

ADMINISTRATION AND HUMAN SERVICES
STANDING COMMITTEE MINUTES
Monday, June 21, 2021

The meeting of the Administration and Human Services Standing Committee was held on Monday, June 21, 2021, at 5:40 p.m., remotely via Zoom or by phone. The following members were present: Commissioner Markley, Chairman; Commissioners Philbrook, Ramirez, and Bynum. Commissioner Kane was absent. The following officials were also in attendance: Melissa Sieben, Emerick Cross, and Alan Howze, Assistant County Administrators; and Bridgette Cobbins, Interim Assistant County Administrator; Kathleen VonAchen, Chief Financial Officer; Misty Brown, Chief Counsel; Greg Talkin, Director of Neighborhood Resource Center; Lori Wilson, Business License Administrator; Terry Kimble and Monica Sparks, Clerk's Office.

Chairman Markley said before I call the meeting to order, I want to announce that due to COVID-19, some committee members, staff and public are attending remotely via Zoom as well as on site. All participants joining by phone should mute their phones when not speaking to avoid background noise.

During the meeting, please make sure you announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is current guidance from the Kansas Attorney General.

Due to COVID-19 requirements, in-person public comment has been suspended unless otherwise required by law. The public is allowed to participate by Zoom or submit comments by email prior to the meeting and those comments will be included in the record of the meeting.

Chairman Markley called the meeting to order.

Roll call was taken and all members were present as shown above.

Chairman Markley said there are no revisions to tonight's agenda.

Approval of February 22 and March 22, 2021 minutes. **Commissioner Bynum made a motion, seconded by Commissioner Ramirez, to approve the minutes.** Roll call was taken and there were four “Ayes,” Philbrook, Ramirez, Bynum, Markley.

Committee Agenda:

Item No. 1 – 21873...COMMUNICATION: COIN-OPERATED AMUSEMENT LICENSE FEE

Synopsis: Consider reducing the coin-operated amusement license fee to \$25 annually per device, submitted by Rachel Miskec, Lori Wilson, and Greg Talkin, Neighborhood Resource Center. The current fee is \$75 per device.

Greg Talkin, Director of Neighborhood Resources, said Lori Wilson is going to have the pleasure of providing this presentation.

Coin Operated Amusement License Fee

Proposing a reduction from \$75 to \$25 per device

Lori Wilson, Business License Administrator, said we are looking at reducing the coin operated amusement license fee. We’re proposing to reduce the license fee for coin-operated amusements would be video games, pool tables, pinball machines, amusements that you use a coin, a ticket, a token to play. We are proposing to reduce that from \$75 to \$25 per device.

Why?

- Due to COVID-19, the coin operated amusement license fees have been of concern for some businesses in our community. As we looked at our fee structure, we discovered that the Unified Government by far has the highest fee in the area.

- We issue 630 coin-operated amusement license per year but can fluctuate from year to year. Those businesses most affected by this fee are Dave and Buster’s as well as the game rooms at Great Wolf Lodge and the bowling alley.

With COVID-19, coin-operated amusement fees have been a real concern for businesses, especially some of the larger businesses that have multiple coin-operated licenses. In researching some of the businesses, we found that the Unified Government actually has some of

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the highest fees for that particular license. We did a survey of cities around the metro, and we do appear to have the highest. We issue typically 630 coin-operated amusement licenses a year. It does change from year-to-year depending what businesses added additional machines or businesses that take away machines or close.

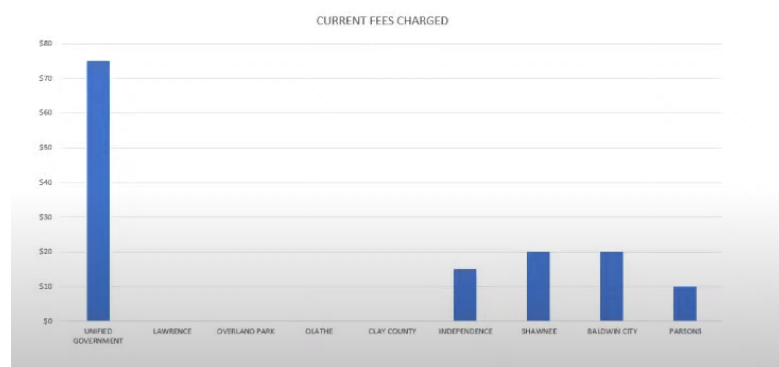
The businesses that have the largest number of machines per location would be Dave & Buster's. They have somewhere around 230. The Great Wolfe Lodge has a large game room that has roughly 100-125. Then the bowling alley at 82nd & State Avenue also has a large game room.

Recommendation

- With the struggles that we have been made aware of with some smaller businesses along with finding our fees are higher than those around us, we make the following recommendation:
- We are recommending to the County Administrator to reduce this license fee to \$25 annually per device.
- This would result in an approximate reduction of 66% with an approximate \$33,000 loss of annual revenue.

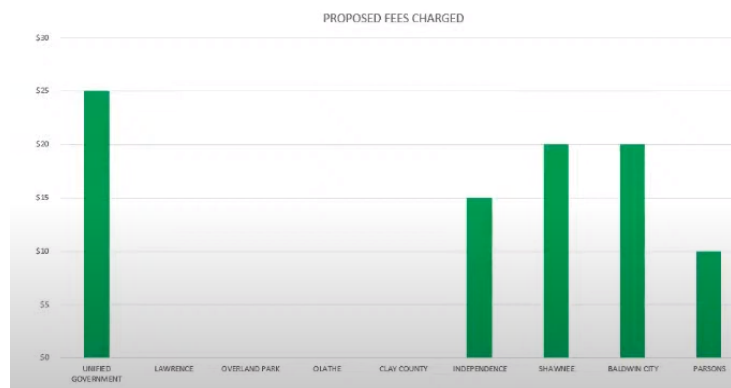
We also got calls from some of the smaller businesses that have individual 3 or 4 machines, grocery store, convenient stores. After finding that we have the highest fee, or appear to have the highest fee in the area, we are recommending to the County Administrator that we reduce the fee to \$25 per machine. That is an annual fee. It's based on an anniversary date as opposed to a calendar year. Those expire at random dates throughout the year, dependent upon when they were issued.

It would be approximately a 66% reduction, and it would affect revenue by approximately \$33,000 annually.



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Just a brief graph to show the fees that are charged across the metro.



If we change that fee, ours will probably be more in line with rest of the municipalities in the area.

The fee itself, the license fee, is actually charged mostly to cover the cost of processing that license fee as well as the time and manpower that it takes for the Police Department to issue those licenses. That license fee actually is essentially to pay for itself as opposed to the occupation tax fees that we charge for other types of businesses. It is a reduction in what we're bringing in, but the fees that people pay really are to pay for the license itself. If you have any questions, I'm happy to answer those.

Chairman Markley said, I will note, those last two graphs, the scale is different. You may look at it and say, oh, is there that much of a difference, but the scale has been changed so, it is bringing us closer to being in line with other jurisdictions. It is a lost revenue, which from our perspective sometimes is a bad thing, but I think it's also a fairness issue for our business/residents.

Commissioner Philbrook said, Lori, thank you so much and thank you for everybody else that's followed through on this because I know I stirred it up, so to speak. I had some complaints and evidently, rightfully so. If you're a little business and you've got a few machines, there's a big difference between \$25 and \$75 a piece. That's number one.

Number two, I do have a logistics question for you. I've never had to get a license for any of these things. How would I go about getting a license for one of those if I wanted to put

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one in my business? **Ms. Wilson** said it's a brief application, a license application that we have businesses—they indicate the address for the business, who is applying for the license, who actually owns the machine, and then we ask for the serial number and type of machine. The reason we really look at the type of machine is some machines are easier to bet on or unwanted activity. **Commissioner Philbrook** said got ya. They apply to whom? **Ms. Wilson** said to the Business License Division. **Commissioner Philbrook** said to the regular Business License? **Ms. Wilson** said yes.

Commissioner Philbrook said I did ask because—I heard you say that the police were the ones that were the ones that were (inaudible) it. **Ms. Wilson** said yes. We send those to PD actually for approval once we receive the applications. If PD approves those, then we do issue them out of our office. **Commissioner Philbrook** said okay. So, if the Commission, well, so it's not the Commission that decides, it's just our Administrator, right? **Ms. Wilson** said correct. **Commissioner Philbrook** said he makes that decision. It'll go into effect whenever he says so, I guess. **Ms. Wilson** said yes, that's correct. **Commissioner Philbrook** said okay. I just thought I would clear all that up because I'm like going, we don't have to vote, do we? Other than say, hey, we support this or we don't, but anyway. Thanks Lori. Thanks so much for coming forward with this. I appreciate it.

Kathleen VonAchen, Chief Financial Officer, said I just wanted to point out that the Administration, of course, is very supportive of ensuring that all our fees are in line with our neighboring community. Of course, this is a good step in that direction. Conversely, though, and I don't mean to be the bad guy here, but as a CFO, I just want to point out that there are a myriad of other fees that are charged at a fraction of the cost that other neighboring communities charge. So, conversely, there's—we've got to look at both sides of the coin so when we come back and look at all of our fees and discuss potential adjustments to them, just keep that in mind, okay? We want to recover our costs.

Commissioner Ramirez said thank you, Lori, for doing this. We're losing revenue from it, but as Commissioner Markley said, it's fairness and it's making it fair for our small business owners who have those few machines that reside in their business. I know in my district, we have some of those who have unwanted behavior, but we'll deal with those as they come. Thank you for all

that you do for the community and, Greg Talkin, thank you for all that you do for the community. It's good to see that we're bringing some fairness to our small business owners after everything they have gone through all last year, so thank you.

Commissioner Bynum said just a quick point to Kathleen's point that she is making. I appreciate that. I do think it's important maybe for our community to understand that in a variety of other places within our government where we charge a fee, that those might be lower. This specific item, I think, speaks to a small amount of businesses. They are primarily small local businesses. To that point, I think it's fair to have a good look at this reduction. I support the reduction.

Again, same point others have made with respect to COVID and things that our small business owners have been through, but, to me, this is a fairness issue. It's primarily impacting local small business so, just want to reiterate support for the adjustment downward on this particular fee that we charge. Thank you.

Chairman Markley asked, any other comments from the commission? Staff, I'm a little confused. The agenda doesn't say that this is an action item. As we just discussed, I'm not sure it needs to be an action item. My guide says that it needs a vote. So, do I need a vote or not? No, Melissa Sieben is saying no vote required. This is for information only. In that case, if there are no further comments, did not receive any comments from the public on this item? **Ms. Sparks** said we did not receive any comments. **Commissioner Markley** said, thank you. Then it sounds like we have support of the standing committee to move forward with that item. A motion is not required and that is our only item on tonight's agenda. So, thank you all for your attendance, for your presentation, staff, and for your presence tonight and that will conclude our meeting.

Action: Information only.

Adjourn

Chairman Markley adjourned the meeting at 6:04 p.m.

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