertising and Promotion Commission Chairman**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Name: **Christina Appleton**  
Title: **Contractor**