

**THE MINUTES OF A REGULAR MEETING  
OF THE MAYOR AND CITY COUNCIL OF THE CITY OF GUNTERSVILLE, ALABAMA  
HELD ON JUNE 20<sup>th</sup> 2022**

The Mayor and City Council of the City of Guntersville, Alabama met in a pre-meeting in City Hall in said city on June 20<sup>th</sup> 2022 at 4:30 p.m. to discuss matters to come before the Council. In a regular meeting in Town Hall at 5:00 p.m. Mayor Leigh Dollar presided as Chairman of the meeting. The following members of the Council were present: Sanchez Watkins, Larry Wilson, John Myers, Carson Ray, Dink Myers, Rich Russell and Randy Whitaker. Betty Jones acted as City Clerk for the meeting. The Pledge of Allegiance was led by Councilman Randy Whitaker. Mayor Dollar welcomed visitors and declared that a quorum was present and opened the meeting for business.

**Minutes**

Mayor Dollar announced that copies of the minutes from the June 1<sup>st</sup> Regular Meeting have been distributed to the members of the Council. There being no corrections or additions the same on motion duly made and second stood approved.

**Personnel Report - No Report**

**Ordinance to Surplus Real Property Located at Railroad Avenue**

Mayor Dollar introduced an ordinance to Surplus Real Property Located at Railroad Avenue. This was carried over from the last council meeting. Mayor Dollar called on Dan Warnes who reported to the council that it was not necessary to surplus the property according to Amendment 772 of the Alabama Constitution but he recommended taking this action as an added layer of protection for the City. Councilman Wilson made a motion that the City obtain an appraisal on the property, seconded by C. Russell. The motion was defeated on a voice vote with 2 ayes, 5 oppose and the mayor abstaining.

The Mayor opened the floor for 3-minute comments:

- Sandy Howell 3267 Hardin Road was not opposed to the development but did not understand surplusing the property. Mrs. Howell read a list of questions for the council and passed out a handout of the questions to the council.
- Torrey Whitaker 5932 Spring Creek Circle stated in his opinion, Mr. Lawler is the best developer and has not asked for any incentive and has continued through the COVID delays and price increases. Mr. Long left the project in 2018 and was asking for incentives. The City is already reaping the rewards of tax dollars from this project since Patrick has returned to his home town. It would be a mistake to let another developer ride his coattails.
- Mike Keller 485 Ga Mt. Road stated he did not understand the property being deemed worthless and sold for \$10 when Mr. Long was offering \$650,000 and he stated this would purchase a lot of equipment and officers for the police department. Mr. Keller stated that he worked for the police department in the 1980s. Mr. Long has the ability to build a hotel with a franchise and pay for the land.
- Jeff Morrison 129 Oak Crest Drive had a question as to why the council did not get an appraisal. He said it looked like the council considered it valueless and that the city was luring a developer. It is not worthless. How can you vote with no appraisal?
- Wes Long 8002 Val Monte stated this has to do with good government and good business and how it looks. In 2018 I had an agreement with Patrick to build a Fairfield Inn and the City wanted upgrades of \$4 million. The property if surplus, should be auctioned off like other city property with a provision of a hotel to be built there. There is not a good perception of giving the land to a developer for \$10. I think the land is worth two to three million and I will pay for it. My offer of \$650,000 still stands.
- Larry Wilson 45 Shoreline Circle commented as a resident. I am not in favor of the process. Councilman Wilson suggested posting the agreement on the website and doing an appraisal. He stated there needed to be a competition. The process must be based on fair market value and openness. Get an appraisal and start the competition.
- Bill Brennan 55 Mt. Laurel Ln. said he saw the proposal and the Mayor's comments in the paper about staying the course and it stinks. The property is worth a considerable amount of money and you are giving it away. What is in it for you?
- Kathryn Lang 70 Val Monte Lane stated surplus means no value to the city and I was offended. There is no green space left in Guntersville. You build on everything, the school, the ball fields and now this. What is not valuable about a lot on the lake? You need to stand up and give your reasons or step down.
- Bob Hembree 2104 Scott St. stated he was here to give a historical account of the property at the harbor. We have needed a hotel on the north end of town and this is exactly the right location. The City bought this land 15 years ago, when I was mayor, for a hotel development. We felt the harbor was the place that had the most potential for the city and we purchased this and other property to do this. Incentives are what all cities do to attract industry and retailers. We are exchanging a piece of property for a hotel development that we have been trying for 15 years to generate income for the city. Both are capable men as developers. I know from experience the time, energy and due diligence that has gone into this. This is not a quick deal, it is 15 years in the making.
- Sharon McClendon Price 1200 Thompson Falls Dr. says she doesn't understand how someone can piggy back on someone else. She asked Mr. Long to consider property at Warrenton. Do a City Harbor on that end of town. This piece is almost already done and there is other property to develop on the waterfront in Guntersville.
- Paul Claborn 330 Chalakee Trail wanted to talk about vision, reputation and fairness. I have known Patrick and followed him to Texas in 1985 and watched him work. He has a gift of vision. Now our community is reaping the benefits of his vision. He began with the Old Hospital, then Creek Path Subdivision, then the Snug Harbor property, then the Reserve and finally the City Harbor. He has created a windfall of property tax in the last few years. The sales tax is just beginning. If we get an appraisal it will be high because Patrick Lawler has changed the skyline of Guntersville. We have a unique developer who brought us to the dance and in all fairness he should get to finish what he started.

Councilman Russell stated he received over 300 contacts on this issue and only 1% were in favor of the surplus. I'm impressed with the harbor and this is not about one-person vs the other. It cost \$137 per person to buy that land. (\$1.168 million) I understand the value of listening to the people and we need to do the will of the people. We have an obligation to

the citizens and to look inside ourselves to do the right thing. We need to hear what the people say and get an appraisal and an analysis. My history is in serving this country and its people.

Councilman Wilson stated what are we afraid of? We need data and analysis. It's just math. Finding the fair market value of the property. I would love to have many developers.

Councilman Whitaker stated he wished to give a timeline. I was on the council with Bob Hembree when we bought the property. If I wasn't involved in City Government, I might feel the same as the public. In government, you have to surplus something before you can sell it. Everybody probably enjoys Publix and the Publix Developers were given a 1.2 million incentive over 10 years and we had to go through AL DOT to improve the intersection at Highway 79. Starbucks and the shopping center developers were rebated \$450,000 in tax produced for improving roads at Red Bard Road. If either one of these did not produce the sales tax in the allotted time, they do not get the rebate. Albertville did a bond issue for \$4.4 million to bring them the shopping center. Same thing with Rural King, they gave them 5 million for that and \$1.5 million for Fairfield Inn built by Wes Long. Incentives are given out all the time and in 2018 we offered Wes Long \$1.5 million to build a hotel so there is no difference if you sell the property or if you use it as an incentive of \$1.2 million. We offered Wes Long 1.5 million and he was going to pay 1.25 million for Patrick's land and he would have \$250,000 in his pocket and he left so now we are offering the \$1.2 million piece of property as the same incentive. This is the way economic development works. Huntsville's Mayor Tommy Battle has said the City Harbor is the nicest development on the TN River.

Councilman Wilson stated if we go back in time and look at the original plans, it called for an amphitheater and space the public could use and not have to spend money at the Harbor. To compare plans from a decade and a half to now is not valid unless there is space for the public to use for free.

Mayor Dollar entertained a motion to proceed. Councilman Whitaker made a motion to surplus the land by **Ordinance No. 1134** seconded by C. Dink Myers and passed on the following roll call vote:

1. Sanchez Watkins	Yes	5. Dink Myers	Yes
2. Larry Wilson	No	6. Rich Russell	No
3. John Myers	Yes	7. Randy Whitaker	Yes
4. Carson Ray	Yes	8. Leigh Dollar	Abstain

#### **Resolution authorizing a Project Development Agreement**

Mayor Dollar called on Rod Kanter from Bradley Arant Boult Cummings LLP to explain the agreement on the Hotel with Patrick Lawler. Mr. Kanter reported Mr. Lawler will have 45 days for due diligence. Then he has to prepare plans, renderings, TVA approval etc., and he must demonstrate that he has spent at least \$250,000 in soft costs and get loan approval and after that the City will convey the land if he completes within a year. He will have to get building permit, certification of bank funding and hotel flag. If he does not complete this, the land goes back to the city. Then he has to break ground within 90 days and start pouring footings and foundation. Mr. Lawler has to complete the hotel within 5 years or give the land back or pay \$1.2 million to the City.

Councilman Russell asked Mr. Kanter if there would be any conflict of a brand of hotel being built in the same city as one of the same brand. Mr. Kanter replied, I don't believe Mr. Lawler would start this project without knowing that he could obtain a franchise. Councilman Russell asked Mr. Kanter if he reviewed the proposal of Wes Long. Mr. Kanter said he had reviewed it.

Councilman Wilson asked when Mr. Kanter started the agreement. Mr. Kanter was unsure of the date, perhaps October 2021. Councilman Whitaker said he remembers that after the lawsuit when everything was in limbo, he remembered Mr. Lawler's attorney coming to the city and he (Whitaker) stated that he could not vote on an amphitheater without there being a hotel first.

Mayor Dollar opened the floor for Public Comment:

- Joel Kennamer 1217 Taylor Mill stated Amendment 772 says if you are selling at fair market value you do not have to declare it was a grant or gift. Without an appraisal how do you determine? I see a bad case of favoritism. Amendment 772 says you can't do any of this unless it serves a public purpose. Bob Hembree bought it for a public purpose and you are surplusing it because it doesn't serve a public purpose. If you give it away for less than fair market value you must attest to the fact that it serves a public purpose. What about the fishermen that had to find another place to fish?
- Margaret Billingsly 1855 Signal Point Rd stated she has a hotel background and a hotel is needed in this area. She was concerned about the property being given away but did not believe it was needed because the condos are in place at the Harbor. Do we need an extended stay hotel or will it hurt local restaurants? The city will be better served by a boutique hotel that matches the Harbor with meeting spaces for corporate use. Those guests will shop downtown and eat in restaurants. Balconies and a roof top bar are needed and another restaurant.
- Amy Barnett 11 Harbor Point Dr: Wilson is my representative. A democratic process had not gone on here when the survey went out. I could write a survey to get any answer I want. Mr. Russell said he only got 1% in favor, that was probably because your phone number did not go out; only the phone numbers that went out were the ones in favor of what is going on. Councilman Wilson stated he knew nothing about it and Mrs. Barnett doubted that.
- Bob Hembree 2104 Scott St stated I know from experience there are countless meetings that had to go on to get to this point and that is why you need to act tonight and complete this process with your current developer. Shopping for other developers is a terrible message to send to developers. I would not want to be treated that way. Say the big fish is the hotel you have been trying to catch for 15 years, you finally have it hooked and near the boat, are you telling me instead of getting that huge fish in the boat, you are to lay your pole now and try to rig another line to start fishing for another fish? Don't do this to our town.
- Mike Keller 485 Ga Mt road stated he has known Wes a long time, but it is not about either developer, it about what is right. Mr. Keller said he heard that Wes only wanted tax abatements for the requirements from the City to make it more luxurious. When you can get \$650,000 instead of \$10, I'm smart enough to figure this out, the citizens are not that stupid.

- Martha Martin Oak Ridge Dr.: I volunteer here in the city and I was offended by the survey. I wish the people who did it would identify themselves. She stated Mr. Wilson is her councilman but he did not represent her tonight. She thanked the rest of the council for the jobs they do and said she knows how economic development works.
- Bill Brennan 55 Mt. Laurel Lane: Mr. Wilson & Mr. Russell numbers are on the website even if they weren't on the survey. My bone of contention is that this was worked out behind closed doors. We citizens had no say. When it involves this much money, you need to get the public's support.
- Linda Harber 3008 Woodvue: I got the survey and it did not come from the council. Most surveys are designed to give you the answer you want to hear. The issue was not presented very well. I am not for or against it. There are still a lot of questions. Please everyone keep your comments cordial and respectful.
- Marsha Anderson 315 Hill Ave.: she felt communication was lacking about the project. If more hotel rooms are needed, developers will come. Why are we doing this after 15 years of owning the property? We don't need to attract Mr. Lawler to this project, he is already here and interested, why do we ignore others?
- Jack Powers, Cherokee Ridge stated he was frustrated. Patrick Lawler loves this city and has built a lot for the City. He stated he traveled all over and people are excited about Guntersville since the Harbor has been built.
- Oliver Hooper 4688 HideAway Drive appreciated the work done, knows this is complicated, and wants things for the town that are beautiful and he did not think the hotel built in Albertville by Mr. Long was pretty. He hopes this project will attract a lot of people here.
- Holly Atkinson Pawnee circle was surprised this was not bid out, because that is the way it is done in the Federal Government. She stated she hoped there would be more condos and meeting space and use more land there on the lake. There is nothing for her son to do downtown.
- Candy Shaw 1145 Foster Landing Road: this is a home town guy who returned from Texas with a vision to do something with the harbor that had sat empty for 30 years. He showed the City what he could do and had the money to back it up and he never stopped during the lawsuit or pandemic. He took a chance on a small town because he loves this place. Every restaurant in the Harbor is taking the same risk. Where were the developers the last 30 years? It is worth something now that he has put \$30 million into it.
- Bruce Weddondoff Huntsville stated he is here because of Patrick Lawler, who has stuck through the pandemic and other things to do the most beautiful development. He has proven to be someone to trust and does exactly what he says he will do. I would like for him to develop this hotel because my business is right next to it.
- Sharon Stevens outside city said when she saw what was happening with the Reserve it got her attention and has seen Patrick pour his heart and soul into this. He has the utmost integrity and will do what he says. Let him finish what he has started. I love to call Guntersville my home now.
- Liz Matthews 417 Hill Ave. stated she was offended because the council made the decision and the citizens did not have a voice in the decision before the train was down the tracks. We are not being represented. We pay the taxes here but we don't matter. It is not about the developer, it is about you the council.
- Andy Harber 3018 Woodvue said he heard a lot of people upset over not having information. We have an over appetite for information. We elected people to do a job. We hear back room deals, but often time things have to be in this fashion. If the development weren't there, what would you be willing to pay someone to start a hotel there? You would gladly give the land to get it going. Stay the course. Do the job you were elected to do.

Rod Kanter responded to the questions: Surplus does not mean no value, it is a process that a body must do to begin the process. Surplus sounds like something it is not. An appraisal was not needed for this type of incentive. I understand the audience not understanding this. I work in a lot of cities that purchase land to give as an incentive; this is very common and land is often given at no cost. The number one consideration is who is your developer. This is a key person that you will be working with for a long time. Mr. Lawler has developed through a lawsuit, COVID, and prices going up and he kept going forward. You need someone you can trust. Remember the Publix terms. Economic development is a competition and the agreement is confidential. If other cities found out the terms they would sweeten the deal and you would lose the development to another city. The public needs to trust the council to work out the terms. The law allows a City executive session to do this. You have good reason to proceed because you have a good investor and this has sat vacant 15 years and the sooner it is developed, it can start generating income for the city. Mr. Kanter gave the example of an IDB that purchases land and holds it until they find the right prospect and the proper fit and then give them the land as an incentive conveyed at a very low price. Incentives are quite common through land and tax sharing. Under Mr. Long's offer, there is no time limit in his agreement, no start date or completion date. If you sold it to him, he could sell to someone else with no contract with the city. There are important elements missing. This agreement is for a land purchase, not a development and it states he will develop a hotel or a lodging facility. You have a proven developer in place with a vested interest in his development. Councilman Wilson asked why we were discussing Mr. Long's offer and Mr. Kanter stated there has been questions about both proposals and he was addressing those questions. C. Wilson questioned why the city worked with one developer and did not talk to other developers. Kanter read the letter that Mr. Long sent to the city in 2019 saying he was withdrawing from the hotel at the harbor and he was canceling the offer to buy land at the harbor. Mr. Kanter stated he had talked to him prior to that withdrawal. It makes sense to stick with the one who went through the hard times rather than the one that ran.

Councilman Dink Myers asked, did we not have a first reading at the last council meeting and this is not the first time we have presented? Mr. Kanter said that is correct. It was presented June 1<sup>st</sup>. Councilman Wilson asked if the agreement could be put on the website? Mr. Kanter stated that usually not when you are negotiating. Is there a reason not to after approval, and Mr. Kanter said if the City was to so choose?

Councilman Russell said Mr. Long says there is provision in the contract that he will live by any terms of Mr. Lawler's contract. Mr. Kanter said he read Long's contract and nowhere in his contract did he see that it said he would abide by the terms in Lawler's contract.

- Bill Brennan: You did not negotiate in public and ask if the people wanted economic development or a park.
- Wes Long: I worked with the council about a year and a half on building a hotel on Patrick's lot and I did not know you would give it away. I made an offer of \$650,000 and I never heard back for the council and I offered to pay appraised value if I had 14 days to evaluate. I estimate the land value to be between \$2-3 million. We are not down the road, I will be willing to match the terms. I own the Hampton Inn in Guntersville and the Fairfield Inn in Albertville, both quality products.

- George Kappler stated it was not about which developer, it was about the council. How do we know we got the best deal if there was not a competitive bid?

Mr. Kanter stated the City of Madison used this same process to get the Trash Pandas. The Mazda/Toyota deal didn't call Audi or Mercedes to ask for a better deal. This process is used all over the state and make total sense to get the city what it wants.

Mayor Dollar entertained a motion on the resolution carried over from last meeting **Resolution No. 1258** authorizing a Project Development Agreement between the City of Guntersville and Lawler Hotels, LLC (the "Company") respecting the development of a hotel on certain real property of the City, along with a form of conveyance deed and corrective deed under which the City's shall grant the site for the hotel to the Company (Amendment 772) Roll Call vote:

- |                    |     |                   |         |
|--------------------|-----|-------------------|---------|
| 1. Sanchez Watkins | Yes | 5. Dink Myers     | Yes     |
| 2. Larry Wilson    | No  | 6. Rich Russell   | No      |
| 3. John Myers      | Yes | 7. Randy Whitaker | Yes     |
| 4. Carson Ray      | Yes | 8. Leigh Dollar   | Abstain |

**Approval of Demolition of 1902 Jordan St**

Mayor Dollar Called on Cheryl Smythe who asked for Approval of Demolition of 1902 Jordan St (Hundley Property). Mrs. Smythe stated all the paperwork was complete and the time limit reached. C Watkins reported that he had talked to all 3 heirs and they agreed. Motion to demo was made by Councilman Watkins and seconded Councilman Ray and passed on a by a voice vote of all Councilmembers present.

Mrs. Smythe also requested the council seek bids to do the demolition. Motion to approve was made by Councilman Russell and seconded Councilman Watkins and passed by a voice vote of all Councilmembers present.

**Approval of Barge Design Solutions for the Conceptual Design of the Veterans Park Project**

Mayor Dollar entertained a motion for Approval of Barge Design Solutions for the Conceptual Design of the Veterans Park Project. Mayor Dollar explained that the council took a field trip to see other city's veterans park in Scottsboro, Ft. Payne, Albertville, Arab and Boaz. The City is hiring Barge Designs to study various locations, draw plans for each one and a final plan on the selected site with input from the veterans. This will be at a cost of \$53,500 to the City and will take approximately 10 weeks to complete. Motion to approve the hiring of Barge Designs was made by Councilman Whitaker and seconded by Councilman Watkins and passed by a voice vote of all Councilmembers present.

**Easement to Water Board for Access to Meters at City Harbor**

Mayor Dollar introduced an Easement to Water Board for Access to Meters at City Harbor. This is basically a walking easement to be able to read meters at the request of Bay Chandler of the Guntersville Water Board. Motion to approve was made by Councilman Whitaker and seconded by Councilman Ray and passed by a voice vote of all Councilmembers present with Mayor Dollar abstaining.

**Public Hearing for a Rezoning Request by Zack Farris**

Mayor Dollar Announced that this portion of the meeting would be a Public Hearing for a Rezoning Request by Zack Farris to Rezone Property Located at 2195 Taylor Street from RS-2 to Multi Family. Mayor Dollar called on Zack Farris who explained he wished to build condos and after he cleared the land, he saw it was possible to enter from Taylor and not off "suicide hill" as originally planned, but perhaps a 2<sup>nd</sup> entrance on the hill side. Councilman Russell stated the main concern of the council was safety. Councilman Whitaker stated that the opposition to this was the entrance and safety concerns and asked that it be tabled until new plans could be presented. Councilman Wilson expressed concern about the zoning be different than the surrounding area. Councilman Dink Myers said he had 22 people call him on this. Pat Gurley of 368 Hill Ave spoke stating she did not oppose but was concerned about where the entrance on Taylor would be. Motion to table was made by Councilman Whitaker and seconded by Councilman Wilson passed by a voice vote of all Councilmembers present.

**Public Hearing for a Rezoning Request by Ethan Whitaker**

Mayor Dollar Announced that this portion of the meeting would be a Public Hearing for a Rezoning Request by Ethan Whitaker to Rezone Property Located on O'Brig Avenue and Evangel Circle from RS-2 to Multi Family. This request was denied by the Planning Commission because it was considered spot zoning. Opposition: Carrie Gregerson 1912 Stevenson St opposed stating Wes Long was building 20 units down the street and she did not want any multifamily in this area. No one spoke in Support. Councilman John Myers made a motion not to approve the rezoning seconded by Councilman Dink Myers and the zoning was denied by the following roll call vote:

- |                    |     |                   |     |
|--------------------|-----|-------------------|-----|
| 1. Sanchez Watkins | Yes | 5. Dink Myers     | Yes |
| 2. Larry Wilson    | Yes | 6. Rich Russell   | Yes |
| 3. John Myers      | Yes | 7. Randy Whitaker | Yes |
| 4. Carson Ray      | Yes | 8. Leigh Dollar   | Yes |

**Public Hearing for a Lounge Liquor License for Soy Borracho Pero Buen Muchacho**

Mayor Dollar Announced that this portion of the meeting will be a Public Hearing for a Lounge Liquor License for Soy Borracho Pero Buen Muchacho LLC DBA Soy Borracho Pero Buen Muchacho located at 12361 US Highway 431 North, Guntersville AL. No one spoke in Opposition. April Hopper spoke in Support stating that she was redoing the building inside and out. Councilman Whitaker objected to the name in Spanish meaning "I'm drunk but I'm a good boy" Mrs. Hopper agreed to change the name to I'm a good boy. Councilman Whitaker felt that it would encourage people to come there to get drunk. Mrs. Hopper agreed to change the name to 'A good boy'. Councilman Ray and Councilman Russell talked about the security and the necessity of meeting with the Police Department. Mrs. Hopper stated she planned to have plenty of security and that it would be run properly. Councilman Russell asked if the security was certified to carry firearms and she stated they were and would be employed by her. Councilman John Myers asked the gentleman with her if he were an owner or involved in the bar and he stated that he was just a friend supporting her that he had no interest in the bar. Motion to approve on condition the name was changed, the building codes were met and she meet with police was made by Councilman Russell and seconded by Councilman Ray and passed by the following roll call vote:

1. Sanchez Watkins Yes  
2. Larry Wilson Yes  
3. John Myers Yes  
4. Carson Ray Yes

5. Dink Myers Yes  
6. Rich Russell Yes  
7. Randy Whitaker Abstain  
8. Leigh Dollar Yes

**Change Regularly Scheduled Council Meeting**

Mayor Dollar Entertained a motion to change the regularly scheduled Council Meeting on July 4<sup>th</sup> to July 1<sup>st</sup> at 12:00 noon. Motion to approve was made by Councilman Whitaker and seconded by Councilman Dink Myers and passed by a voice vote of all Councilmembers present.

**Announcements:**

- HYDROFEST this weekend!
- Election Tomorrow. Please go vote.
- Fireworks will be July 4 at 9p.m.

Councilman Whitaker mentioned the drainage on 1100 O'Brig from Winston to Levee and requested an engineer to study. Mayor Dollar agreed to call an engineer. Councilman Wilson asked that an area in Gunters Landing be checked also. Councilman Russell stated that at it was needed city wide.

**There being no further business to come before the Mayor and Council at this time, the meeting on motion duly made and seconded, stood adjourned until July 1<sup>st</sup> 2022 at 12:00 p.m.**

**PASSED, APPROVED AND ADOPTED THIS THE 1<sup>st</sup> DAY OF JULY, 2022**

**CITY OF GUNTERSVILLE, ALABAMA  
A MUNICIPAL CORPORATION**

\_\_\_\_\_  
**LEIGH DOLLAR, MAYOR**

**ATTEST:** \_\_\_\_\_  
**BETTY JONES, CITY CLERK**