

Town of Maggie Valley
Special Called Board of Aldermen Meeting
November 6, 2009
MINUTES

Members Present: Mayor Roger McElroy, Aldermen: Saralyn Price, Colin Edwards, Phil Aldridge, and Mark DeMeola
Staff Present: Manager Tim Barth, Police Chief Scott Sutton, Alcohol Enforcement Officer Doyce Stevens, Planning Director Nathan Clark, and Town Clerk Vickie Best
Others Present: Six people

Special Meeting Called to Order

Mayor McElroy called the meeting to order at 1:00 p.m. on Friday November 6, 2009 in the Town Hall Boardroom.

The purpose of the Special Called meeting is to discuss Cyber Sweepstakes.

Discussion on Cyber Sweepstakes

The Town has been approached for a business license for a gift shop that has four terminals for Cyber Sweepstakes. The name of the store will be This and That Gift Shop.

Brian Fowler addressed the board stating that he and his family were not trying to cause trouble but cyber sweepstakes is legal in North Carolina and the gaming is an accessory to the gift shop. When the owners approached the town for a business license they were denied until after this special called meeting.

Staff explained that there was not a category in place to address cyber sweepstakes. Mayor McElroy concurred, adding that this concept is new to the area and research must be completed and an ordinance adopted to handle these types of businesses.

Planning Director Clark addressed Council explaining that he was called to go investigate as part of code enforcement. Realizing what the events are in North Carolina, Mr. Clark asked that Officer Stevens assist with the research and talk with the owners of the newly established business. Placing 90-day moratoriums has become the state-wide trend. After a moratorium, the City of Hendersonville enacted an ordinance creating a new category of business to be included in said fee schedule. The fee schedule was amended for Internet Access Providers: \$2,600 for any for-profit business having a substantial part of its operation the running of one or more games or processes as described. Hendersonville's ordinance is also retroactive. The North Carolina School of Government continues to release new information about the cyber sweepstakes. There is a difference between video poker and cyber sweepstakes. Unbeknown to staff, the Peak and Shell stations have cyber sweepstakes. A judge in Guilford County placed an

Town of Maggie Valley
Special Called Board of Aldermen Meeting
November 6, 2009
MINUTES

injunction against the State Department of Alcohol Law Enforcement, therefore their hands are tied.

Director Clark recommended a 90-day moratorium be placed on cyber sweepstakes to prevent the town from being jam-packed with terminals. Mr. Clark is working with different planners from across the state on this subject. Cyber sweepstakes are a hot issue in Wake County.

Director Clark recommended that the moratorium not affect the opening of This and That Gift Shop due to vested rights as well as the terminals being an accessory to the gift shop.

Officer Stevens was prepared to answer any questions Council may have.

Council agreed that the moratorium should not prohibit the gift shop from opening, but when the ordinance is adopted there is a strong possibility that the fees will be retroactive.

Alderman Aldridge also had concerns about the effect gaming in Maggie Valley would have on Cherokee. Maggie Valley and Cherokee have always had a good relationship and no one would want to see that tarnished.

Director Clark was confident that he could have something to the planning board for review by December and then have an ordinance ready for a public hearing by January or February 2010.

ALDERMAN DEMEOLA MADE A MOTION THAT THE BOARD OF ALDERMEN ADOPT A 90-DAY MORATORIUM ON THE ELECTRONIC GAMING OPERATION (CYBER SWEEPSTAKES) UNTIL AN ORDINANCE IS PASSED THAT APPROPRIATELY ADDRESSES THE GAMING AND THAT THE MORATORIUM BECOMES EFFECTIVE TODAY NOVEMBER 6, 2009. MOTION CARRIED UNANIMOUSLY.

Currently the only business license fee we have is \$5 each for video games.

As for building inspections, because it is a dry goods store without food and drink, a handicap ramp must provide access to the building but handicap restrooms are not a requirement.

As for signage, the sign must conform to the sign ordinance and cyber sweepstakes can be included but not as the primary use on the sign.

3
Town of Maggie Valley
Special Called Board of Aldermen Meeting
November 6, 2009
MINUTES

Meeting Adjourned

**ALDERMAN EDWARDS MADE A MOTION TO ADJOURN AT 1:33 P.M.
MOTION CARRIED UNANIMOUSLY.**

Mayor Roger McElroy

Vickie Best, CMC, Town Clerk