

Meeting Minutes
October 1, 2018

The Mayor and Board of Commissioners of the City of Sweetwater met in their regular monthly meeting on Monday, October 1, 2018 at 5 p.m. at City Hall.

Mayor Lowe called the meeting to order with Commissioners present being Lamar Hughes, Sam Moser, Edward Lee, Billy G. West, and Bill W. Stockton. City Attorney John Cleveland was present.

Mayor Lowe opened the meeting with the Lord's Prayer, followed by the Pledge of Allegiance, led by Fire Chief Doug Watson.

Commissioner Moser moved to approve the minutes from the meeting of September 4, 2018, the workshops of September 21, 2018 and September 24, 2018. Commissioner Hughes seconded the motion. All voted in favor, with none opposed. The motion was carried.

City Recorder Jessica Morgan requested they table the September distributions until the November meeting after the September books had been closed. Commissioner Moser moved to table the distributions, with Commissioner Lee seconding the motion. All voted in favor, with none opposed. The motion was tabled.

Visitor Cornelia Dobbins of the Tennessee Hospitality and Tourism Association was present to speak against the Hotel/Motel tax. She stated she was raised in Sweetwater and had served in the hospitality industry for 20 years and had won the 2012 General Manager of the year award for Hilton. She noted the county's tourism study by Chandler Thinks, stating there were several good points in the study, but hotel/motel tax was not one of them. She noted that while the higher tax may not deter people the first time they stay, it would deter them in the future. She also stated that this fee would make the total tax 19.75%, which will keep Sweetwater from being able to compete. She stated the Association wants Sweetwater to vote no on the tax. Mayor Lowe responded that we were passing this tax to add a visitor's center at the interstate, maybe billboards, as the Lost Sea was the only billboard bringing tourism to Sweetwater right now. He mentioned hosting ball tournaments. He noted this tax ordinance restricts the funds for Economic Development and Tourism. He stated that a 3% tax would be around \$1.50 per night for the hotels in Sweetwater, saying he did not believe people would go to a different exit to avoid \$1.50 tax. Ms. Dobbins responded she thought people could go to a different city to avoid \$1.50, saying "Dollars matter". She recommended building a database and having a stronger online presence.

Mayor Lowe moved on to the Public Hearing for Ordinance No. 968 to amend sections of the municipal code pertaining to signage. Ms. Cherye Elliot asked if the ordinance would get rid of the old signs. City Planner Chuck Whited summarized the changes the ordinance covers including grandfathering in the existing billboards and creating regulations on new billboards, restricting them to C-5 zoning and requiring they be at least 500 ft apart. He noted this placed the city in line with the recent Supreme Court rulings which say signage cannot be regulated based on content. No further written or oral comments were given. The public hearing was closed.

Mayor Lowe opened the Public Hearing for Ordinance No. 969 to levy a privilege tax upon lodging.

Ms. Sonya Roy stated she worked in the hospitality industry for 14 years in Knoxville and noted how often her hotel lost tournaments to Pigeon Forge. She stated the newspaper article had mentioned spending this money on a community center, which the Mayor noted is a misquote and clarified the money was designated in the ordinance as going to Economic Development and Tourism. She continued and said Sweetwater did not have enough restaurants to attract tourists. She said we needed to look at a lot of things before we pull the trigger on this.

Ms. Lisa Upton stated she didn't think Sweetwater should use the funds to promote Monroe County. She felt the train depot should be used. Mayor Lowe noted we have a visitor's center at the depot, but one was needed at the interstate and also stated the funds would not be given to the county. Ms. Upton stated from what she could see the county did not do much for tourism. Mayor Lowe said she should bring that point up to the county. He reiterated the visitor's center would have brochures for various areas in Monroe County.

Mr. Buddy Perry stated \$1.50 to a lot of people is a lot of money. Mayor Lowe reiterated he did not believe \$1.50 would cause someone to drive to another town. Commissioner Moser noted this tax was an avenue brought to us and we were gathering information, meeting with the hotel owners. He said none of us were saying a dollar didn't matter to families, but said this tax is an industry-wide option to invest in Sweetwater. He thanked people for their input and noted we still want to talk to the county commission. Mr. Perry said he thought internet-based advertising would be more effective.

Commissioner West advised he thought another good recommendation from the county study and from the meeting with the hotel owners was to create a tourism advisory committee.

Mr. Neil Mistry noted he had owned hotels for 17 years and that tourists to Sweetwater were budget-minded. He said if this increase causes the loss of one or two rooms per day, there would be losses of \$255,000 city-wide. He said we need another way and he did appreciate the board's extension on time so the hotel owners can approach the county board.

Ms. Sonya Roy asked if Air Bed & Breakfasts were also included in this ordinance, to which Mayor Lowe said they were.

Mr. Dennis Holt stated he traveled a lot and he would choose a place like Athens over a place like Sweetwater because there are more restaurants there. He considered Sweetwater a "9 o'clock" exit, meaning he didn't think people choose to come here, but just find somewhere close to the interstate late at night.

Ms. Lisa Upton stood again and said she felt the money the city needed for the projects we mentioned would be available if the budget was re-appropriated, saying the board should re-appropriate money in next year's budget.

Mayor Lowe mentioned the city has spent a significant amount of money to add high mast lighting at the interstate exit which was beneficial to the hotels, averaging \$40,000 a year. He said he was proud of Sweetwater and proud to be a resident here.

Kevin, owner of the Rodeway Inn asked if we would close the depot visitor's center if we opened a center at the interstate and asked if the county contributed to the depot center. Mayor Lowe advised there were no plans to close the depot visitor's center and the county contributed \$10,000 each year to the visitor's center staffing costs. Kevin said this tax would affect their budget-minded customers.

Mr. Neil Mistry stood again and said that 17 years ago we got overflow business from UT games and Bristol races, but with so many hotels along the interstate now that does not happen. He noted that the hotels do help bring tourism to the area and that he contributes 9% to marketing through his franchise. He noted that providing good service to the guests is also a way the hotels contribute to tourism efforts.

Ms. Sandi Kile stated there used to be a visitor's center in the white house on I-75 and Mr. Robert Cansler noted there used to be a visitor's center behind where the liquor store is located.

Ms. Cornelia Dobbins noted she thought the parks and recreation facilities in Sweetwater would have to be upgraded to host tournaments.

Mayor Lowe closed the public hearing and noted a second public hearing for both of these ordinances would be held in the November meeting.

In Old Business, Commissioner Moser moved to table Ordinance No. 968 to amend sections of the code pertaining to signage to the November 5, 2018 meeting. Commissioner Hughes seconded the motion. All voted in favor, with none opposed. The item was tabled.

Commissioner West moved to table Ordinance No. 969 to levy a privilege tax upon lodging to the November 5, 2018 meeting. Commissioner Moser seconded the motion. All voted in favor, with none opposed. The item was tabled.

In New Business, Commissioner Lee requested permission to restrict the proceeds from the sale of the fire vehicles as scrap and on Gov Deals to the fire department. He proposed using the money to repair the antique fire truck. Commissioner West commented that he felt if departments started restricting sale proceeds to their own department it would create a problem. Commissioner Lee withdrew his motion.

B.J. Kile spoke out saying she wanted to speak for New Business and stated she wanted to know the process for appearing on the workshop or special called meeting agenda. Mayor Lowe told her there was a form to be completed and a policy to appear before the affected department head, the Mayor or Commissioner, and then the board. She insisted that was not fair and she should not have to speak with the department head to speak against them to the board. Commissioner Moser interjected that the purpose of the policy is to attempt to resolve the grievance with the affected department head prior to it coming the full board.

City Attorney John Cleveland interjected as parliamentarian a point of order that this business was not on the agenda and the meeting should be adjourned.

Mayor Lowe adjourned the meeting at 5:59 p.m.

This the 1st day of October, 2018.

MAYOR

ATTEST:

RECORDER