

Committee members in attendance:

Akshay Hira
Michael Bellamy
Jeanie Stow
Wendy Robinson
Angela Sanders
Julie Blaylock
Alderman, Ron Pinchok
Lincoln Murr
Sue Stuhl
Karen Tindal

- Michael Bellamy called the meeting to order at 8:15 a.m.
- Approval of last meetings minutes
 - Michael - motion
 - Alderman Pinchok – first
 - Jeanie Stow – second
 - Passed
- Tourism Coordinator report presented by Karen Tindal
 - Emailed out prior to the meeting to committee members
 - CHIA certification at STAR
 - Scored 96%
 - Gained a more comprehensive understanding of hotel analytics
 - Learned how to connect with the area hotel industry
 - Striving for more TV appearances
 - Working relationship with local TV for promotion of Farragut events and happenings
 - Arranged live broadcast with Todd Howell (WBIR) for Dog Daze III
 - Working with the media assistant
 - Strong focus on Business Spotlights premiering every Tuesday
 - Angela Sanders thought this had brought in new customers to Jet's Pizza
 - Overall good response on social media
 - Attended the Greater Knoxville Hospitality Lunch
 - They discussed an economic impact report that had been conducted for the state of Tennessee
 - Tourism is the second largest industry in the state
 - All 95 counties saw growth in tourism
 - Hotel tax was brought up
 - See a need especially with small, rural towns to help fund their tourism program
 - Visit Farragut website and social media
 - Working on increasing social media followers and driving them to the website
 - Continually growing and seeing larger reach on social media
 - Conducting paid advertising campaigns
 - Promotional video for the University of Tennessee football games and Farragut shuttle service
 - Will be hosting events at the Clarion Inn and Hampton Inn during football season; volunteers are needed for this event
 - Striving to make visitors want to come here to experience UT sports
- Hotel/Motel Tax Memorandum and Discussion
 - Michael introduced by stating that the General Assembly requires money to go into tourism
 - This clearly defined plan is why he supports it now
 - After this ruling, it is difficult to see how it couldn't help the hotels

- o Opened for committee discussion to create the memorandum for the Hotel/Motel tax
 - Michael moved TVAC to approve
 - Angela – second
- o Committee Discussion
 - Alderman Pinchok's comments:
 - Kim Bumpas visited and discussed points on this tax
 - o Visit Knoxville has a \$4.2 million budget and most comes from the tax
 - The hotels saw an 11-13% increase after this money was added to the tourism budget
 - Attended the November 2017 Charlotte Convention
 - o Mike Butts from Visit Charlotte presented
 - They contracted Longwood International to conduct a study and this study showed that for every \$1 there was a \$115 return on investment from the tax
 - Money to be made in using this as a funding outlet
 - Continually studied, researched and discussed at these conferences that it is necessary to have to go after visitors
 - o Not just new visitors, but family and friends already coming to visit; targeting current visitors as well
 - This is part of the reason that Outlet Drive was designated as an entertainment corridor
 - He wants to see it go before the Board again for approval; Something they have been looking at for awhile
 - Julia Blaylock's comments:
 - As part of the Chamber, she supports anything that will bring more traffic into the area and help the businesses
 - Difference in percentage didn't matter when she chooses where to stay in her travels
 - Akshay Hira's comments:
 - In favor for the tax, as long as there is a plan, which there seems to be
 - Especially looking forward to it bringing in more tourism to the area
 - Angela's comments:
 - Can't hurt to bring the tax in because it is working to increase tourism to the area
 - Wendy Robinson's comments:
 - Part of why they are on the committee is to bring in more tourism, and this tax would help with that
 - Jeanie's comments:
 - In favor for it, especially from the perspective of helping to bring in entertainment for when her family and friends come to visit
 - Lincoln Murr's comments:
 - In favor of the tax; agrees with prior comments made
- o Floor Comments
 - Vice-Mayor Louise Povlin comments:
 - Agreed with Ron, this is something the Board has been at for awhile
 - Believes more education is needed after she attended Governor's Conference last week
 - o A workshop would be beneficial
 - o Tax percentage does matter, especially with group rates
 - Concerned with Top Golf and not knowing what that will bring in tourism wise
 - Wants the hotels to be able to compete with group rates in the area
 - o Hopes the committee is thoughtful in their decision when selecting a percentage
 - Alderman Pinchok questions for her:

- o What happens when there is more money needed and the likelihood of it being able to increase?
 - o Vice-Mayor Povlin: vote for what she thinks is needed as the current board; just like they have taken on projects, like McFee Park, from prior boards, they will pass this tax onto the next board to adjust as they see fit
 - She wants ensure a specific targeted goal with this tax
 - o Demonstrate integrity with the hotels
 - o Target unique stores and experiences because that is what residents and tourist want
 - Steve Krempasky, Shop Farragut
 - Has witnessed throughout his career how the tax helps tourism industry
 - Something to consider is organizations already doing this work and how they fit in, like Dogwood Arts, Shop Farragut, the Chamber
 - Backs up Vice-Mayor Povlin about caution with the percentage
 - Seeing how it works when Top Golf comes in
 - o Roll-call vote called by Karen in favor of Hotel/Motel tax
 - All voted yes
- Sue Stuhl wanted Karen to go over information in the packets in light of the discussion prior to the percentage being discussed
- Discussion prior to tax percentage motion
 - o Michael stated that Design Sensory had recommended a 4% tax
 - This is based on the need for the tourism program to grow
 - He did share the concern of not taking corporate businesses away and still competing with close areas, like Cedar Bluff
 - o Angela
 - Traveled a lot when her kids played sports and never paid attention to the hotel tax; focused on the amenities of the area and safety, not how much more the taxes were
 - o Akshay
 - Asked where the visitors center discussed by Karen would be going
 - Sue answered: It is undecided; the Campbell Station Inn has been discussed
 - Alderman Pinchok added: discussed refurbishing the Inn for the Farragut Museum to move there and build additional buildings on the property that could be used as a visitors center
- Michael motioned to recommend a 3% Hotel/Motel Tax to the Board of Mayor and Alderman
 - o Angela – second
- Discussion opened after motion for the tax percentage
 - o Akshay's comments:
 - Good budget, but would like more data behind it
 - More comfortable with a 1.5-2% tax
 - Knowledge of what else draws visitors to the area and a more detailed plan
 - o Julia's comments:
 - Agrees with tax
 - Thinks Karen has done a great job with a very small budget and short period of time
 - More you have the more you can do
 - Would like to see more data involving group rates like Children's Defense Fund
 - Akshay did comment that CDF is tax free
 - Julia wanted more data and case studies on groups
 - Would like to stay competitive with Knoxville and would prefer a 2% tax
 - o Jeanie's comments:
 - Felt that going for 3% right out of the gate would be too strong; more comfortable with 2%
 - Felt 2% would be more reasonable

- Does want to ensure entertainment comes in and diverse entertainment like a music venue
 - Wendy's comments:
 - Agrees with the percentage; more comfortable with this to ensure future funding
 - Feels that access funds will help when it is time for wayfinding and visitor's center
 - Thinks the visitors center, especially to make it interactive, will have a large technology cost
 - Angie's comments:
 - Agrees with 3%
 - Doesn't feel anyone would notice the tax because it is something people are just used to having to pay when booking hotel rooms
 - Alderman Pinchok's comments:
 - Board needs 4/5 majority vote for it to pass
 - Believes it is better to go higher and reduce it later than vice versa
- Floor discussion on the percentage motion:
 - Steve, Shop Farragut, comments:
 - Need to think about up front cost that will eat up budget quickly, like wayfinding
 - Time sensitive issues that will be expensive in the initial tourism budget
 - Need the pool of money to help with growing expenses
 - Vice-Mayor Povlin's comments:
 - Wants committee to understand this is a marketing fund; not revenue
 - You set marketing funds based on budget
 - Wayfinding will come much later on; there will have to be case studies done before it is even started
 - Nothing planned for Campbell Station Inn for the next five years
 - Doesn't want the tax rate based on surround; wants it based on budget
 - Thinks 2% is a great place to start.
 - Michael added that he did base the 3% on Design Sensory's recommendation and budget
 - Mayor Ron Williams's comments:
 - Wants tourism to support itself
 - Set budget based on its operating expense
 - The point of having reserves to do the upcoming large expenses is important so the tourism doesn't have to keep coming around to the Town for large projects
 - Visitors center makes sense
 - It is important for each town to have one
 - Something he always uses when he is traveling
 - Vice-Mayor Povlin's response to Mayor Williams comments
 - Agree with Mayor that reserves are good
 - Wants it to be a targeted focus with a specific purpose and budget
- Michael made the motion for 3% to vote on it
 - Roll call vote for the 3% tax
 - Yes: Michael Bellamy, Wendy Robinson, Angela Sanders and Alderman Ron Pinchok
 - No: Akshay Hira, Jeanine Stow and Julie Blaylock
- Undetermined when it will go to the Board
- Karen asked for volunteers to email her if they were available to work one of the football events
 - First event: October 4 or 5
 - Second event: November 1 or 2
- Next meeting (Tuesday, November 19) they will vote on new vice chair
 - Christine stepped down due to time conflict with her job
- Michael moved to adjourn the meeting
 - Angela seconded

