

Town of Maggie Valley  
Special Called Board of Aldermen Meeting  
August 8, 2011  
MINUTES

Members Present: Mayor Roger McElroy, Aldermen: Saralyn Price, Phil Aldridge, and Danya Vanhook  
Members Absent: Alderman Scott Pauley  
Staff Present: Manager Tim Barth, Public Works Director Mike Mehaffey, Chief Scott Sutton, Festival Director Audrey Hager, and Town Clerk Vickie Best  
Others Present: approximately 15 people

**Meeting Called to Order**

Mayor McElroy called the meeting to order at 5:30 p.m. explaining the purpose of the meeting is to gather public comment regarding the Town giving the Festival Grounds to promoters for free.

Alderman Aldridge distributed a handout to Council and several audience members. The handout proposed the following:

**Town of Maggie Valley Pays:**

*Give Grounds for Free  
Electric  
Beer Negotiable*

**Promoter Pays**

*Police if needed  
Insurance  
Advertising  
2 Day Festival Minimum  
\$1,000 Damage Deposit/Clean Up, Etc  
Minimum of 1000 people*

**Past Promoters sign up on Calendar first, and then new promoters sign up their dates. After 1<sup>st</sup> year they will all come back for review to see if the town needs to make any changes.**

**Benefits**

*Stop Losing Money*

*Motels will have Heads in Beds  
Merchants will have business  
Restaurants & Bars have Business*

**THE GOAL IS TO MAKE THE TOWN COME ALIVE AGAIN!**

***If you continue to lose money on festivals, it seems like you will have to raise taxes on all city residents and no one wants that!***

Alderman Aldridge explained that the Festival Grounds rental fee brought in approximately \$14,000 last year. The key is to put heads in beds. Criteria must be set. Alderman Aldridge suggested trying the concept for two years. The Town has tried numerous other options. Alderman Aldridge felt the Town could not lose. The ABC Stores make more which in-turn helps the Town with taxes and by putting heads in beds the 1% TDA funding increases.

The event must bring a minimum of 1000 people to the valley, if the grounds are given for free.

Mayor McElroy opened the floor for public comment.

**Mary Harden:** questioned if the town has records showing how many additional motel nights' events bring in to Maggie Valley. "The 4<sup>th</sup> of July Celebration was wonderful, but how many people in the valley were locals and how many were visitors."

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Alderman Aldridge explained that the Haywood County TDA tracks the nights through the amount of occupancy tax paid in the 28751 zip code. If advertised on the internet to promoters, people will be more willing to bring events to Maggie Valley. Craft Shows and Motorcycle Rallies bring people to the valley but the vacant weekends need to be filled. Alderman Aldridge went on to say that you can get a feel for how full the valley is by driving down Soco Road at night.

Mayor McElroy felt a head count for each event should be provided. The 4<sup>th</sup> of July and the Trout Festival are community events. In most towns funding these types of events would fall under Parks and Recreation.

Alderman Price agreed with the 4<sup>th</sup> of July being a community event but had reservations about the Trout Festival. Instead of the Trout Festival, Alderman Price felt money should be set aside to clean both sides of Jonathan Creek. "People love the creek."

Director Hager stated that now that tickets are being sold on Etix (via internet), visitors coming from outside the driving area can be easier tracked, but multiple day events are needed.

**Dan Massey:** addressed Council stating that people are upset about the Town losing so much money over the 4<sup>th</sup> of July event. If the Town had not taken the event over, it would not have happened. Next year the event will draw more people. Mr. Massey was in favor of giving away the festival grounds to promoters for free on a trial run basis. Mr. Massey also stressed the need for the town to help with tourism because there is no one else. "Municipalities never make money on these community expenditures, maybe we can break even or get close to breaking even."

**Charlie Meadows:** owner of The Sweet Briar Motel addressed Council saying that this year his motel was full all four nights. Mr. Meadows commended Director Hager for her advertising campaign and felt the 4th of July event would only grow each year. "The 1% occupancy tax increased for Maggie Valley due to the multiday event. The town needs to begin taxing restaurants. It is unfair that motel/hotels are the only business required to pay additional taxes. As for cleaning Jonathan Creek, as Alderman Price suggested, is a wonderful idea. People go to Cherokee all the time to fish and enjoy the mountain streams." Mr. Meadows also felt that people should help their town by volunteering. Mr. Meadows volunteered all four days at the 4<sup>th</sup> of July event. "Several motels surrounding the festival grounds received overnight stays due to the Popcorn Sutton Jam. The Town should bring the Festival Board back into action so that they can approve events and the Board of Aldermen need only be used as an appeal board. The Festival Board is needed to assist the Festival Director." Mr. Meadows ended his comments, again saying everyone should volunteer and should ask themselves "What can I do for my Town".

**Danny Mitchell:** owner of Laurel Park Inn stated that tax dollars helped to pay for the Festival Grounds. "Chris Anthony and Marion Hamel took a gamble and are still here. By giving the Festival Grounds away rent free, maybe the promoters could lower the gate price thereby allowing more families to come to the events." Mr. Mitchell encouraged Council to move forward with giving the grounds to promoters and putting heads in beds.

**Chris Anthony:** promoter of Thunder in the Smokies Motorcycle Rally addressed Council stating that he has had 17 shows on the festival grounds. He does the rallies because of his love for motorcycles, not

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for the money. Mr. Anthony stated that he has had difficulties using the grounds. "At one time vendors were not allowed to stay with their products overnight. Thunder in the Smokies lost some big vendors that are not coming back." The vendor fees are needed to put on a quality show, as well as having a larger selection of items to sale. "Businesses do not sponsor the rallies like they once did. Obtaining TDA funding is very difficult due to the mandatory meeting. This year it was impossible for me to drive seven hours to attend a two hour meeting. Without moral support the rallies cannot continue."

Mr. Anthony displayed a recent copy of The Carolinas Full Throttle motorcycle magazine which had Thunder in the Smokies Rally as the front cover. "The magazine cover advertisement cost \$4,000. Without adequate advertising the rallies would not draw the people they draw to Maggie Valley. Shows all over the country are collapsing. The staging and sound companies are collapsing." Mr. Anthony went on to say he could rent grounds anywhere in the southeast for \$1. "Every dollar spent toward advertising benefits the promoter and the town."

Alderman Vanhook questioned Mr. Anthony about being told that the town offers free advertising on the festival ground's website. Mr. Anthony responded that his partner does the marketing side of the rally.

Director Hager explained that she is still working on developing a site similar to the Orange Peel (music venue in Asheville) format.

Mr. Anthony explained that he would appreciate any help he could get. Mr. Anthony is working hard on Facebook and spends every dime possible on advertising. Mr. Anthony went on to say when it rains during the rally; people leave the grounds but go to the motels, shops, and restaurants. Again this is why he needs sponsorship from the businesses in Maggie Valley. Another example, in some locations you can get Corporate Ford as a sponsor, but here the dealerships realize people will look at the vehicles on the grounds, but then return to their hometown to make a purchase. "This show will make it or break it because of the economy."

When questioned by Alderman Vanhook about leaving money that was awarded through TDA on the table, Mr. Anthony responded that it was his own stubbornness and disappointment that caused him to walk away from the funding. Mr. Anthony was awarded half of what he requested while a similar rally was awarded the full amount requested.

Arrangements have been made through the Haywood County TDA to allow Director Collins to do a one on one session with promoters that are not local.

Mayor McElroy responded that the MVTDA was trying to give everyone a little money. The request for funding was much more than the money allotted. Mr. Anthony informed Council that if asked, he is willing to share his books (financials) with anyone.

Alderman Vanhook agreed that criteria should be developed such as if the grounds are given away rent free and the event is successful maybe the town could get a small percentage of the gate.

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**Marion Hamel:** promoter for Vetts in the Valley has done nine shows over the past seven years. Ms. Hamel is seeing the same problems as other promoters. Sponsorship has dried up due to the economy. Many vendors felt they did poorly at the last event and are not going to return.

As for previous comments, Ms. Hamel provided the following responses. The TDA maximum amount given to any one event is \$3,000. Vetts in the Valley has never received more than half the requested amount of funding. Again, the HCTDA Director will provide private training for promoters unable to attend the mandatory meeting. Also, the Chamber advertises all events and the Moonlight Race is not a Town event.

Ms. Hamel went on to say she is not against the proposal, but it must be applied fairly to all promoters.

**James Harden:** encouraged Council to consider what kind of standards are going to be put into place because "Free can draw a rowdy bunch". Mr. Harden asked if a budget for the festival grounds has been established.

It was difficult for Mr. Harden to understand how the town could have lost money unless it was how the money was handled. When he took his family to the event, the grounds could not have held anymore people. "Are the police being paid time and half when they should be working straight time?"

The night of the fireworks drew the largest numbers. One day it rained making attendance low. Director Hager explained that this is the first multiple-day event the town has done. If there had been three full days of attendance the town would have broken even.

Mr. Harden encouraged Council to have a website that gives the number of hits; this would help determine the interest. "Be more transparent on how the money is spent, because everyone talks." Council should avoid promoters saying "you are helping him more than me".

Mayor McElroy explained that the Town has no authority on the TDA funding. Requests are submitted, and funding is allocated per State regulations.

**Charlie Meadows:** responded to Mr. Harden saying that Director Hager was in control of the money and four or five accounting methods were used to ensure accuracy. Again Mr. Meadows encouraged people to volunteer. "If you sit back and do not get involved you don't have the right to criticize." Mr. Meadows went on to say that he has always been a supporter of the Chris Anthony rally. "Thunder in the Smokies starts the season." As for past Council members, it appeared to him that they sat back and let Cherokee and Gatlinburg grow in around Maggie Valley. Mr. Meadows asked that Council move forward with the proposal and give it a chance. "If not for craft shows and motorcycle rallies the town would dry up. First time events always lose money; but the more you advertise the more people you draw."

**June Johnson:** resident of Ketner Cove Road explained that she volunteers and helps her town by painting the town owned signs, planting flowers, and serving on the Haywood County and the Maggie Valley Planning Boards. Ms. Johnson commended Mr. Meadows for his desire and his encouragement to get people to volunteer and get involved. "Everyone has a stake in Maggie Valley surviving. Everyone

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has got to work together. Maggie Valley must think more regional and partner with the surrounding areas as well as the different associations within the town.”

Alderman Price agreed, adding that next year the antique car show will be back on Jonathan Creek during the 4<sup>th</sup> of July bringing even more people to the valley.

(The antique car show is not the same car show that previously held shows on Jonathan Creek. This antique car show is promoted by Charlie Cobble.)

**Rose Beck:** promoter of two Maggie Valley craft shows and owner of Poppy’s Little Knife Shop addressed Council stating that when events are held on the festival grounds the knife shop does better. “Events help more than just the motels. The craft shows bring 100 plus vendors and between 3,000 and 5,000 visitors.” Ms. Beck did not receive funding from MVTDA1% and a similar event was funded. Ms. Beck stated that she would have been happy if any amount of funding was awarded, “even if it was \$50”. Ms. Beck has always paid the full price for the grounds. The Town is currently holding \$4,000 of her money for the two craft shows. Ms. Beck informed Council that the Chamber will not advertise her craft shows unless she is a member and purchases a banner. Ms. Beck felt that Director Hager does a good job and she is happy having her craft shows on the Festival Grounds. “Like other promoters it would be nice to make a profit.” Although Ms. Beck’s advertising budget has decreased, there will be eight spots on TV Labor Day Weekend.

**Dan Massey:** spoke again asking what happened to the 1% sales tax that was discussed several years ago that would bring in an additional \$300,000. “Restaurants and shops are riding for free. We need things for kids to do in Maggie Valley and money to encourage those things.”

Alderman Vanhook responded that recently she and Mayor McElroy along with staff members lobbied our state people. “The newly elected officials are against all taxes. Some of the newly elected officials would not even invite Democrats into their office. The leaders in Raleigh would not listen to Alderman Vanhook and Mayor McElroy about food and beverage taxes.

Alderman Aldridge encouraged Council to take action on removing the Festival Grounds rental fees now. The festival business will help our business community, which in turn helps the residents.

The remaining Council members felt there should be some guidelines in place before moving forward with taking action.

**ALDERMAN PRICE MADE A MOTION TO CONTINUE THIS MEETING UNTIL WEDNESDAY AUGUST 10 AT  
1:30 P.M.  
MOTION CARRIED UNANIMOUSLY.**

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Mayor Roger McElroy

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Vickie Best, CMC, Town Clerk

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