

Minutes: City Council Special Meeting
January 25, 2018
3:00 PM

The Elkton City Council met in special session on Thursday, January 25, 2018 at 3:00 PM with Mayor Jackie Boyd Weathers presiding.

City Council members present: Michael Case; Doug Gibson; David Haley; Frank McReynolds; and, David Powell. Absent: Danny Laster.

Others present: Jeffrey Traughber, City Attorney; Laura Brock, City Clerk/Treasurer; Ben VanHooser, City Administrator, City of Greenville; Jamie Wells, Chair, Greenville Tourism Commission; and multiple citizens, restaurant and business owners.

Mayor Weathers called the meeting to order at 3:00 pm and informed everyone this was a special meeting, therefore only agenda items could be discussed. She thanked everyone in attendance and stated there would be time for public comments during and after the Greenville presentation.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Invocation
4. West Main Street Sidewalk Project Bids
5. City of Greenville Tourism Commission Presentation
6. First Reading Ordinance Establishing Tourist and Convention Commission, Transient Room Tax and Restaurant Tax
7. Adjournment

Mayor Weathers led the Pledge of Allegiance and Mr. Haley gave invocation.

Clerk Brock reported that bids were received for the West Main Street Sidewalk project last week. McGhee Engineering tabulated the six bids received and recommended the city award the construction contract to Knight Construction and Excavating, Inc. as the lowest bidder in the amount of \$92,102.28. Mr. Gibson motioned to approve the recommendation and award the contract to Knight Construction and Excavating, Inc., seconded by Mr. McReynolds, and carried unanimously. Mr. McReynolds asked if there was a set of construction plans available in City Hall. Clerk Brock stated she would get a set of plans.

Mayor Weathers introduced Ben VanHooser, City Administrator, City of Greenville. Mr. VanHooser thanked the Mayor for the invitation to attend the meeting to share their experience in Greenville in creating a tourism commission and establishing a restaurant tax. After a brief presentation regarding the history of the tourism commission and the establishment of the restaurant tax when he began working for the city in 2006, he introduced Jaime Wells, Chair of the Greenville Tourism Commission, to continue the presentation. Ms. Wells reported the city collects the restaurant tax money and then turns the money over to the commission, who then determines how the money is spent. Greenville has about 17 restaurants, one hotel and one bed and breakfast with no theme parks, and no real big tourism draw. They have a 3% restaurant tax and 1% hotel tax. The first year the revenue generated by the taxes was about \$263,000. The last full year, about \$357,000 was generated. Ms. Wells showed pictures of the projects that have been completed through tourism including helping restore store fronts downtown, awning and sign grants the commission gives to business, downtown concerts that are free to the public, hot air balloon festivals, arts and crafts festivals, advertising, assisting other nonprofits with events and advertising, and much more. Mayor Weathers

reported everyone has at their seat a list of opportunities and ideas on how the restaurant tax revenue could be used in Elkton. She stated these are only ideas and that a tourism commission, which would be made up of representatives of Elkton businesses, restaurants and citizens, would determine how the money is spent. There were many questions amongst the restaurant owners in attendance if the restaurant tax closed any business or if they lost business due to having to pay the extra tax. Ms. Wells and Mr. VanHooser said they were not aware of any businesses closing due to the tax and reiterated that the tax is passed along to the customers to pay and then the restaurants just collect the tax and remit it to the city, similar to how the state sales tax is collected. Glenn Slack, who served as Chair for the Guthrie Tourism Commission, gave a report on the Pennyrile ADD Region and showed that Elkton, Princeton and Smithland are the only county seats in the region without a restaurant tax (Hopkinsville is not allowed by law to have a restaurant tax due to their large population.) He also stated that Guthrie has had the restaurant tax for five years and none of the restaurants have closed. Many of the restaurant owners expressed concern they would lose customers over the higher tax. After the public discussion, Mayor Weathers thanked Ms. Wells and Mr. VanHooser. Ms. Wells stated that she was thankful to share Greenville's story, and that Elkton would write its own.

After the public discussion, Michael Case motioned to table Item 6 on the agenda, seconded by Powell. Voting in favor were Powell, Case and Gibson. Voting opposed were Haley and McReynolds. Motion carried.

Mr. Haley motioned to adjourn, seconded by Mr. Powell and carried unanimously. Meeting adjourned at about 4:55 pm.

Jackie Boyd Weathers, Mayor

Laura M. Brock, City Clerk/Treasurer