

Subject: Spending on Tourism  
September 26, 2022

As the mayor I continually meet with community groups, both here in Highlands and also in the Western Carolina region. These meetings constantly reminded me of our shared concerns.

Last week the Highlands Town Board of Commissioners met with the Highlands Chamber of Commerce Board of Directors. It was a productive meeting where ideas and concerns were exchanged, as well as lines of communication reaffirmed. A major topic was discussing what the chamber and visitors center can fund with the room occupancy tax that they receive. There is an array of special local legislation that governs how these tax funds can be spent throughout a varying state system of tourist development authorities. Macon County has a TDA that oversees this process in Highlands, as well as in Franklin and Nantahala. The common core of all of the enabling legislation is that the tax revenue is to be spent on tourism promotion. So, when Commissioner Patterson brought up the idea of these tax funds being used to clean the downtown bathrooms, chamber members had reservations as to whether that would meet the legislative criteria of promoting tourism. The counter argument is that such expenditures directly support tourism, by providing clean and necessary services.

Last week, at the joint meeting of the Macon County Board of Commissioners and the boards from Franklin and Highlands, a similar concern was raised by Franklin Councilman David Culpepper. He asked why room tax funds could not be used for infrastructure projects that support tourism? David's question not only relates to our situation in Highlands, but similar questions have been raised across the state. It may be time for the legislature to review the issue and revise how room tax funds can be spent. This review might be in order given the influx of tax dollars coming into local Tourist Development Authorities (TDAs) coffers from Short Term Rentals (STRs). With the increase in tourism comes pressures on local governments to expand services throughout their communities.

I attended the Southwestern Regional Planning Commission quarterly meeting on Tuesday. I presided over a session of the Transportation Advisory Committee where an interesting presentation was made by staff members of the Eastern Band of the Cherokee Indians on plans to convert their school bus fleet to electric powered vehicles. Their school system already has one electric bus in service. Several elected officials were very interested in electric vehicles and asked a lot of questions. I sensed that many communities in the region are beginning to address the electric vehicle trend and want as much information as possible. Everyone wants vehicles that have clean

emissions, but those officials at the meeting were seeking answers and solutions on how to implement this major transportation shift.

The Highlands Town Board will be working with the Highlands Chamber on implementing an EV charging program. A provider of an EV charging system will be scheduled to make a presentation at the October board meeting.

Hope to see you at the community coffee tomorrow, this Friday at the Hudson Library. The coffee begins at 11 am. Our legislative delegation will join us.

Mayor Pat

---