

## Blount County Conservative Sentinel ·

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In solid reporting today, the Daily Times exposes the Hatcher-Stinnett plot to ruin Townsend, at the urging of the arrogant and power-hungry Blount Partnership. This is scandalous. “A bill introduced in the Tennessee General Assembly could change the face of Townsend if passed. Entered in the House of Representatives and Senate Feb. 5, the text could allow the Blount Partnership to remove its Townsend Event Center from the city limits, possibly negating Townsend’s ability to regulate festivals and other events on the grounds.

Losing the event center could be a blow to revenues in a city that depends on sales tax for a large portion of its budget, officials said, but an outspoken portion of citizens want the festivals and other special events hosted at the center gone.

Ordinarily, cities must initiate deannexation themselves or approve a request from the property owner. The bill, introduced by Tennessee Rep. Tom Stinnett in the House and Sen. Tom Hatcher in the Senate, would give tourism development authorities the power to deannex their property from the adjoining municipality by giving notice, providing a property map and settling debts. Both Stinnett and Hatcher indicated they filed the bill at the request of the Blount Partnership.

In a statement, the partnership said it doesn’t intend to immediately remove its property from Townsend if the bill passes, but stressed the center “serves the entire county, not just the city of Townsend, so it may make sense for it to be annexed under Blount County as a whole.”

Townsend Mayor Don Prater said Friday that although he has “regular meetings” with Blount Partnership CEO Bryan Daniels, no one in local or state leadership ever reached out to him about the potential legislation change.

“I’m available,” he said. “They’ve all got my number.”

Blount Partnership, is a local nonprofit organization associated with the Blount County Chamber of Commerce whose mission, according to its website, is to “serve its members and stakeholders while promoting economic growth and stability, fostering community development and enhancing the overall quality of life in the region.” The partnership operates the Smoky Mountain Tourism Development Authority, which owns and operates the Townsend Event Center on a 40-acre lot at the edge of the Townsend city limits.

Officially opened in 2024, the site has been host to a slew of high-profile events for years. A sample of offerings have included the Great Smoky Mountains Hot Air Balloon Festival, the Smoky Mountain Scottish Festival and Games and the Bigfoot Festival — all huge draws in their own right.

Those events, which proponents say flood the local economy with tourist dollars, are a source of joy for many and frustration for others. For years, an outspoken contingent of Townsend residents has voiced dissatisfaction with the city's direction, comparing the town known as "the peaceful side of the Smokies" (a Blount Partnership trademark) with the bustle and bright lights of Gatlinburg and Sevierville.

Special events and festivals, citizens have said, are quickly making Townsend life unlivable for its residents, crowding the roads and putting undue strain on the city's infrastructure and first responders. Ahead of the 2024 balloon festival, for example, organizers estimated an anticipated attendance of 5,000 people, while the U.S. Census Bureau estimates about 550 people live in Townsend.

Citing a need for transparency and public input, city officials updated the special event permitting ordinance in 2023. Townsend law requires all special events to gain approval before the city council, which can often lead to lengthy debates. Some commissioners, noting their constituents' preference for fewer events, have developed a record of voting against larger festivals such as the balloon festival, which is run by the tourism development authority.

The city fined balloon festival organizers in 2024 after they added a laser show to the evening's entertainment without prior approval. In January 2025, an analysis of the city's ordinances precluded any further laser displays after 20 minutes of questions from the council.

Townsend Commissioner Becky Headrick urged organizers to return with something that "fits Townsend."

When asked about his bill Friday, Stinnett directed questions to Blount Partnership. Hatcher identified the text as a "caption bill," or a broad placeholder text legislators sometimes file before filling in the details later on. Hatcher said he was waiting on new text, but that he had entered the bill in the senate thanks to communication with partnership lobbyists. He said he had not spoken with Townsend officials.

Blount Partnership Director of Communications Jeff Muir confirmed Friday that the partnership had "spoken" with Stinnett, Hatcher, and Tennessee Rep. Jerome Moon regarding the potential legislation.

"The Blount Partnership does not plan to seek immediate de-annexation if the bill passes. We wish to work with the city of Townsend," said Muir.

He stressed the importance of tourism in the local economy, saying attractions at the event center benefit not only Townsend residents but the entire county. Blount County visitor spending in 2023, he said, generated \$23 million in local tax revenue "meaning that each household in the county saw an annual tax savings of \$1,028."

Muir said Blount County government was "open" to the move. A representative of Blount County Mayor Ed Mitchell did not respond to a request for comment by press time Friday.

In a meeting of the Townsend Planning Commission Thursday evening, Commissioner Pat Jenkins — who also serves on the city council — told guests he'd asked Stinnett about the proposed legislation and had received an emailed response.

A copy of the response obtained by The Daily Times cites Blount Partnership's significant financial investment in the event center property, which documents indicate was several millions, and says partnership staff were under the impression the city would be receptive to events.

"However, the Blount Partnership now faces a possible impasse due to a changed approach from the city of Townsend," the statement reads in part. "Rather than resorting to legal battles — an option that would impose unnecessary costs on all parties — the partnership seeks a regulatory framework that ensures fairness while maintaining an alternative avenue should obstacles arise."

Financial documents from the tourism authority indicate its largest source of revenue is hotel taxes, bringing in over \$4 million in 2023. Just over \$300,000 of that went to events, while another \$1 million funded advertising.

The future could be a numbers game for Townsend as well. On Thursday night, Prater told citizens the city was aware of the bill and was contacting legislators. It's the city's understanding, he said, that losing the event center property could lead to a significant hit in sales tax.

Losing one source of sales tax revenue may be a minor setback in some cities, but according to Townsend's 2023 audit, the city depended on sales taxes for about 65% of its total revenues. Nearby in the same year, Maryville earned 14% of its revenues from sales tax and Alcoa earned 11%.

In 2023, hot air balloon festival organizers estimated the event generated \$13,500 in sales tax.

Townsend does not have a property tax.

From a regulation standpoint, Prater said the bill could threaten Townsend's ability to modulate how many events and people come through the event center. Deannexation, he said, would remove Townsend's legal sway over the property.

"It could also prohibit us from enforcing building and zoning codes and could prohibit us from requiring special event permits, mobile food vendor permits and the like," Prater said Thursday.

He assured citizens the city was looking into the legislation and examining its options.

As of Friday afternoon, the bill had been handed to committees in both the House and the Senate."

Elect crony-serving hacks to the General Assembly and this is what you get.