

EXPLORE **JONESBORO**
ARKANSAS
it's where you need to be!



JONESBORO ADVERTISING &
PROMOTION COMMISSION

9.28.2021

JONESBORO A&P COMMISSION



The Jonesboro A&P Commission was established in 1973 and is governed by State statutes established specifically for A&P Commissions throughout Arkansas.



The commission determines the use of city A&P Funds. The commission, including the Executive Director, answers to a board.



Membership of the Commission is comprised of 7 members: 4-owners and managers of businesses in the tourism industry (currently 3 Restaurant owners, 1 Restaurant and Hotel owner), 2 city council members, 1 at-large from the public. .



PURPOSE OF THE A&P COMMISSION

The A&P Commission is to promote tourism in the city and to produce a positive economic impact on the businesses of the City of Jonesboro through the funding and promotion of advertising of events held in the city.

The use of the funds collected has very specific criteria for what they can be used for and governed by the state statutes.

They are not allowed to be used in the city general fund.



A&P COMMISSION CURRENT FUNDING SOURCES:

Currently, the A&P Commission has a 3% tax on Hotel Stays within the city.

We have collected, on average, \$641K per year over the past 3 years.

A&P Funds have benefited multiple organizations & events across Jonesboro:

Foundation of Arts, Karate Tournaments, Hijinx National Bowling Tournament, Downtown Jonesboro Association events, Hispanic Community Center events, Disc Side of Heaven, Professional Theatre.

LARGER PROJECTS FUNDED BY A&P

Joe Mack Campbell Turf Project

Cost: \$1.1MM participation project



LARGER PROJECTS FUNDED BY A&P

Major improvements to Southside
Softball Complex



LARGER PROJECTS FUNDED BY A&P

Embassy Suites Convention Center

Cost: \$2.5MM over 10 years
reinvested in Jonesboro





A&P COMMISSION

UP UNTIL AS RECENT AS A FEW MONTHS AGO, WE ONLY OPERATED OFF VOLUNTEERS ON THE COMMISSION AND ONE PART-TIME CONTRACTED GRANT ASSISTANT. WE HAVE NOW HIRED A FULL-TIME SPORTS MARKETING COORDINATOR. WE HAVE BEEN VERY DILIGENT WITH RETURNING AS MUCH OF THE FUNDS AS POSSIBLE BACK TO THE COMMUNITY.

A&P Tax Collections

Ranked by local-option taxes on restaurants and/or lodging collected in 2020 by selected cities

City	Total A&P Tax 2020 2019 % Change	Restaurant Tax 2020 2019 % Change	Hotel Tax 2020 2019 % Change	Restaurant Tax Rate Hotel Tax Rate
1 Little Rock	\$13.51 mil. \$17.44 mil. -22.6%	\$10.50 mil. \$11.96 mil. -12.2%	\$3.01 mil. \$5.49 mil. ¹ -45.3%	2.0% 4.0% ¹
2 North Little Rock	\$6.84 mil. \$7.60 mil. -13.8%	\$5.81 mil. \$6.40 mil. -9.2%	\$831,012 \$1.21 mil. -31.3%	3.0% 3.5% ²
3 Hot Springs	\$6.18 mil. \$6.96 mil. -11.2%	\$4.86 mil. \$5.34 mil. -9.1%	\$1.32 mil. \$1.62 mil. -18.4%	3.0% 3.0%
4 Fayetteville ³	\$6.02 mil. \$7.40 mil. -18.7%	\$5.43 mil. \$6.38 mil. -15.0%	\$590,875 \$1.02 mil. -42.0%	2.0% 2.0%
5 Conway ³	\$4.06 mil. \$4.50 mil. -9.8%	\$3.81 mil. \$4.13 mil. -7.7%	\$251,901 \$372,584 -32.4%	2.0% 2.0%
6 Bentonville	\$1.84 mil. \$2.74 mil. -32.7%	\$1.38 mil. \$1.70 mil. -18.9%	\$463,409 \$1.04 mil. -55.4%	1.0% 2.0%
7 Pine Bluff	\$1.58 mil. \$1.58 mil. 0.4%	\$1.33 mil. \$1.30 mil. 2.3%	\$253,524 \$277,305 -8.6%	3.0% 2.0%
8 Eureka Springs	\$1.27 mil. \$1.51 mil. -15.8%	\$633,424 \$776,266 -18.4%	\$639,042 \$735,543 -13.3%	3.0% 3.0%
9 Rogers	\$651,343 \$1.37 mil. -52.4%	-- -- --	\$651,343 \$1.37 mil. -52.4%	-- 3.0%
10 Fort Smith	\$629,110 \$910,322 -30.9%	-- -- --	\$629,110 \$910,322 -30.9%	-- 3.0%
11 Jonesboro	\$565,552 \$691,487 -18.2%	-- -- --	\$565,552 \$691,487 -18.2%	-- 3.0%
12 Lowell ⁴	\$352,386 \$406,040 -13.2%	\$351,474 \$389,906 -9.9%	\$912 \$16,134 -94.3%	2.0% 2.0%
13 El Dorado	\$247,162 \$387,308 -36.2%	-- -- --	\$247,162 \$387,308 -36.2%	-- 3.0%

A&P TAX COLLECTIONS BY CITY

Hotel and Prepared Food Tax Revenues by City		
North Little Rock	Total A&P Tax Revenue	Population: 66,810
2018	\$ 7,252,753.00	Hotel Tax: 3.50%
2019	\$ 7,500,000.00	Prepared Food Tax: 3.00%
2020	\$ 6,460,000.00	General Sales Tax: 9.50%
3 year Total:	\$ 21,212,753.00	
Fayetteville	Total A&P Tax Revenue	Population: 80,621
2018	\$ 7,109,617.00	Hotel Tax: 2.00%
2019	\$ 7,110,000.00	Prepared Food Tax: 2.00%
2020	\$ 5,960,000.00	General Sales Tax: 10.00%
3 year Total:	\$ 20,179,617.00	
Hot Springs	Total A&P Tax Revenue	Population: 35,673
2018	\$ 6,401,136.00	Hotel Tax: 3.00%
2019	\$ 6,960,000.00	Prepared Food Tax: 3.00%
2020	\$ 6,180,000.00	General Sales Tax: 9.50%
3 year Total:	\$ 19,541,136.00	
Conway	Total A&P Tax Revenue	Population: 64,490
2018	\$ 4,319,230.00	Hotel Tax: 2.00%
2019	\$ 4,480,000.00	Prepared Food Tax: 2.00%
2020	\$ 4,050,000.00	General Sales Tax: 9.125%
3 year Total:	\$ 12,849,230.00	
Bentonville	Total A&P Tax Revenue	Population: 44,467
2018	\$ 2,502,000.00	Hotel Tax: 2.00%
2019	\$ 2,716,000.00	Prepared Food Tax: 1.00%
2020	\$ 1,820,000.00	General Sales Tax: 9.50%
3 year Total:	\$ 7,038,000.00	
Pine Bluff	Total A&P Tax Revenue	Population: 43,091
2018	\$ 1,615,000.00	Hotel Tax: 3.00%
2019	\$ 1,574,000.00	Prepared Food Tax: 2.00%
2020	\$ 1,580,000.00	General Sales Tax: 10.00%
3 year Total:	\$ 4,769,000.00	
Jonesboro	Total A&P Tax Revenue	Population: 72,210
2018	\$ 663,325.00	Hotel Tax: 3.00%
2019	\$ 699,438.00	Prepared Food Tax: 0.00%
2020	\$ 563,717.00	General Sales Tax: 8.50%
3 year Total:	\$ 1,926,480.00	

General Sales Tax Rate Does Not Include Hotel or Prepared Food Tax Rates



HOTEL & PREPARED FOOD TAX REVENUES BY CITY

(3-YEAR TOTAL)

PROPOSAL FROM THE A&P COMMISSION

- 1) Implement a 2% prepared food tax to be used for the construction and operations of a Community Indoor Sports Complex. Estimated Income from the tax would be \$2.9MM per year
- 2) Increase the current 3% Hotel tax to 4%. This increase would bring in an additional estimated \$225,000 to \$275,000 per year. These funds would be designated towards the sports complex and towards our existing park facilities.



OTHER SIMILAR PROJECTS

FINLEY CENTER HOOVER, AL

Completed: 6/8/2017
Cost: \$20,867,041
SqFt: 150,000

- 11 Basketball Courts
- 17 Volleyball Courts
- 3 Meeting Rooms
- Elevated Walking Track
- Climbing Wall
- Full-Service Kitchen
- Food Court



• EXISTING FACILITIES •

Population: 86,270

Economic Impact: \$3.6 million – 1st quarter of 2018

Events at the Hoover Metropolitan Complex had a \$3.6 million economic impact the first quarter of 2018 – \$3 million in direct spending by visitors on things such as lodging, food and gasoline and \$600,000 in indirect economic benefits- as reported by the Hoover Sun News



• EXISTING FACILITIES •

PACERS ATHLETIC CENTER WESTFIELD, IN

Completed: 1/1/2016
Cost: \$5,000,000
SqFt: 88,000

- 8 Basketball Courts
- 8 Volleyball Courts
- Concession Stands
- Offices
- Observation Deck



• EXISTING FACILITIES •

Population: 47,923

Economic Impact: \$2 million in June 2020

“We have over 450 teams here and while we know we’re still dealing with an active situation of COVID-19 this gives kids some sense of normalcy,” Director of Grand Park William Knox said.

“We are completely sold out this weekend. We were sold out yesterday and we’re sold out today,” said Kevin Oleksiyenko, the General Manager of Holiday Inn Express and Suites in North Carmel/Westfield.

“The Indiana Restaurant and Lodging Association says youth sports are helping to reignite our economy across the state, and predicts the Westfield tournaments will bring in a couple of million dollars to the state. We have great youth sports facilities in Evansville, Fort Wayne, South Bend as well as Lake County. All those youth sports have a tremendous economic impact statewide across many industries not just hospitality,” President and CEO of Indiana Restaurant and Lodging Association Patrick Tamn said.



• EXISTING FACILITIES •

HAMMOND SPORTSPLEX HAMMOND, IN

Completed: 7/1/2018

Cost: \$17,000,000

SqFt: 135,000

- 6 Basketball Courts
- 6 Volleyball/12 Cross Courts
- 2 Regulation-sized Indoor Soccer Fields
- 6 Indoor Batting Cages
- ¼ Mile, Upper-Level Running/Walking Track
- Community Room
- Concessions



• EXISTING FACILITIES •

Population: 74,812

Economic Impact: \$1 million from one tournament/
Northwest Indiana Business Magazine

The Hammond Sportsplex this fall will host the 2021 Midwest Region Crossover, which will feature more than three dozen universities from the Great Midwest Athletic Conference, Great Lakes Intercollegiate Athletic Conference, and Great Lakes Valley Conference.

“The volleyball tournament will bring 38 teams to the Region and is the largest collegiate volleyball tournament in the nation,” said Speros Batistatos, president and CEO of the South Shore and Conventions Visitors Authority. “The economic impact from this one event will be anywhere from \$500,000 to \$1,000,000 – a much needed – boost to our local economy.”



• EXISTING FACILITIES •

RIVER CENTER BENTON, AR

Completed: 5/21/2020
Cost: \$49,000,000
SqFt: 117,500

- 4 Basketball Courts
- 8 Volleyball Courts
- Fully Equipped Fitness Room
- Exercise Rooms
- 3-Lane Indoor Track
- Aquatics Center
- 5,200-Seat Pavillion
- Recreational Pool
- Soccer Fields
- Baseball Fields



• EXISTING FACILITIES •

Population: 35,679

Facility funded by a General Sales Tax.



• EXISTING FACILITIES •

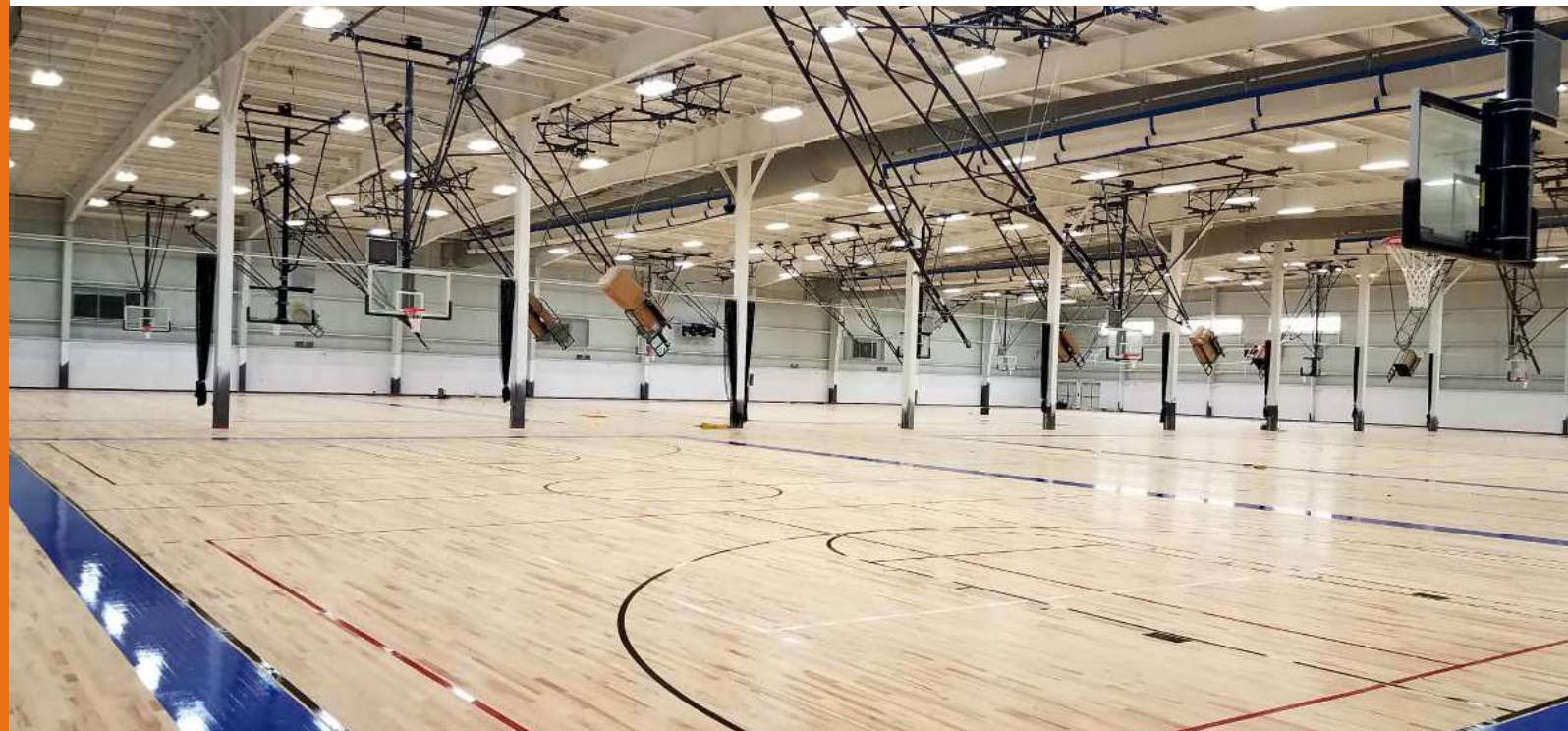
CAPE GIRARDEAU SPORTSPLEX CAPE GIRARDEAU, MO

Completed: 5/1/2017

Cost: \$12,000,000

SqFt: 121,000

- 6 Basketball Courts
- 12 Volleyball Courts
- 32,000 SqFt Artificial Turf
- 4 Fold-Up Divider Curtains
- 5 Walk/Draw Divider Nets
- 4 Retractable Batting Cages
- Full-Service Concessions



• EXISTING FACILITIES •

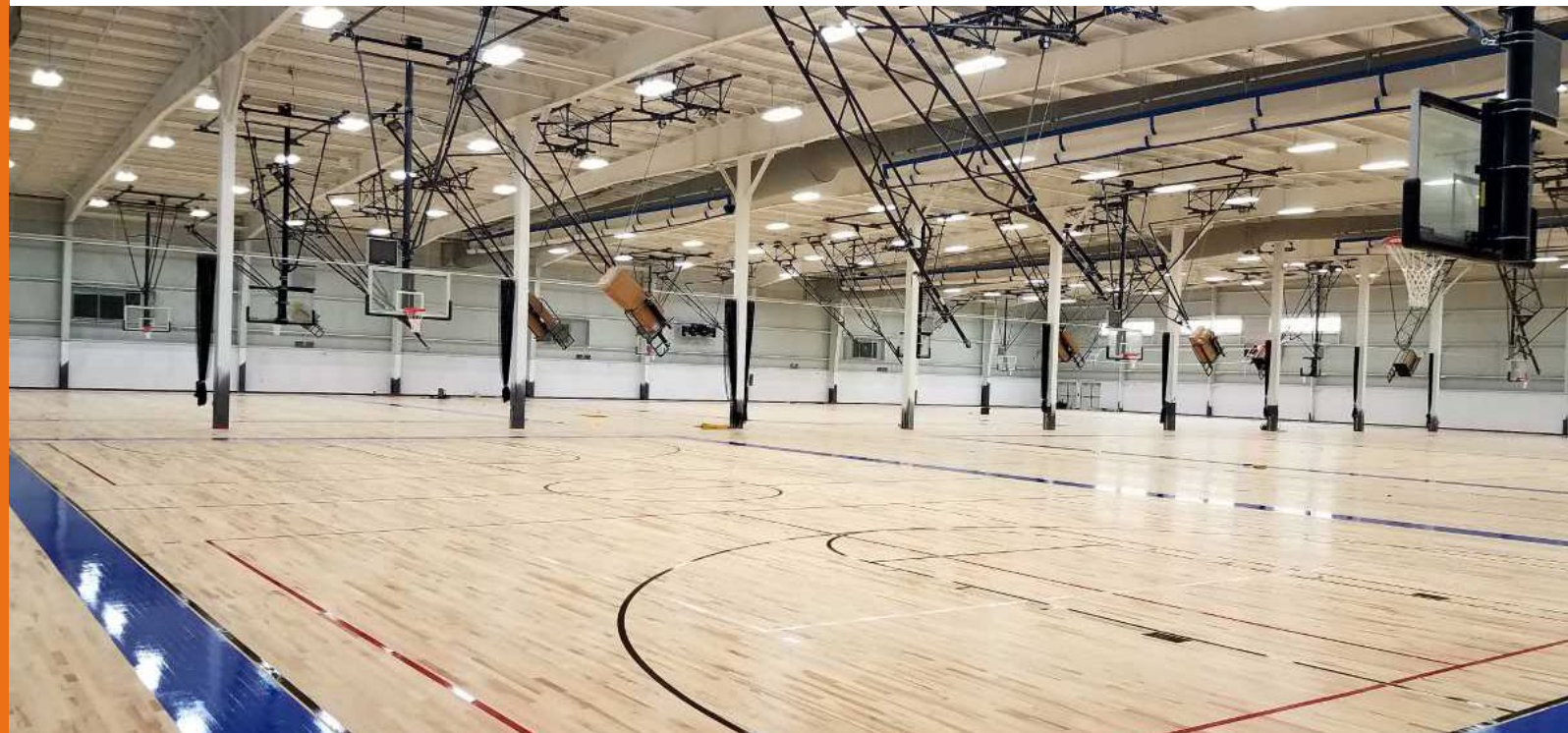
Population: 42,131

Economic Impact:

In fiscal year 2017, according to analysis by the Missouri Division of Tourism, total tourism expenditures in Cape Girardeau County exceeded \$194 million and accounted for 4,449 jobs. The exact portion of that spent on sports tourism is complicated to assess, but it's growing.

"We give everybody a place to go that if they enjoy sports this is somewhere they go year-round now," Davis said. "The SportsPlex has helped Cape not only with people eating at our restaurants and staying at our hotels, but also locally it gives everybody a place to go to get training."

"Youth sports tourism is basically considered recession-proof," says John Mehner, president of the Cape Girardeau Area Chamber of Commerce, which oversees the city's convention and visitor's bureau.



• EXISTING FACILITIES •

ROCKY MOUNT EVENT CENTER ROCKY MOUNT, NC

Completed: 10/1/2018
Cost: \$51,000,000
SqFt: 165,000

- 8 Basketball Courts
- 16 Volleyball Courts
- Multi-purpose events/shows
- 4,200 Seat Event Center
- Observation Deck/Mezzanine
- Locker Rooms
- Meeting Rooms
- Concession Stand



• EXISTING FACILITIES •

Population: 55,466

Economic Impact: \$264 million in new spending over 10 years (avg. \$26 million/year)

After fully reopening from the pandemic, the Rocky Mount Event Center hosted 135 traveling teams from multiple states in one weekend, according to GM David Joyner.

“The success of the facility in its first year is a testament to the collaboration of the city, facility staff, and local patrons of Rocky Mount. By creating a venue that’s valuable to the community, while also being convertible into a youth sports and events destination, we have found a formula that really works,” said Dev Pathik, co-founder and CEO of the Sports Facilities Advisory and Sports Management (SFA & SFM)



• EXISTING FACILITIES •

YOUTH SPORTS TOURISM ECONOMIC IMPACT ITEMS:

- 1) Average family spends \$800 a weekend on a sports travel event
 - a. How many of our families are leaving and spending money in other communities?
- 2) Youth Sports Tourism is the fastest growing segment of travel 45+ Million
- 3) Communities are supporting sports health and wellness
- 4) \$15.3 Billion industry in 2017 on sports tourism (55% growth since 2010)
- 5) 70% of children (6-17) are playing team sports



JONESBORO
NUMBER OF
SPORTS
PROGRAMS
(SEE HANDOUT)



PROJECT TIMELINE

- 1) Approval of proposal and Implementation of collections
 - a. This will take an estimated 9-12 months to start collections and also create a tax collections history for bonding purposes
- 2) Feasibility Study by the A&P Commission
 - a. The A&P Commission will spend an estimated \$50,000 on a feasibility study for the Sports Complex which will take 8-12 weeks once the company is selected
 - i. This study will conduct local and regional analyses to determine the best sports to attract, type of facility, location, timeline for project, estimated cost of operations, etc.
- 3) Additional Revenues Sources: Naming rights of the facility, sponsorships





Once the above items are completed, The A&P Commission will make a final recommendation to the City Council for approval of bonding for the facility. This plan will have overall cost estimates, location information, operating and maintenance cost projections, and a request for bond approval to construct and pay for the facility. IT WILL TAKE FINAL APPROVAL FROM THE CITY COUNCIL TO APPROVE THE BOND AND START THE FACILITY.



BENEFITS OF BRINGING OUTSIDE VISITORS TO JONESBORO

1. Demand for more shopping, Restaurants, and additional Hotels
 - a. All bring in additional revenue for the city
2. Compete against other cities that already have these facilities
3. Allow our existing travel teams to stay in Jonesboro more often
4. Recruitment of Industries
5. Recruitment of Students to ASU
6. Major addition to current and ongoing facilities improvement, making us a regional draw for retailers. Red Wolf Convention Center, Joe Mack, Southside, & Shooting Complex
7. Overall economic impact



BENEFITS TO OUR EXISTING CITIZENS

1. Combating Child Obesity
2. Reduction in Youth Crime
3. Youth Mentoring
4. Senior Programs: Pickleball, Water Aerobics, Indoor walking areas
5. Major Showpiece for the City of Jonesboro to be proud of
6. Shared facility with the schools and A-State and possible cost savings to our real estate taxpayers by not having to develop additional facilities as soon
7. Allow our current community centers to be freed up by practice teams
8. Allow our spectators (parents and grandparents) from having to travel as much to watch their children play
9. **Workforce recruitment**

EXPLORE **JONESBORO**
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The Jonesboro Advertising and Promotions Commission has been a great steward of the taxpayer's money and we would respectfully request approval of our request.

“What do you want the future of Jonesboro to look like?”



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QUESTIONS & COMMENTS