



## ADMINISTRATIVE SERVICES

### REGARDING THE HOTEL/MOTEL TAX AND THE CITY OF ATHENS

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The City of Athens is seeking authorization from the Tennessee State Legislature to amend Tennessee Code Annotated (T.C.A.) 67-4-1425 in order to allow the city to levy a tax on the privilege of occupancy of a hotel. This tax is otherwise referred to as the hotel/motel tax or lodging tax. The T.C.A. states:

After May 12, 1988, any private act that authorizes a city or county to levy a tax on the privilege of occupancy of a hotel shall limit the application of such tax as follows:

- **(1)** A city shall only levy such tax on occupancy of hotels located within its municipal boundaries;
- **(2)** A city shall not be authorized to levy such tax on occupancy of hotels if the county in which such city is located has levied such tax prior to the adoption of the tax by the city; and
- **(3)** A county shall only levy such tax on occupancy of hotels located within its boundaries but outside the boundaries of any municipality that has levied a tax on such occupancy prior to the adoption of such tax by the county.

As it is written, the question of authorization becomes “who got to it first?” and has become defunct and crippling to municipalities that recruit, inspect, and provide services such as fire and police protection, but receive no return in the form of lodging tax revenue to cover the costs to provide for those services or that could be used to further enhance these services. Some contextual background to this lodging tax structure:

*The General Assembly mainly used private acts to authorize lodging taxes for individual local governments until 1976 when it granted metropolitan governments authority by statute to levy a 3% lodging tax. There was only one metropolitan government in Tennessee at the time. In 1988, the legislature granted its handful of home-rule cities authority by statute to levy a 5% lodging tax and ended the practice of using private acts to authorize local lodging taxes where another local government already had one. This practice is often called “stacking.” Tennessee’s constitution prohibits private acts for home-rule cities, but the practice of using private acts for other cities and most counties continues to this day. And although private acts cannot be used to authorize overlapping local lodging taxes, the General Assembly has since 1988 authorized them by making exceptions to the general law. The stacking prohibition does not apply to home-rule cities because their lodging tax authority is in general law, not in private acts. (TACIR pg. 6)*

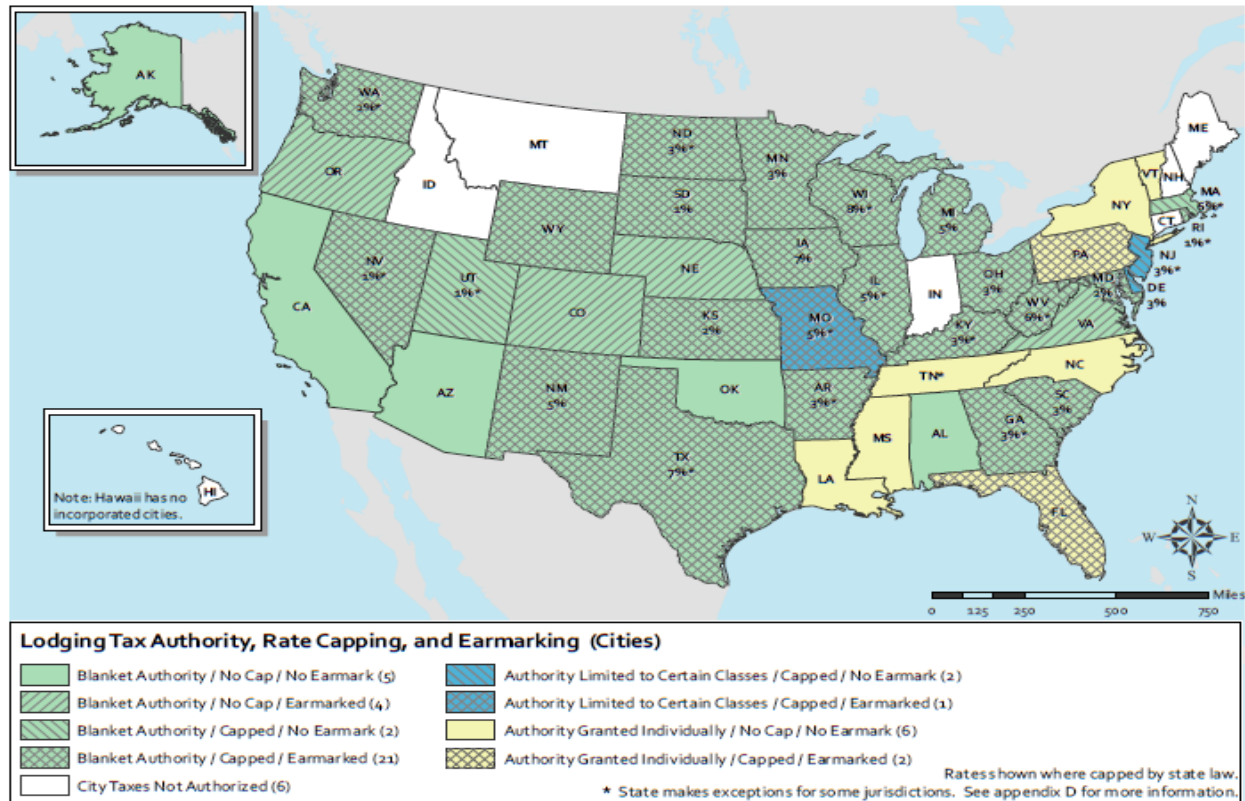
The City of Athens is governed by private act and is thereby limited by this statute given that the county in which the city is located (McMinn County) has already levied a 5% hotel/motel tax. However, when it comes to the process of recruiting, inspecting, and providing services such as police protection and fire service, the burden of funding these services is placed on the citizens of Athens. Within the municipal boundaries of Athens, there are 12 hotel/motels upon which the county, that does not generally provide these services to the local hotel/motels, benefits from

the revenue received from this occupancy tax (valued at over \$540,000.00 in revenue annually) while Athens, the county seat, receives nothing for the occupancy of its visitors that can go to support such uses. For example, the Athens Police Department's 2019 Annual Report states the total number of "Calls for Service" within the city to be about twenty-two (22) thousand. A look further into the number of calls in and around the area of Exit 49 on the Interstate I-75 exchange yields approximately 1000 calls for service in that specific area supporting those businesses, restaurants, and our newest hotel. That's approximately 4.5% of APD's call volume supporting the local tourism and hospitality industry in just one area of our city, not including fire protection service nor maintenance of existing infrastructure such as roads and traffic signals. Athens is not the only municipality in the state that has identified this as a problem. Due to the wording of the statute that limits this levy, municipalities have sought this authority through the assistance of their elected state officials to sponsor and pass general law exceptions to T.C.A. 67-4-1425 based off population brackets. Current as of January 2020, there have been 28 general law exemptions passed in order to authorize cities around the state to levy their own hotel/motel tax and more bills are being introduced for the upcoming session to exempt additional cities. In 2016, with only 14 general law exemptions, there were seventy-six (76) cities authorized to tap into this revenue source, including all 14 home-rule cities. Therefore, the people of Athens has requested, through an unanimously adopted resolution of their governing body, for assistance in passing an exemption that would authorize the city to make use of this revenue source. The additional revenue would be dedicated to tourism, economic development, and infrastructure. It would fund promotions of our community to attract more visitors to frequent our commercial and recreational assets and further help lower the cost on our residents by letting those who use city services assist in paying for those services. It would also lower the costs to our citizens for the upkeep and/or expansion of the infrastructure surrounding these industries for sustainability and growth.

In 2016, the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) published a report on "Structuring Lodging Taxes to Preserve the Economy and Encourage Tourism." The report was a study on the "effect of hotel occupancy taxes on the economy, tourism, and the hospitality industry; [comparison of] Tennessee's hotel occupancy tax structure with other states; and [consideration of] methods to require public input before adopting lodging taxes." The report admits that the lodging tax structure in the state is very complex despite any lack of indication that it negatively affects the state's economy nor the hospitality & tourism industries. Concerns that high lodging taxes would drive away business are unfounded. The report also states that "studies show that lodging customers overall are not very sensitive to lodging taxes." According to numbers from 2013 to 2014, Tennessee's tourism and hospitality industries recorded \$17.7 Billion in tourism travel spending, generating about \$1.5 Billion in tax revenue for the state and local governments. Of that amount, \$2 Billion were attributed to just hotel/motel stays, generating \$154 Million in lodging tax revenue for cities and counties throughout Tennessee. In comparison with other states and their lodging tax structures, "most states that allow local governments to levy local lodging taxes grant blanket authority in general law to all

cities or all counties; close to half grant blanket authority to both. Tennessee is among the minority that do not,” and that is where the City of Athens finds itself today. (Fig. 1)

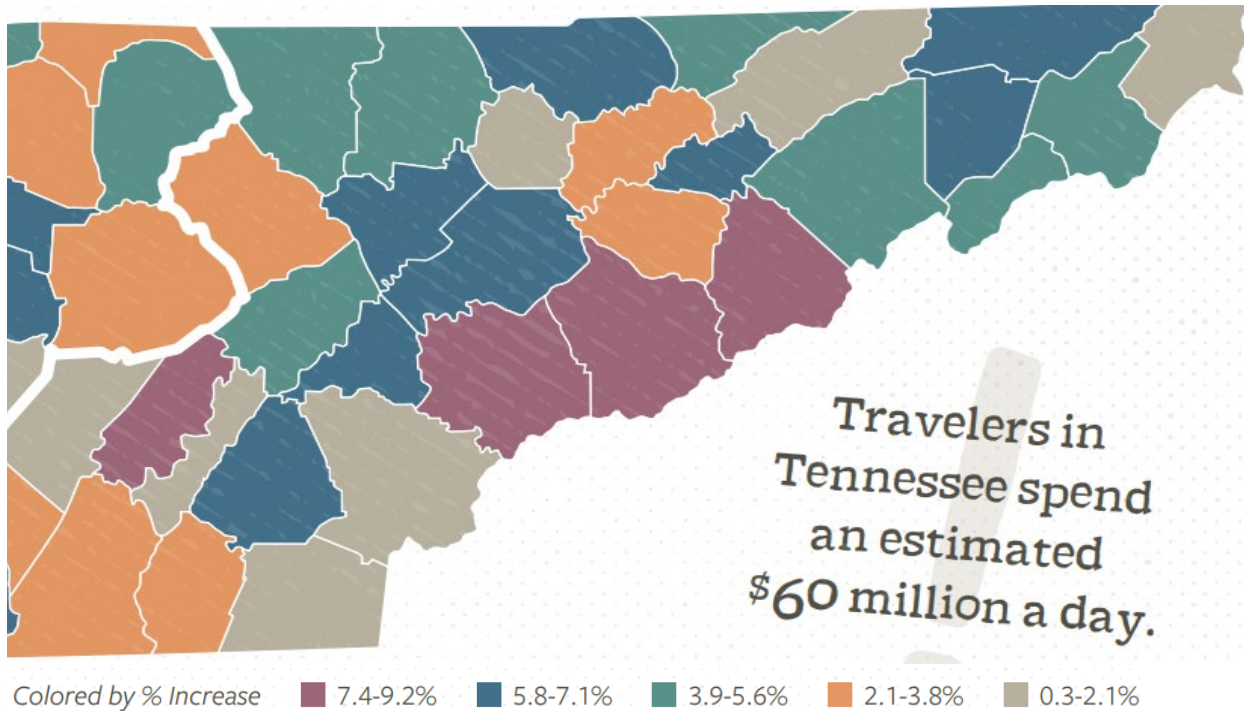
**Figure 1. State Authorization, Capping, and Earmarking of City Lodging Taxes (TACIR pg.5)**



The Tennessee Department of Tourist Development (TDTD) publishes, within its annual fiscal report, metrics spanning the entire year on state tourism and its impact on the economy. Some recent statistics of note for fiscal year 2019:

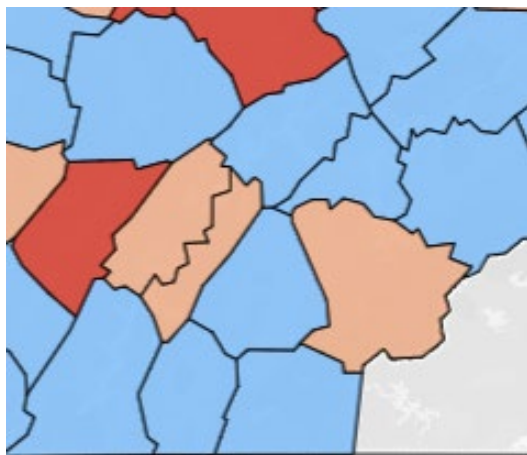
- \$22.02 Billion of Travel Generated Expenditures, a 6% increase from the previous year and higher than the national growth of travel generated expenditures of 4.9%
- \$4.99 Billion of Travel Generated Payroll, a 6.9% increase and higher than the national growth of travel generated payroll of 3.6%
- 189,757 Employment across Tennessee, a 2.9% increase, and higher than the national growth of travel generated employment of 1.3%
- \$1.81 Billion dollars of travel generated state & local tax revenue, a 4.5% increase, and higher than the national growth of 4%.
- International Traveler expenditure growth is seven times (7x) the national average, 5.4% TN compared to 0.8% U.S.
- All 95 Counties saw an increase in Domestic Travel Spending (Fig. 2)

**Figure 2. Domestic Spending Increases by County (TDTD pg. 10)**



Governor Bill Lee has recognized that “tourism is one of the most powerful drivers of our economy, creating jobs and fueling revenues that support everything...” and has increased efforts focusing on plans that would impact Tennessee’s rural communities, especially in at-risk or distressed counties. The governor increased the budget by \$524,000 for the creation of the Office of Rural Tourism with an additional \$1.5 million in amended budget that included startup funding for rural tourism. See **Fig. 3** below depicting the economic status of counties surrounding McMinn County.

**Figure 3. Economic Status of Counties in Southeast Tennessee**



McMinn County is adjacent to two at-risk counties (Monroe & Meigs) and isn’t far from two distressed counties to the north and west. McMinn was considered an at-risk county as recent as 2018. With Interstate I-75 traveling straight through McMinn County, there is potential that as TDTD progresses with their plans to bolster tourism in these counties, many domestic travelers on this main north-south thoroughfare through east Tennessee will come through McMinn County and possibly stay at hotels within the City of Athens’ municipal boundaries.

Therefore, in order to prepare for the potential influx of travel tourism in the southeastern part of the State and be able to tap into increases in this revenue source, Athens and other cities in the region need at least the authority to levy an occupancy tax or risk losing out on potentially hundreds of thousands of dollars in tax revenue attributed to the hotel and tourism industry while having to support the services required by those visitors, increasing the burden on our residents.

Included in the TACIR publication is a compilation of authorized and actual lodging taxes for cities and counties throughout the state as of 2016. The following charts are built using the data therein for comparison.

**Chart 1. Lodging Taxes for Cities Comparable to Athens, TN by Population**

LODGING TAXES FOR CITIES COMPARABLE TO ATHENS, TN BY POPULATION						
			Actual Lodging Tax		Authorized Lodging Tax	
County	City	Population	County	City	County	City
	Springfield	16,957	7%	-	7%	-
	Goodlettsville	16,859	6%	3%	6%	3%
	Sevierville	16,531	3%	3%	3%	5%
	Dyersburg	16,389	-	5%	-	5%
	Dickson	15,583	5%	5%	5%	5%
	Greeneville	14,898	7%	-	7%	-
	Athens	13,857	5%	-	5%	-
	Soddy-Daisy	13,717	4%	-	5%	5%
	Middle Valley	12,252	4%	-	5%	-
	McMinnville	13,688	5%	-	5%	-
	Elizabethton	13,497	5%	-	5%	-
	Portland	12,823	7%	-	7%	-
	Lakeland	12,617	5%	5%	5%	5%
	White House	12,506	5%	-	5%	-
	Lewisburg	12,114	7%	-	7%	-

**Chart 1** shows cities comparable to the population of the City of Athens (highlighted). Each city listed is located within a county that has levied a county occupancy tax except for Dyersburg. Soddy Daisy, according to 2018 population numbers gathered by Tennessee Demographics ([https://www.tennessee-demographics.com/cities by population](https://www.tennessee-demographics.com/cities_by_population)), is closest in population size and is authorized 5% but has not levied it. Of the cities slightly more populated than Athens, Sevierville is governed by home rule, the others have been authorized to levy an occupancy tax along with the county's occupancy tax, all other variables being equal.

**Chart 2. Lodging Tax Rates for Counties Comparable to McMinn County by Population**

<b>Lodging Tax Rates for Counties Comparable to McMinn County by Population</b>						
			Actual Lodging Tax		Authorized Lodging Tax	
County	City	Population	County	City	County	City
Cumberland		59,673	7.50%		7.50%	
Hawkins		56,530	0%		4%	
	Kingsport			7%		7%
	Rogersville			7%		7%
Carter		56,351	5%		5%	
	Jefferson City			7%		7%
Coffee		55,700	-		-	
	Manchester			6%		6%
	Tullahoma			5%		5%
Jefferson		54,012	4%		4%	
Dickson		53,446	5%		5%	
	Dickson			5%		5%
McMinn		53,285	5%		5%	
	Etowah			5%		5%
Roane		53,140	5%		5%	
	Kingston			5%		5%
	Oak Ridge			5%		5%
	Oliver Springs			5%		5%
	Harriman			7%		7%
Loudon		53,054	5%		5%	
	Lenoir City			5%		5%
Gibson		49,045	4%		4%	
Bedford		49,038	-		-	
	Shelbyville			7%		10%
Monroe		46,357	5%		5%	
	Sweetwater			0%		5%
Lawrence		43,734	5%		5%	

**Chart 2** lists counties comparable to McMinn County via population ([https://www.tennessee-demographics.com/counties\\_by\\_population](https://www.tennessee-demographics.com/counties_by_population)) and their lodging taxes. All but two counties have levied an occupancy tax, Coffee and Bedford, but both consist of cities within that have levied an occupancy tax, Manchester and Tullahoma in Coffee County, and Shelbyville in Bedford County. In addition to Sweetwater, Kingsport, Lenoir City, and Oak Ridge are home rule cities. Note that across the list, counties comparable in size to McMinn County have cities within that are authorized to levy a tax as well as the county.

**Chart 3. Lodging Tax Rates for Counties Surrounding TN State Senate District 9**

Lodging Tax Rates for Counties Surrounding TN State Senate District 09 and along the I-75/I-81 Corridor						
			Actual Lodging Tax		Authorized Lodging Tax	
County	City	Population	County	City	County	City
Bradley		106,727	5%		5%	
Hamilton		364,286	4%		4%	
	Chattanooga	180,557		4%		5%
	Collegedale	11,492		4%		5%
	East Ridge	21,024		4%		5%
	Lakesite	1,859				5%
	Lookout Mountain	1,866				5%
	Red Bank	11,765				5%
	Soddy-Daisy	13,717				5%
	Walden	2,142				5%
Rhea		33,044	2%		5%	
Roane		53,140				
	Kingston	5,825		5%		5%
	Oak Ridge	29,109		5%		5%
	Oliver Springs	3,416		5%		5%
	Harriman	6,145		7%		7%
Loudon		53,054	5%		5%	
	Lenoir City	9,305		5%		5%
Blount		131,349	5%		5%	
	Alcoa	10,499		1%		5%
	Louisville	4,129		0%		5%
	Maryville	29,192		1%		5%
	Rockford	847		0%		5%

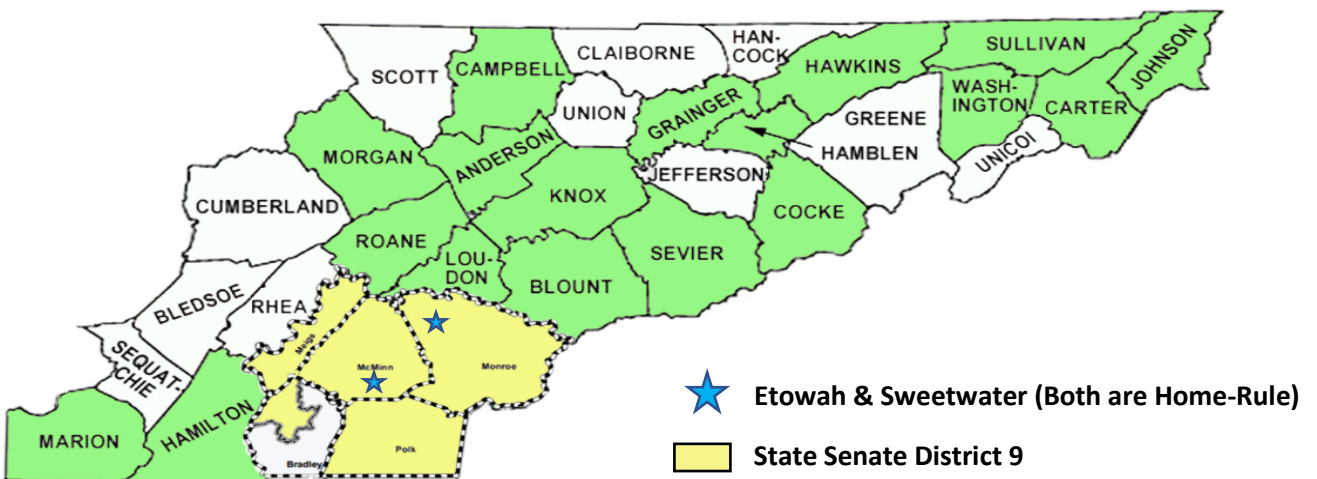
**Chart 3** shows the counties that immediately surround State Senate District 9 and their respective cities for comparison of lodging tax authorizations. Below you will also find **Chart 4** showing other counties and their respective cities along the north/south corridors of interstates I-75 and I-81 across East Tennessee. Chattanooga, East Ridge, and Lenoir City in **Chart 3** are highlighted in light blue only because they touch upon the corridors in addition to being within a county surrounding District 9. The cities displayed with their populations highlighted yellow are those cities with populations smaller than the City of Athens but just as so, are authorized to levy their own occupancy tax on hotel/motels.

**Chart 4. Other counties along the I-75/I-81 Corridor**

Other Counties along the I-75/I-81 Corridors						
Knox		465,289	5%		5%	
	Farragut	22,956		-		-
	Knoxville	187,500		3%		5%
Anderson		76,482	5%		5%	
	Rocky Top	1,767		5%		5%
Campbell		39,583	5%		5%	
	Caryville	2,165		5%		5%
	Jellico	2,179		5%		5%
Jefferson		54,012	4%		4%	
	Dandridge	3,145		-		-
	White Pine	2,348		-		-
Hamblen		64,569	5%		5%	
	Morristown	29,926		7%		7%
Greene		69,087	7%		7%	
	Mosheim	2,339		-		-
	Baileyton	443		-		-
	Jearoldstown			-		-
Washington		128,607				
	Fall Branch	1,848				
Sullivan		157,668	0%		7%	
	Kingsport	54,076		7%		7%
	Blountville	2,654		-		-
	Bristol	26,881		5%		5%

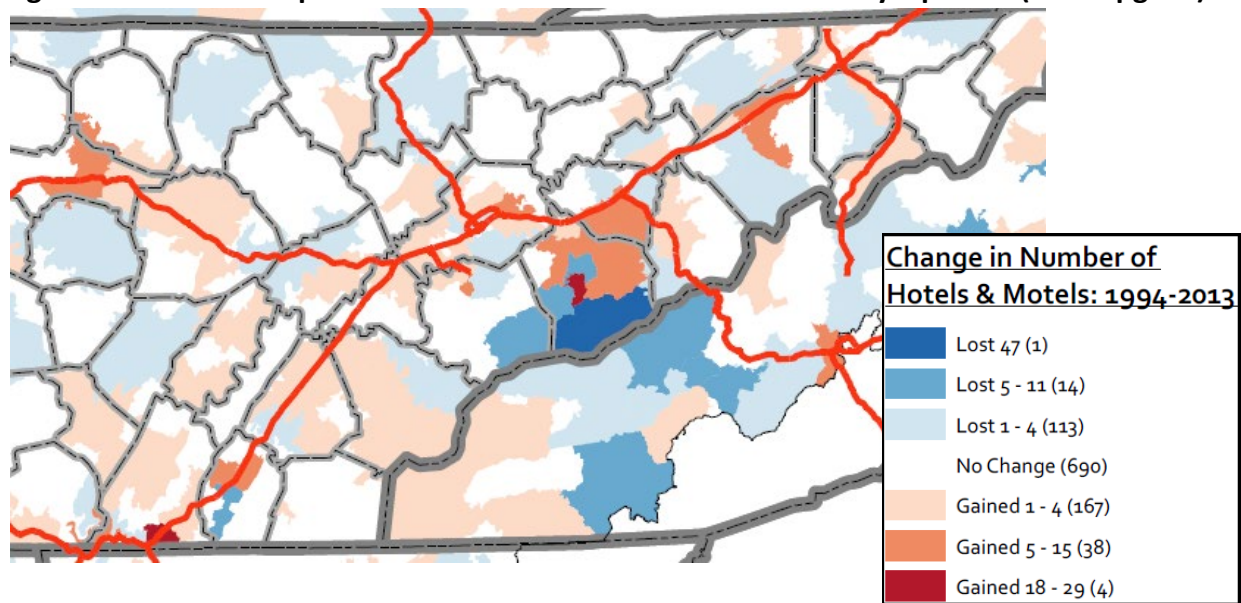
The counties displayed in **Chart 3 & 4** above show that the majority of the cities within the counties surrounding District 9 and connected via interstates I-75 and I-81 have enacted a lodging tax or are at least authorized to levy an occupancy tax for hotel/motels. Fig. 4 below is a graphical depiction of this data:

**Figure 4. Counties with Cities Authorized to Levy Occupancy Tax Surrounding District 9**



Every county immediately adjacent to District 9, with the exception of Rhea County (an economically at-risk county), has cities authorized to levy a hotel tax in addition to the county. Additionally, these counties also follow along the North/South interstates I-75 and I-81. Interstate I-75 stretches through Hamilton, Bradley, McMinn, Monroe, Loudon, Knox, Anderson, and Campbell counties. Interstate I-81's southern terminus begins in Jefferson county and spans through Hamblen, Greene, Washington, and Sullivan counties. Since the 2016 report, the town of White Pine in Jefferson County along the I-81 corridor has passed legislation to allow for an occupancy tax as well as Crossville, in Cumberland County, along Interstate I-40, the only East/West thoroughfare that comes through East Tennessee. With that recent information, Greene County is the only county other than those represented in District 9 along the main interstate thoroughfares through East Tennessee that doesn't have cities authorized to levy their own hotel/motel occupancy tax due to the restrictions laid out in T.C.A. 67-4-1425.

**Figure 4. Hotel Development in East Tennessee From 1994-2013 by Zip Code (TACIR pg. 17)**



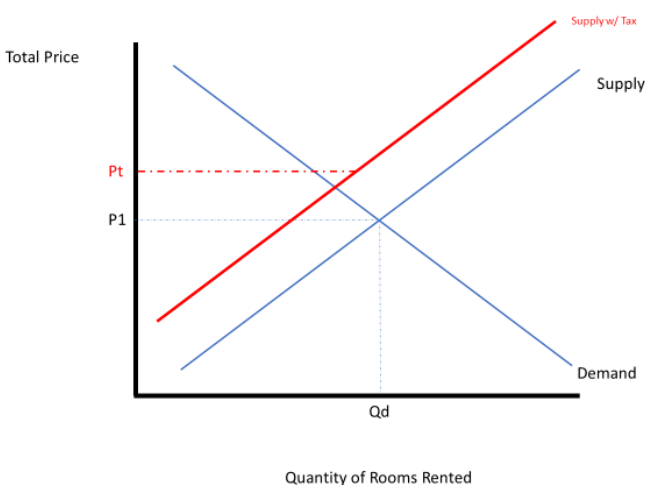
**Fig. 4** shows the change in the number of hotels spanning from 1994-2013 throughout East Tennessee. Changes occurred throughout but notice that much of the gains in hotel development, including the strongest gains, occur along the interstate routes.

In analysis of the data provided above, it paints a dismal picture comparing the City of Athens with cities that are larger, smaller, comparable in size, from neighboring districts, comparably sized counties, and circumstantially along the main travel routes north, south, east and west. Unfortunately, the story it tells is that Athens is woefully behind its neighbors and peers just for authorization from the State legislature. For added emphasis, the numbers presented in the

above charts were true up to the 2016 TACIR publication. Cities within District 9 are now an additional 4 years behind their neighbors and other comparable cities in 2020.

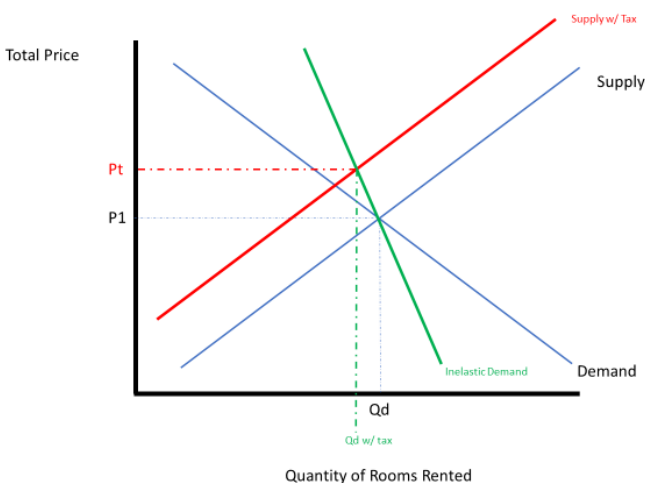
Prior to discussing this request for authorization from our State legislature, city leadership had met with agents from the local hotel industry to seek their input on what the impact on them would be for raising a local levy on occupancy. It was revealed that developers were wanting to build more hotels here as long as there was enough activity in the area that would drive visitors to stay and occupy their rooms. This counters arguments that raising the local occupancy tax drives developers away from building hotels. To further explain how levying an occupancy tax would impact the local hotel industry, it would help to understand the economic model behind the incidence of taxes and the impact to whom the burdens lay and to what degree **Graphs 1-3**:

**Graph 1. Supply & Demand w/ Tax**



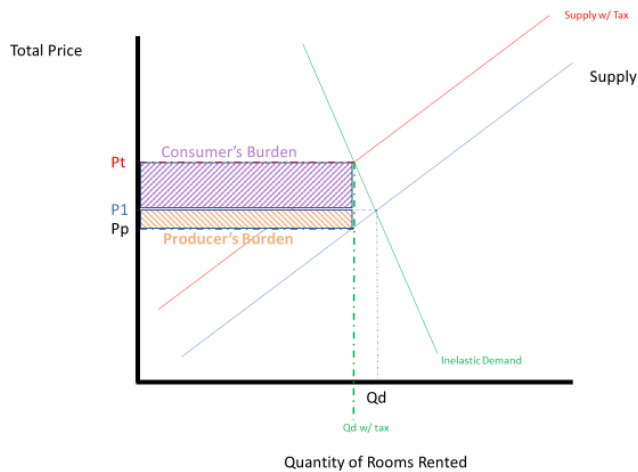
Graph 1 depicts a standard supply and demand graph between total price of a hotel room and the quantity of rooms demanded in blue with the equilibrium at  $P_1$  and  $Q_d$ . The red line depicts the change in the supply curve shifting upward due to the incidence of the tax on the privilege of occupancy for each room. This is reflected also on the total price where  $P_1$  increases to  $P_t$ , the total price for a hotel with the tax.

**Graph 2. Inelastic Demand Curve w/ Tax**



Graph 2 depicts the actual demand curve for hotel/motels evidenced by the TACIR. Consumers are not very sensitive to increases in the price for hotel rooms. This is illustrated with the steepness of the green curve on the graph. The new equilibrium is at  $P_t$  and  $Q_d$  w/ Tax. Inelasticity shows that increases and decreases in price are not mirrored by large changes in quantity demanded.

**Graph 3. Tax Burdens from the Tax**



Graph 3 illustrates the tax burden between the consumer and the producer due to the incidence of the tax. Highlighted in purple is the consumer's burden of the tax which is due to the increase in the total price of a hotel room above the original equilibrium. The other highlighted area represents the producer's burden, or in this case, the hotel's burden. It reflects the loss in hotel revenue due to the decreased demanded for a room at the quantity demanded after the incidence of the tax.

The graphs above ultimately show that the incidence of the tax does not have a largely adverse effect on hotel/motel consumption, echoing the TACIR report. Unless residents in the city frequently use the local hotels, the tax does not negatively affect them nor any other constituent in the local area; instead, they will reap the benefits of the increased revenue. As other Tennessee cities have resolved with the authority to levy their own occupancy tax, the City of Athens likewise intends to dedicate these funds toward tourism marketing, economic development, and infrastructure. In turn, promoting our commercial and recreational assets would spark an increase in traffic as visitors and guests come through spending their time and money at any of our businesses ranging from the interstate I-75 exchanges to our commercial core in downtown Athens (Fig 5). By design, this would help make for a more vibrant economy. Ideally, these additional funds could then bolster economic development, support visitor-centered infrastructures, fund more events and amenities to increase tourism, enhance existing tourist attractions, and quite possibly establish the development of a convention/visitor's bureau.

**Figure 5. Businesses within Athens City Limits (Retail Strategies)**



According to the TDTD, throughout Tennessee, visitors on average stay approximately 2 nights, with a traveling party averaging 1.93 people. Per person, they spend \$128 dollars daily with an average \$408 per trip. So, in turn, as revenue from the lodging tax drives increased traffic from enhanced marketing and tourism, businesses will benefit and potentially grow from increased sales, and that translates into increases in sales tax revenue that helps fund the services that the city provides its citizens and guests. Increased traffic may also help drive further development of businesses, providing that economic multiplier effect that sparks sustainable growth.

Of course, there are a couple of assumptions to be made with this data. For one, this report is looking at the face value of the authorization and actual lodging tax rates for cities throughout the state, keeping all other variables, such as the local sales tax rate on hotel/motel rooms, the same. All hotel guests in TN pay state and local sales taxes and in most places a county lodging tax, a city lodging tax, or both. Tennessee is one of 44 states in which both sales taxes and lodging taxes apply to hotel stays. Secondly, this report doesn't take into account the history or the timing for when city and county levied their privilege tax on occupancy, especially prior to the 1988 Public Chapter 982 that enacted the current restrictions on private act municipalities. Additionally, there were concerns expressed that increased lodging taxes would decrease tourism and would result in turning away visitors and developers. Figure 4 above shows that argument is not sound, in fact, the TACIR report states that lodging tax rates do not appear to be a deciding factor in developer's decisions on where to develop hotels. Plus, the TDTD's annual reports metrics showing tourism is absolutely booming throughout the state and above the national average. In addition, the TACIR report also states that studies show that although other conditions may apply, lodging customers overall are not sensitive to lodging taxes; and the tax is considerably small compared to the estimated total travel dollars spent on any given trip. Reference the graphs showing the incidence of the tax above. Lastly, there is concern that exemptions made to T.C.A. 67-4-1425 are allegedly unconstitutional. Since 1996, ten bills have been introduced in the General Assembly to change Tennessee's lodging tax structure: three that proposed to broaden local ability to levy lodging taxes and seven that proposed to restrict it further; none advanced past committee discussion. By the time of TACIR's report in 2016, it noted that there were 14 exemptions. Fast forward to 2020 and there are now double that many exemptions totaling 28 with additional requests either already introduced or pending, including Athens' request to their trustees elected to the General Assembly to sponsor the municipality's authorization. As mentioned in the TACIR report:

*Although Tennessee's lodging tax structure is more complex than that of many other states—especially the majority that grant general authority to all cities or counties or both—it is not clear that the General Assembly's tradition of authorizing individual jurisdictions to levy lodging taxes by private act or by exception to general law is not an appropriate response to differences across the state that warrant differences in law. Moreover, this practice ensures an opportunity for all aspects of proposals to be thoroughly vetted, including the issue of whether to earmark all or part of the proposed*

*tax, before new or higher lodging tax rates are authorized, both in the state legislature and, if authorized, at the local level.*

As it pertains to constitutionality, the City of Athens would like to reference the Office of the Attorney General's Opinion Number 97-034, dated March 31, 1997 regarding constitutionality of exemptions from the Tennessee Code Annotated. Despite the challenge was to a different code, T.C.A. 54-7-104(a), its arguments are the same for T.C.A. 67-4-1425. The challenge was whether exemptions violated Article XI, Section 8, which states:

*The Legislature shall have no power to suspend any general law for the benefit of any particular individual, nor to pass any law for the benefit of individuals inconsistent with the general laws of the land; nor to pass any law granting to any individual or individuals, rights, privileges, immunities, [immunities] or exemptions other than such as may be, by the same law extended to any member of the community, who may be able to bring himself within the provisions of the law.*

In the Attorney General's opinion, "in order for the provision of the Article to come into play, an act which is either local or local in effect must contravene some general law which has mandatory statewide application", and that "T.C.A. 54-7-104(a) began as a general law, but the exceptions found in (a)(1)-(7) have been added over time...Thus, the threshold issue under Article XI, Section 8 is whether the bill contravenes a general law." As aforementioned, there are currently 28 exemptions to T.C.A. 67-4-1425. The same arguments that validated exemptions in the bill in question above would also validate the City of Athens' request for exemption just as it did previously for 28 other municipalities.

From the 2016 TACIR report to the TDTD FY2019 annual report, all data presented points to an upswing in tourism and a boom for the hotel industry these last three years; and unfortunately, it shows that the City of Athens is falling behind in obtaining necessary revenue to help bolster local and regional tourism throughout the area covered in Senate District 9. Just from 2016, the City of Athens was behind, and now three years later the travel economy is booming, and Athenians are even further behind as 14 additional exemptions have passed to allow other municipalities to levy their own occupancy tax. Despite this, there are new opportunities presenting itself as the governor begins implementing his vision for the development of rural tourism with a focus on rural communities like Athens. Given that McMinn County is adjacent to two at-risk counties, there is potential that impending state support for tourism in our community will see the potential of increased tourism traffic locally due to the main north-south thoroughfare of Interstate I-75 that runs through Athens and the heart of McMinn County. Absent support from our trustees, the region they represent will continue to suffer the lost opportunity for growth from this industry and the added benefit that nearly all other businesses in the community experience with increased traffic.

Therefore, as stated above, the City of Athens is seeking authorization that will ultimately contribute to enhanced service delivery for our citizens and visitors alike. The opportunity of providing services that support the local lodging and tourism industry, support the promotion and growth of our cultural and recreational assets, bolster our local businesses by driving traffic to the heart of our community while providing for the maintenance and expansion of infrastructure, hinges on the support of our elected officials to carry this vision forward. We ask simply to be authorized up to the maximum 5% but only intend to levy what is needed as other local governments have done. In turn, the local governing body will have received authority to judiciously explore and make decisions that best serve the interest of our citizens. Dedicating these funds to tourism, economic development, and infrastructure will advance the marketability of our region and hopefully lead our community to further growth and prosperity. To that end, authorizing the city to levy its own lodging tax will grant the city a revenue source that can be leveraged to best coordinate efforts between the City of Athens and McMinn County, to grow our businesses, showcase our community to the world, and maintain a low tax burden for our citizens.