

**Town of Blowing Rock  
Tourism Development Authority  
Minutes – April 7, 2009**

The Town of Blowing Rock Tourism Development Authority met on Tuesday, April 7, 2009 at 8:30 a.m. in a regular meeting held at Town Hall. Present were Chairperson Kent Tarbutton, Vice-Chair Lynn Drury, Authority members Phil Pickett and Rob Dyer, Ex-officio members Nicole Norman and Scott Hildebran, TDA-Appointee Dean Bullis, and Executive Director Tracy Brown.

Charles Hardin of the Blowing Rock Chamber of Commerce was also present.

**Call to Order**

Chairperson Kent Tarbutton called the meeting to order and welcomed those in attendance.

**Approval of Minutes – March 9, 2009**

Chairperson Tarbutton entertained the approval of the March 9, 2009 meeting minutes. Motion by Vice-Chair Drury and seconded by Member Pickett to approve the March 9, 2009 meeting minutes as written. Unanimously approved.

**Oath of Office**

Chairperson Tarbutton introduced newly appointed Authority Member Dean Bullis and administered the oath of office. (**Attachment #1**)

**Financial Report**

Ex-Officio Member Norman briefly reviewed the monthly financial statement and the FY 2008-09 Occupancy Tax collections fiscal year-to-date through February 2009. She stated that occupancy tax revenues were down approximately 12.44% (or \$75,235) compared to the same eight-month period of 2008. For the month of February 2009, occupancy tax revenue was down 23.01% (or \$8,350) from February 2008. Expenditures for the year were in line with projections.

Mrs. Norman advised that should the decline in occupancy taxes continue the TDA would realize a total reduction of \$76,000 (or 10%) in budgeted occupancy taxes revenue. The TDA also reviewed potential fund balance appropriations that may be needed to balance the current year budget. Items to be funded include the balance of the Downtown Retail Study and possibly any occupancy tax revenue shortfall.

The Authority then reviewed the overall economic climate and the impact on tourism nationally and locally. Mr. Hildebran stated that the Town had delayed the resurfacing of the Broyhill parking area which would eliminate the \$30,000 allocated from the TDA to the Town in infrastructure funding. This reduction could equate to \$90,000 in occupancy taxes based on 1/3<sup>rd</sup> – Infrastructure and 2/3<sup>rd</sup> – Marketing/Promotion budgeting.

Chairperson Tarbutton requested that Executive Director Brown review the budget to look for efficiencies and items that can be trimmed or delayed and further discussion would be held at the May meeting

The TDA Board agreed to review the economic situation again in May and make budget adjustments, as needed.

### **Operations Activity Report**

The Authority briefly reviewed the Operations Activity Report on Visitor Center activities - web site usage, telephone and email requests, walk-in traffic, etc.

Executive Director Brown advised that he provided an Operations Activity Report to the Authority during his last bi-weekly report and that the report summarized most of the current Visitor Center activities.

Mr. Brown then discussed –

- Visitor Center indicators, reflecting the economy, are down – telephone (-16%), emails (-13%) and walk in traffic (12%).
- Web site has been updated with spring features and Wine Festival information.
- TDA has allocated \$12,000 toward Wine Festival promotions, including an updated website.
- Upcoming Advertising includes – Oprah Magazine and Better Homes & Gardens, with several earned media pieces as well.
- Upcoming visit scheduled with Visit NC.
- WC&T has assisted with obtaining commitments from celebrity judges for the Fire on the Rock event and placed several Wine Festival articles.
- Blue Ridge Parkway celebrating upcoming 75<sup>th</sup> Anniversary – TDA will be marketing “Crown of the Blue Ridge”.
- Visitor Guide update underway.
- The film, Goodbye Solo, references Blowing Rock and TDA staff working on marketing opportunities.
- Wine Festival – bookings good thus far, packaging has limited participation.
- Days Inn converting to Holiday Inn Express in the near future.

The Authority suggested that the TDA, and possibly the Chamber, continue to discuss the merits of hotel packaging and investigate the potential of a hosting seminar on the topic.

Chairperson Tarbutton thanked Mr. Brown for his report.

### **Marketing/Media Services**

Chairperson Tarbutton stated that over the past two meetings the Authority had entertained proposals regarding TDA marketing and media services from both JDM Strategies and the Meridian Agency.

After a brief discussion of the merits of both agencies, the Authority determined that the Meridian Agency was best suited for the FY 2009-10 Marketing/Media Services contract based on the following factors -

- historical relationship between Meridian Agency and the High Country
- familiarity with the market
- suggested target demographics/markets
- proposed creative work
- fees associated with new creative and placement

Motion by Vice-Chair Drury and seconded by Member Pickett to approve the Meridian Agency for the FY 2009-10 as the TDA marketing/media services agency. Unanimously approved.

The Authority did note that they were very pleased with the public relation services provided with JDM Strategies and planned to maintain that relationship.

Vice-Chair Drury suggested that Executive Director Brown develop a process in working with the Meridian Agency for periodic creative review.

#### **Downtown Retail Strategy Report**

Mr. Hildebran gave a brief update on the status of the Downtown Retail Strategy. He stated that the steering committee had their second meeting and town staff provided an update on various activities underway that address components of the strategy (i.e., streetscape, parking, restrooms, outdoor dining, zoning and historic town center).

Chairperson Tarbutton and Vice-Chair Drury both agreed to continue to keep the Authority, as well as the community, up to date on the steering committee progress. They also noted that other community leaders would be requested to attend upcoming steering committee meetings to provide updates on their activities related to the Retail Strategy.

#### **NC Wine and Culinary Center – Funding Request**

Chairperson Tarbutton introduced Chamber of Commerce Executive Director Charles Hardin to discuss a funding request for a feasibility study for a proposed N.C. Wine and Culinary Center in Blowing Rock.

Mr. Hardin began by thanking the Authority for their continued support of the Blue Ridge Wine and Food Festival sponsored by the Chamber.

He then presented a \$5,000 request for funding for a feasibility study for a proposed N.C. Wine and Culinary Center in Blowing Rock. (**Attachment #2**) Mr. Hardin advised that the Chamber of Commerce Economic Development Committee had assembled a steering committee to determine the feasibility of a facility that would be a hybrid educational tourism attraction, museum, and North Carolina wine industry promotional unit. Funding commitments have been received from – Watauga Tourism Development Authority (\$5,000), Watauga County Economic Development Commission (\$5,000), Chamber of

Commerce (\$5,000) and Blue Ridge Electric (\$5,000). A matching grant request has been submitted to the N.C. Rural Center for up to \$25,000. The expected cost of a feasibility study is around \$45,000.

The Chamber has received verbal support for the center from Shelton Vineyards and the N.C. Wine/Grape Council. He stated that Appalachian State and Johnson & Wales have both shown interest in the project.

Vice-Chair Drury stated she supported the concept but expressed some concern about the needed capital to make such a project succeed. She also advised that Appalachian State had shifted focus regarding the viticulture program toward steep slope study. Mr. Hardin responded that the feasibility study should provide guidance with those issues.

Member Dyer and Member Bullis both inquired if the center would be located in Blowing Rock. Mr. Hardin responded that the feasibility study should provide guidance with that issue as well.

Executive Director Hardin stated the steering committee had not selected a firm for the study at this time.

Member Pickett expressed some apprehension about funding \$5,000 from the current TDA Budget with declining occupancy taxes. Other TDA members shared similar concern. Ex-Officio Member Hildebran suggested that the any funding be conditioned such that the funds would be the last \$5,000 to go toward the study which would delay the need for funds until the FY 2009-10 Budget.

Vice-Chair Drury suggested that, due to budget considerations, the decision on the item be deferred until the cooperative marketing proposal is heard. It was the consensus of the Authority to proceed with the cooperative marketing agenda item.

### **High Country Cooperative Marketing**

TDA Executive Director Brown informed the Authority that there has been a meeting of several TDA's and CVB's from across the area with the High Country Host and a few private entities like Grandfather Mountain and Tweetsie discussing ways all entities could work together in promotion going into the coming season. The current proposal is for the TDA's and CVB's to commit 10% of their promotion budgets for the campaign. For Blowing Rock, 10% would equal approximately \$30,000-\$35,000 of the marketing/media budget. The goal of the effort is to raise approximately \$230,000 with some cooperative assistance from the State of North Carolina Department of Tourism that could bring the total campaign up to \$400,000.

Ex-Officio Member Hildebran suggested that the cooperative marketing effort consider additional funding formulas such as population or lodging units to insure parity.

Chairperson Tarbutton stated that, based on his understanding, the more a unit provides in funding the greater input they would have over the campaign. Mr. Brown concurred.

After some discussion, the Authority proceeded with action of the both agenda items.

High Country Cooperative Marketing Effort

Motion by Vice-Chair Drury and seconded by Member Bullis to participate in the High Country Cooperative Marketing effort up to 10% of marketing/media in the FY 2009-10 Budget. Motion unanimously approved.

N.C. Wine and Culinary Center Feasibility Study – Funding Request

Motion by Vice-Chair Drury and seconded by Member Dyer to allocate \$5,000 in the FY 2009-10 Budget to the Blowing Rock Chamber of Commerce for the N.C Wine & Culinary Center Feasibility Study, with the condition that the \$5,000 be the final disbursement for the study. Motion unanimously approved.

At this time, Chairperson Tarbutton stated that the Chamber of Commerce has made application to the N.C. Rural Center for grant funding for up to \$25,000 in funds to aid in the cost of the feasibility study. However, the Chamber was recently notified that they are not eligible due to their 501(c)6 IRS status.

Due to the fact that the N.C. Rural Center requires the applicant to be either a 501(c)3 corporation or a government agency, the Chamber of Commerce is not an eligible applicant. The Rural Center has agreed to allow the TDA to apply for the grant funding and act as a pass-through agency for the grant funds.

After some discussion, it was determined that the Town of Blowing Rock might be the more appropriate agency to make application.

Motion by Member Pickett and seconded by Member Dyer to request the Town of Blowing Rock to make application to the N.C. Rural Center on behalf of the Chamber of Commerce for grant funds. Motion unanimously approved.

**Meeting Time**

After a brief discussion, the Authority agreed due to conflicting schedules to begin the May 5, 2009 TDA Meeting at 3:00 p.m. instead of 8:30 a.m.

**Adjournment**

With no further business, motion by Member Pickett and seconded by Member Dyer to adjourn the meeting. Motion unanimously approved. Chairperson Tarbutton adjourned the meeting at 10:35 a.m.

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Kent Tarbutton, Chairperson

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Scott E. Hildebran, Secretary

**Attachments**

**#1 – Oath of Office - Dean Bullis**

**#2 – NC Wine & Culinary Center – Feasibility Study Funding Request**