

**Town of Blowing Rock  
Tourism Development Authority  
Minutes – November 24, 2008**

The Town of Blowing Rock Tourism Development Authority met on Monday, November 24, 2008 at 9:00 a.m. in a regular meeting held at Chetola Resort. Present were Vice-Chair Kent Tarbutton, Authority members Lynn Drury, Phil Pickett, Keith Tester and Ex-officio members Scott Hildebran and Nicole Norman. Executive Director Tracy Brown, Assistant Director Amanda Fife and Dave Tomsy, of WC&T, were also present.

**Call to Order**

Vice-Chairperson Kent Tarbutton called the meeting to order and welcomed the members.

**Approval of Minutes – October 7, 2008**

Vice-Chair Tarbutton entertained the approval of the October 7, 2008 meeting minutes. Motion by Member Tester and seconded by Member Pickett to approve the October 7, 2008 meeting minutes as presented. Unanimously approved.

**FY 2007-08 Annual Audit Report**

Vice-Chair Tarbutton then introduced TDA Auditor Jason Carpenter of Combs, Tennant & Carpenter, P.C. via telephone to review the FY 2007-08 audit.

Auditor Carpenter stated that the report came with a clean opinion and that the audit complies with the Governmental Accounting Standards Board 34 requirements. Mr. Carpenter stated that the TDA ended the fiscal year with \$324,770 in net assets compared with \$422,054 in FY 2006-07. The year-end unreserved fund balance totals \$235,458.

Mr. Hildebran stated the reduction in net assets was related to a TDA approved transfer of undesignated fund balance to the Town of Blowing Rock to be utilized for parking – a priority of the TDA.

After a brief discussion, motion by Member Pickett and seconded by Member Tester to accept the FY 2007-08 Annual Audit Report as presented. Unanimously approved.

**(Attachment #1)**

The Authority thanked Auditor Carpenter for his work on the audit and the telephone call terminated.

Secretary Hildebran then presented a FY 2008-09 Audit Contract with Combs, Tennant & Carpenter, P.C. for Authority consideration. Motion by Member Tester and seconded by Member Drury to adopt a FY 2008-09 Audit Contract with Combs, Tennant & Carpenter, P.C. for \$3,500 as presented. Unanimously approved. **(Attachment #2)**

## **Financial Report**

Vice-Chair Tarbutton introduced Finance Officer Nicole Norman and requested her to review the FY 2008-09 budget to date.

Ms. Norman then reviewed the monthly financial statement and the FY 2008-09 Occupancy Tax collections year-to-date through October 2008. She stated that October revenues, totaling a gross of \$102,356.95, were down compared to October 2007, with an outstanding payment and penalties due from one establishment. Ms. Norman also advised that revenue and expenditures for the year were in line with projections.

She advised that for calendar year to date (Jan – Oct) occupancy tax revenues were down 8.13 percent. Further, Ms. Norman stated that for fiscal year to date (July – Oct) occupancy tax revenues were down 10.19 percent.

The Authority briefly discussed the overall economic downturn and comparison data from around the state. It was the consensus that Mr. Norman pull together occupancy tax data from both Boone and Watauga County for additional local comparison.

## **Marketing Efforts**

Executive Director Brown updated the Authority on the TDA advertising plan. He advised that a marketing plan had been established earlier in the year and that all was proceeding as laid out. He further stated that collateral pieces, such as the visitor guide and map, were in good shape for the remainder of the fiscal year, with expected updates to the publications next FY. Mr. Brown reminded the Board that Heidi Lusk continues to design the bulk of the advertisements.

Executive Director Brown advised that the redesign of the TDA website was complete and had greatly improved the overall functionality for the visitor website.

The Authority began a discussion of marketing in the current economic climate.

Vice-Chair Tarbutton encouraged the Authority to concentrate on the value concept and not the discount concept when promoting Blowing Rock. He advised that the Boone Average Daily Rate was high, but the perception was that Blowing Rock was higher. He further suggested that a refocused effort in the development of packages that promote value might be useful.

Mr. Brown responded that all parties should work harder to develop packaging. Assistant Director Fife commented that seven lodging properties were currently involved in packaging.

The Authority then discussed the market area. Member Pickett stated that based on recent guests to his establishment he would recommend a 200 mile radius.

Mr. Tarbutton suggested that the Raleigh/Greensboro/Charlotte area had proven more successful than Florida.

Member Drury stated that economic factors may be keeping travelers close to home.

Executive Director Brown reminded the Authority that the TDA Marketing Plan targeted the Charlotte/Raleigh area and not Florida this year. He advised that ad placements have been made for the spring, but the copy is fluid and would be developed based on message.

Mr. Tomsy suggested *Garden and Gun Magazine* as a possible ad placement, as the magazine has an upscale reader demographic.

The Authority discussed the traveler demographics of the Blowing Rock and Boone markets. Vice-Chair Tarbuton advised that there is not much of a difference.

Mr. Brown stated that the Boone CVB advertised in Blue Ridge Parkway/Outdoor publications which tend to attract younger and possibly lower end spenders.

Member Pickett suggested that room rates drive guest type.

Executive Director Brown advised some lodging properties are not working with ski areas – and this needs to improve.

Mr. Tomsy encouraged the Authority not to “sell out the Blowing Rock brand”.

Member Drury suggested a need for more upscale packages.

Member Tester stated that most retail sales were down and that the different merchants attract different retail traffic. He also reminded the Authority of the inherent retail conflict – resort versus tourism.

Mr. Brown agreed stating the Shoppes on the Parkway had increased traffic and was pushing value. He stated that coastal NC faced a similar decline in visitors.

Member Drury stated that the most common complaints are there is no where to park and it is a hassle to shop downtown.

Member Tester suggested that the recently approved Blowing Rock Commons project might provide a bridge for the community that meshes both the resort and tourism aspects together.

The Authority then conferred on the need for tracking and measurement of marketing efforts.

Mr. Tarbuton commented that tracking ad placement results was a key, though it is a difficult task. He stated it is important to ask the question – “are the ads working?”

Mr. Brown suggested a zip code analysis and comparison with ad placement.

Mr. Tomsy mentioned a newspaper clipping service may be useful, but is very expensive. He also referenced using a “Google alerts” application to track Blowing Rock mentions in the media. Mr. Tomsy stated the goal was to keep Blowing Rock top of mind for the visitor and word of mouth was key for a repeat visit.

Vice-Chair Tarbutton emphasized the need to at minimum use a toll-free telephone number and weblinks for tracking a return on investments.

Member Drury suggested continued use of web domain links for event tracking.

The Authority then moved to a discussion on collaboration efforts and the involvement with other area TDAs.

Executive Director Brown reviewed the collaboration with the Boone and Watauga County TDA’s which required a \$30,000 commitment from each entity. He stated that they all enjoy a great relationship and joint marketing efforts would continue.

Mr. Tarbutton stated that the High Country Host was trying to reorganize to address their ongoing budget concerns. He reminded everyone of the recent Tourism Summit and some of the results from the dialogue - shared marketing data and fulfillment. However, the follow-up had been less than desired. The goals of the meeting were to – 1) increase buying power through shared placement, 2) consider a regional approach, and 3) share data/fulfillment among parties.

All agreed that the Blowing Rock TDA will continue to work cooperatively with other local TDA’s.

Mr. Brown articulated the importance that Blowing Rock not get lost in the mix and to continue to do joint and individual marketing. He also stated that co-op ads needed an improved descriptor and/or identifier than just a High Country banner.

Mr. Tomsy expressed that he was not a fan of co-op advertisements when there is basically just a grouping of individual ads, but, he stated they were better than nothing.

Mr. Tarbutton responded that a portion of branding should be included when utilizing co-op ads. Member Drury stated that it was important to control co-op ads in order to define the brand and overall copy.

## **Visitor Center Operations**

### *Building*

Executive Director Brown reported that overall the building was in good condition and all damage from the water leak had been repaired.

### *Staffing*

Mr. Brown commended the staff of the Visitor Center and informed the Authority that staffing levels were adequate for operations. He informed the Authority, that based on the current economic climate, he would reduce some part-time staffing hours as a way to reduce the Visitor Center expenditures.

The Board expressed thanks to Mr. Brown for his overall management of the Visitor Center.

### **Infrastructure Support**

Ex-officio Member Hildebran distributed a summary of all infrastructure-related TDA expenditures that have been allocated since 2004. (**Attachment #3**)

### *Parking*

He advised that the American Legion Parking Structure was underway and currently construction was ahead of schedule, with expected completion prior to May 2009. He also stated that additional parking would be added on Park Avenue/Wallingford Street in the area to be vacated by the fire-rescue departments in the Spring 2009.

### *Streets/Sidewalks*

Ex-officio Member Hildebran reported that McGill Associates will provide an update to Town Council in the next two weeks on a downtown streetscape plan which would provide guidance on street/sidewalk improvements in the Town Center.

### *Restrooms*

Ex-officio Member Hildebran briefly mentioned a planned upgrade to the Memorial Park restrooms and that the proposed Robbins Pool Improvements Project included public restrooms at Broyhill Park. He stated that the new Blowing Rock Art and History Museum parking area included public restrooms as well.

### *Master Signage Plan*

Ex-officio Member Hildebran reported that the regulatory signs and information/directory kiosks had been installed. Two (2) additional kiosks will be located at the American Legion Parking Facility and at the Art and History Museum once those projects are completed. An additional kiosk is planned for the Tanger Outlet Shoppes.

Authority members briefly discussed the need for additional directional signage at Sunset Street and Morris Street to inform visitors that businesses are located off of Main Street. Mr. Hildebran stated he would have staff discuss the issue with Southwood Corp for recommendations. The Authority also requested that staff investigate re-positioning the map located at the Memorial Park kiosk to improve visitor viewing.

### *Newspaper Racks*

Ex-officio Member Hildebran reported that all newspaper racks have been installed and an additional unit may be located adjacent to the Blowing Rock Grille in the future.

### *Holiday Decorations*

Member Drury suggested that the Town consider some updated holiday decorations in future procurement. Mr. Hildebran responded that he would request Parks and Recreation staff (Jennifer Brown and Tom Shelley) to contact Ms. Drury to discuss the matter further.

### *Swimming Pool*

Mr. Hildebran mentioned that the Robbins Swimming Pool Improvement Project has been delayed due to bids exceeding budget. He advised that, due to the current economic downturn, the project most likely would be rebid sometime next year with expectations that bids would improve with reduced construction labor costs.

Authority members expressed support for the improvements. Executive Director Brown stated that a press release would be developed to disseminate to the public the valuable contribution the TDA makes to the community to mitigate tourism related impacts.

### **Thank You**

Authority members expressed gratitude to former Chairperson Bernie Keele, who recently resigned from the Board. Member Drury suggested that a press release would be appropriate to thank Mr. Keele for his valuable contribution to the Authority and the Town for his public service as TDA Chairperson. All members concurred and recommended a joint letter of appreciation from both the Authority and Town Council be executed. Members' Tester and Pickett advised they would discuss the letter with the Town Council at their upcoming meeting.

The Authority then discussed the vacant position on the TDA. After a brief discussion, it was the consensus of the Authority that they recommend to the Town Council that Rob Dyer be appointed to fill the unexpired term of Mr. Keele. It was also the consensus of the Authority that they recommend to Town Council that Vice-Chair Kent Tarbuton be elevated to chairperson of the TDA.

The Authority briefly discussed Art in the Park and the decision by Town Council to place the event on the new American Legion parking structure.

Member Pickett expressed the decision of Town Council to place the event on the top level of the facility was difficult, but in the end the best location for the interim period (2009). Member Tester concurred stating that the event brings visitors to town and that was the ultimate mission of the TDA. He further stated, that after the Art in the Park season, the Town Council will revisit the issue.

Mr. Hildebran advised that the 2009 Art in the Park season will have a net gain of 99 parking spaces due to the new parking structure (lower level) as well as the opened access to park Avenue and Wallingford Street.

It was the consensus of the Authority that the decision, although not ideal, was the best option at this time.

### **Event Activities**

The Authority discussed their role in development/promotion of special events and the marketing partnership with events via providing advertising/marketing/public relations support.

The Authority highlighted the major events held or planned in Blowing Rock. These included:

- Winterfest
- Wine Festival
- Art in the Park
- BRAHM Antique Show
- Horse Show
- ASU football and University activities
- Oasis Shriners Ceremonial 2009

Member Tester suggested that the Charity Horse Show might be a larger part of our activities and provide greater opportunities for merchants.

Executive Director Brown advised that he has had discussions with Rita Wiseman (Horse Show Representative) regarding TDA/Horse Show relationship building. He briefly mentioned the possibility of ad placement in Horse magazines and some type of specialty niche marketing.

Vice-Chair Tarbutton suggested merchants staying open later to take advantage of activities.

Member Tester recommended that the TDA work with local hotels, restaurants, and merchants to leverage opportunities during such events. The Authority also suggested this was an important role the Chamber of Commerce should pursue.

Mr. Tomsy inquired about interest in the possibility of hosting the Bridge to Bridge bike race with a finish in Blowing Rock. Member Pickett expressed concern about parking for an extended period of time along Main Street during such an event.

The Board responded favorably to the bike race and indicated a finish at the Horse Show Grounds might be more feasible, due to parking and staging.

Executive Director Brown reminded the Authority that the TDA also assists and provides music support/sound for various events such as the July 4<sup>th</sup> and Christmas parades.

Mr. Tarbutton encouraged Mr. Brown to pass along future event dates to the hotels, restaurants, and merchants as soon as known to facilitate planning and cooperation.

### **Grants/Allocations**

The Authority reaffirmed their position to dedicate the TDA's annual marketing and advertising budget to building the image and brand of Blowing Rock, to include the

overall visitor experience, special events and activities as possible within budget limitations – therefore, no grants will be made to individual organizations for promotional purposes.

Mr. Brown mentioned a possible request for funds for the postal expense of a self-mailer for the Arts Center. The Authority expressed some reservation about the concept and requested more information.

### **Downtown Retail Strategy Report**

Member Tester stated after spending a great deal of time reviewing the Downtown Retail Strategy that he came to the conclusion that three entities have the primary roles in moving the strategy forward – Town Government, TDA and Chamber of Commerce. Based on the recommended course of action in the strategy, he identified possible lead roles for each group.

Town Government: Overall Framework, Public Improvements, Private Property

Chamber: Retail Business Development

TDA: Marketing

He suggested having a downtown committee made up of town government (including the Planning Board) along with the TDA and the Chamber of Commerce looking at their own individual responsibilities then coming together and discussing the strategy. The following steps were proposed:

1. Convey the proposed process to the three stakeholders
2. If all agree, request each stakeholder to take time to review the whole strategy but specifically their designated lead oversight role
3. After the TDA February meeting, schedule a joint meeting for the three stakeholders to discuss breaking up the tasks
4. Set up a Downtown Partnership to serve as a communications group

Member Tester suggested that if the TDA concurs with the thought that he would take the proposal to Town Council for consideration.

He also stated that the Chamber had begun to review the document.

After a short discussion, it was the consensus of the Authority to endorse this proposed approach and forward it to Town Council for consideration. The Authority agreed to discuss the strategy further at their February meeting.

### **Update of TDA Strategic Plan**

The Authority reviewed the TDA Strategic Plan discussing the following items –

- Continued need to focus on business travelers/retreats and to fill the gaps/shoulders
- Continued need to focus on June, July and August midweek overnight stays.

- Expand retailer operating hours especially during events and weekends
- Need for improved or refreshed look of collateral, an upscale getaway – both language and visual, as suggested in the HyettPalma study
- Focus more on creative than ad placements.
- Return to the “Crown of the Blue Ridge” tagline
- Consider a combination of marketing campaigns with a joint theme

After some discussion, the Authority requested Mr. Tomsy (WC&T) make a presentation at the February 9<sup>th</sup>, 2009 TDA meeting regarding an updated branding approach.

The Authority made the following revisions to the 2007-08 Strategic Plan –

### **BLOWING ROCK TOURISM DEVELOPMENT AUTHORITY STRATEGIC PLAN**

#### **Vision**

The Blowing Rock Tourism Development Authority (TDA) will provide leadership and primary funding, for developing and promoting tourism in Blowing Rock that will position Blowing Rock as one of the premier travel destinations in the Southeastern USA.

#### **Mission**

To develop and promote travel and tourism to and within the town of Blowing Rock by executing a strategic marketing plan with the goal of increasing the numbers of overnight guest and extending the traditional tourist season.

#### **Objectives**

- Maintain a strong level of tourism promotion and support for the summer season.
- Provide an increased level of tourism promotion for the Spring, Fall and Winter seasons, and conduct market tests.
- Provide short-term "focused" tourism promotion to fill the gaps and draw the targeted tourist segment, and better define “targeted tourist segment”.
- Place more emphasis on establishing Blowing Rock as a destination of choice for business and focused activity groups and produce collateral for retreats and business travelers.
- Maintain a long-term tourism promotion and support plan with the objective of developing the target tourism community.
- Place more emphasis on tracking and demonstrate measurable growth in a) Winter, Spring, and Fall seasons and b) mid-week Summer season by utilizing Average Daily Rates, Occupancy, Internet and 800# hits.
- Develop and maintain strong ties and cooperative efforts with other local and regional tourism-based organizations.
- Work with the Town to provide funding for infrastructure support and advocate for continued improvements (i.e. parking, traffic flow, information availability, etc.)
- Develop, promote and support tourism in Blowing Rock consistent with the Town of Blowing Rock's Comprehensive Plan.
- Promote and support a business environment that maintains and improves quality of life in Blowing Rock and the quality of visitor we're trying to attract in accordance with the Town Comprehensive Plan.

#### **Values**

- Promotes growth and stability in the business community.
- Supports the continuation of a high level of quality of life in Blowing Rock.
- Encourages the growth of "The Arts" in Blowing Rock.
- Encourages the utilization of Blowing Rock's recreational and natural resources.
- Provides a funding base for maintenance and improvement of the town's infrastructure.

## Strategies

- Fund all activities from a 6% Occupancy Tax to be levied on the "short term" rental business in the Town of Blowing Rock.
- Fund both tourism promotion (2/3 of the net tax revenue) and improvements to the infrastructure that supports tourism (1/3 of the net tax revenue).
- Focus the TDA on advertising and Tourist Information Center service and rely on a) other agencies to provide event management and b) the Town government for direction and management of infrastructure support (with some funding from the TDA).
- Provide strategic planning and oversight through the TDA Board and operational management through a paid staff and volunteers.
- Make strong utilization of seasonal broad image advertising, internet and PR, with packages (hotel, retail, attractions), coordination management and front line educational programs for "in-season" promotions.
- Utilize events and/or activities (packages, sales, groups, studio strolls, the arts) to focus the promotion efforts on "filling the gaps" (shoulder and off-seasons and mid-week).
- Use the results of completed surveys (ASU surveys, Smith Travel Research, AE, Visa/MC studies, ...) and other available data to develop a comprehensive understanding of Blowing Rock's current tourism community and define the target tourism community.
- Operate a Visitor Center to provide visitor support and present Blowing Rock as a quality tourism destination.
- Strengthen and expand the TDA's efforts by maintaining strong working relationships with other area, regional, state and national organizations (Chamber of Commerce, Community Arts Center, BRAHM, Advantage West, HCH, NCRHA, AHMA, etc.).
- Coordinate with "interest groups" and utilize approved projects/activities/documents (Parking Study, Comprehensive Plan, etc.) to advocate infrastructure changes/improvements with the Town.

## Goals

### 2007 - 2008: **Change to 2009-2010**

- Use the recently completed analysis of the Blowing Rock tourism environment and other available data sources to develop an understanding of the differentiated Blowing Rock tourism environment in the context of tourism in The High Country (Local), State of North Carolina (State) and the South East (Regional).
- Provide funding and strategic planning support for economic development activities in Blowing Rock. Address such concerns as; a) What can we do to influence the type of business that locates in the village and on Valley Boulevard?; b) What can be done to aid locally owned motels in upgrading facilities and services? (encourage the Chamber of Commerce); and c) Identify specific things the TDA can do to assist Blowing Rock's lodging, dining and retail partners in meeting the expectations of visitors (i.e. training, seminars, retail market analysis, etc.). **Eliminate bullet**
- Continue to provide funding and planning support for the development of new parking facilities and people movement in the village.
- Develop a strategic plan for synchronizing the TDA's promotional efforts with the existing and developing tourism-related businesses/activities in the community and region (i.e., The Community Arts Center, BRAHM, etc.) and take an active role in implementing the plan.
- Increase occupancy rates by 6% in 2007 and 5% in 2008. **Eliminate bullet**
- Review current creative and develop a new approach for Fiscal Year 2009-2010. **Add**
- Participate in Retail Strategy implementation. **Add**
- Re-incorporate "Crown of the Blue Ridge" as tagline. **Add**
- Focus on opportunistically using public relations to tell the Blowing Rock story. **Add**

## Programs

(Business Plan to be developed by TDA Director)

## Other Business

Upon the departure of Executive Director Brown, Assistant Director Fife and Mr. Tomsky, Vice-Chair Tarbutton stated that the Authority had agreed to evaluate the performance of the Executive Director on an annual basis. It was the consensus of the

Authority that Mr. Brown had performed admirably during his second-year tenure with the TDA. The Board made the following comments on Mr. Brown's leadership – improved community/regional relationships, enhanced communication, and the sound management of both the Visitor Center and day to day operations.

After a brief discussion, motion by Member Pickett and seconded by Member Drury to provide a one-time 40-hour vacation leave addition to Executive Director Brown for his service this past year. Motion unanimously approved.

**Adjournment**

With no further business, motion by Member Pickett and seconded by Member Tester to adjourn the meeting. Motion unanimously approved. Vice-Chair Tarbutton adjourned the meeting at 2:40 p.m.

Vice-Chair Tarbutton reminded the Authority that the next TDA meeting is scheduled for February 9, 2009 at 3:00 p.m.

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Kent Tarbutton, Vice-Chair

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Scott E. Hildebran, Secretary

**Attachments**

- #1 – FY 2007-08 Annual Audit Report**
- #2 – FY 2008-09 Audit Contract**
- #3 – Infrastructure-related TDA Expenditures**