

**Town of Blowing Rock  
Tourism Development Authority  
Minutes – November 18, 2009**

The Town of Blowing Rock Tourism Development Authority met on Wednesday, November 18, 2009 at 9:00 a.m. in a regular meeting held at Chetola Resort. Present were Chair Kent Tarbutton, Vice-Chair Lynn Drury, Authority members Dean Bullis, Phil Pickett, Rob Dyer and Ex-officio members Scott Hildebran and Nicole Norman. Executive Director Tracy Brown and Assistant Director Amanda Fife were also present.

**Call to Order**

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

**Approval of Minutes – October 6, 2009**

Chair Tarbutton entertained the approval of the October 6, 2009 meeting minutes (and October 6, 2009 closed session meeting minutes). Motion by Member Pickett and seconded by Member Dyer to approve the October 6, 2009 meeting minutes (and October 6, 2009 closed session meeting minutes) as presented. Unanimously approved.

**FY 2008-09 Annual Audit Report**

Chair Tarbutton then introduced TDA Auditor Holly Taylor of Combs, Tennant & Carpenter, P.C. to review the FY 2008-09 audit.

Auditor Taylor stated that the report came with a clean opinion and that the audit complies with the Governmental Accounting Standards Board 34 requirements. Ms. Taylor stated that the TDA ended the fiscal year with \$292,777 in net assets compared with \$324,770 in FY 2007-08. The year-end unreserved fund balance totals \$221,477. She stated that, considering the current economic climate and decline in occupancy tax revenue, the TDA had weathered the FY 2008-09 Budget as well as could be expected.

After a brief discussion, motion by Member Pickett and seconded by Vice-Chair Drury to accept the FY 2008-09 Annual Audit Report as presented. Unanimously approved.

**(Attachment #1)**

The Authority thanked Auditor Taylor for her audit report and she departed the meeting.

Secretary Hildebran then presented a FY 2009-10 Audit Contract with Combs, Tennant & Carpenter, P.C. for Authority consideration. Motion by Vice-Chair Drury and seconded by Member Pickett to adopt a FY 2009-10 Audit Contract with Combs, Tennant & Carpenter, P.C. for \$3,500 (same price as FY 2008-09) as presented. Unanimously approved. **(Attachment #2)**

**Financial Report**

Chair Tarbutton introduced Finance Officer Nicole Norman and requested her to review the FY 2009-10 Budget to date.

Ms. Norman then reviewed the monthly financial statement and the FY 2009-10 Occupancy Tax collections year-to-date through September 2009. She stated that September revenues, totaling a gross of \$52,907.25, were down compared to September 2008 by 7.0% or \$4,083.41. 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 – Sept) occupancy tax revenues were down 16.99 percent or \$91,808.13. Further, Ms. Norman stated that for fiscal year to date (July – Sept) occupancy tax revenues were down 15.53 percent or \$42,345.33.

The Authority briefly discussed the overall economic downturn and possible impact of occupancy tax loss due to the closure of the Green Park Inn and renovation of the Holiday Lodge. They also discussed the impact of new lodging properties in Boone.

### **Marketing Efforts**

Executive Director Brown updated the Authority on TDA marketing efforts. He discussed the new updated collateral – the Visitor Guide, Website, Print Ads, and the new Bob Timberlake video. He advised all the items were developed with the “signature experience” theme. Mr. Brown stated that all recent print media included a specific web address to aid in tracking and measurement of marketing efforts.

The Authority expressed satisfaction with the new image pieces.

Chairperson Tarbutton passed along comments he had received regarding the direction of marketing – are we providing the amenities which we are advertising? Members expressed a variety of opinions.

Vice-Chair Drury suggested spotlighting the community as “upscale with value”, but recommended additional research was needed to find out what our current customers and potential customers are saying. She further commented that any shift in marketing direction should be based on data.

Member Bullis stated that we must maintain quality rather than quantity and concentrate on our uniqueness. Member Dyer concurred and stated that our visitors like our laid back atmosphere of mountain casual. All members were in agreement that quality, value and uniqueness were important.

The Authority also discussed the new Watauga County TDA emphasis on outdoor recreation – biking, mountain climbing, skiing, hiking trails, scenic beauty, etc. All members agreed that the Watauga County emphasis complimented the Blowing Rock visitor.

After some discussion, it was the consensus to retain a marketing research consultant to conduct focus groups in the Raleigh/Greensboro/Charlotte areas to determine the effectiveness of our marketing campaign and find out what the customers are saying.

Member Pickett advised that Sanibel Island, Florida was having similar discussions regarding lodging, amenities, and future visitors.

Assistant Director Fife commented that current market research suggests that retirees, couples and singles were still traveling, with those in their 30's traveling the most.

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, the High Country Host, the area Chamber of Commerce's, the Blowing Rock Lodging Association, etc. He also mentioned the relationships and support provided to local groups and events

All agreed that the Blowing Rock TDA will continue to work cooperatively with other tourism promoting agencies.

#### *Group Sales*

Chairperson Tarbutton discussed the potential of filling some off season gaps (shoulder seasons/weekdays) with group meetings (i.e., Sheriff's Conference, Bank of America, Wachovia, wedding business, etc.).

The Authority discussed that group business has spillover effects to other lodging establishments, retail and restaurants, and the business does not tax the town's infrastructure.

Executive Director Brown advised that our media designer, Heidi Lusk of the Meridian Agency, could assist in development of conference package collateral. Vice-Chair Drury suggested that we could market group sales to travel planners.

Member Bullis mentioned the state marketing campaign to support your home state and that groups sales would fit nicely into that effort.

It was the consensus to actively solicit group sales in next FY budget.

#### *Amenities/Rates and Adding Value*

Chairperson Tarbutton stated that Executive Director Brown had recently provided the Authority a comparison of lodging rates/amenities between Boone and Blowing Rock and how the Blowing Rock location and experience sells Blowing Rock.

The Authority discussed that in moving forward with the image/marketing campaign that the TDA consider the "value" element of the Blowing Rock experience, but emphasized that "value" was not "discount".

The Authority agreed to continue to work on the campaign message as it evolves.

### *Hayes Center*

Chairperson Tarbutton provided a brief update to the best of his knowledge on the status of the Hayes Center. He stated that it is his understanding the Hayes Centers has an approximately \$5.5 million debt to Wachovia and are working to restructure the debt. He also stated that a consultant had been retained by the Hayes Board to investigate all possible programming uses for the facility and to provide guidance on how to make the facility a viable operation.

The Authority discussed the value of the amenity to tourism and agreed to continue to monitor the situation.

### **Visitor Center Operations**

#### *Building/Equipment/Staffing*

Executive Director Brown reported that overall the building was in good condition. He informed the Authority that the Blowing Rock Art & History Museum had decided to vacate the building and move downtown to be closer to the construction of their new building and to obtain a Main Street profile.

After some discussion and with the suggestion of Mr. Brown, the Authority agreed to utilize the vacated space for TDA work area.

Mr. Brown discussed the need to replace an outdated computer server. He stated that the cost would be approximately \$3,000, with costs split evenly between the TDA and Chamber of Commerce. The Authority advised Mr. Brown to proceed with the replacement.

The Authority briefly discussed the current location of the visitor center and the impact of the U.S. 321 widening on the center. The Board agreed to monitor the situation.

Chair Tarbutton stated that he had initiated conversations with the Chamber of Commerce about establishing an annual meeting between the TDA Chair/TDA Executive Director and the Chamber of Commerce President/Chamber Executive Director. The meeting would provide a foundation for each organization's responsibilities' and improve the dialogue between the two groups. The Authority concurred.

### **Infrastructure Support**

Ex-officio Member Hildebran provided an update on infrastructure-related TDA expenditures and TDA debt service commitments.

#### *Parking*

He advised that the American Legion Parking Structure was complete and the Blowing Rock Art & History Museum Parking Facility was underway, with completion expected within 18 months.

#### *Streets/Sidewalks*

Ex-officio Member Hildebran reported that Phase I of the Downtown Streetscape improvements was underway and should be completed prior to the first of the year. He also noted that streetscape improvements have been completed in the area of First Citizens Bank as well. Additional phases will occur as funding allows.

#### *Restrooms*

Ex-officio Member Hildebran advised that the Memorial Park restrooms had been renovated earlier in the year. He mentioned that the Robbins Pool Improvements Project included year-round public restrooms at Broyhill Park. He stated that the new Blowing Rock Art and History Museum parking area included public restrooms as well.

He mentioned that the Town has developed a plan for restrooms at the Ice House Building located adjacent to the Maple Street Public Parking Lot. The estimated cost of the renovation is in the \$30,000-35,000 range. The design also includes an area for visitor information.

The Authority then discussed the potential of placing visitor information in the Pictorial Museum located on Main Street @ Memorial Park operated by the Blowing Rock Historical Society. Executive Director Brown agreed to follow-up on the matter for possible use next summer.

#### *Master Signage Plan*

Ex-officio Member Hildebran reported that the directional signs for Sunset Drive and Morris Street had been installed earlier in the year and businesses along both streets have seen increased walking traffic.

He also stated Executive Director Brown maintains the distribution of Visitor Guides and Maps at all three information kiosks (American Legion Parking Structure, Main Street and Maple Street Lot). An additional information kiosk is planned at the new Art & History Museum once the building project is complete.

In addition, Mr. Hildebran advised that the new 3-hour parking signs would be installed on Main Street and Sunset Drive prior to the 2010 spring season.

#### *Holiday Decorations*

Mr. Hildebran informed the Authority that Vice-Chair Drury had assisted the Parks and Recreation Department with updated holiday decorations planning, as new light pole bows had been purchased in the downtown area.

#### *Debt Service Commitments*

Mr. Hildebran reviewed the TDA debt service commitments and their scheduled retirement –

- American Legion Parking Structure – 5 years
- Tiller-Lane Property (home of the BRAHM and Parking Facility) – 8 years
- Visitor Center - 10 years

### **Event Activities**

The Authority discussed their role in development/coordination of special events and the marketing partnership with events via providing advertising/marketing/public relations support. The major events that have received co-promotion include: Winterfest, Blue Ridge Wine & Culinary Festival, Art in the Park, BRAHM Antique Show. BR Charity Horse Show, etc.

It was the consensus of Authority members to continue to also co-promote local and other area events that increase lodging occupancy in Blowing Rock (other area events mentioned include ASU events/activities, Woolly Worm Festival, Valle Crucis Fair, Merlefest, etc.). Therefore, no grants will be made to individual organizations for promotional purposes.

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

The Authority discussed the importance of coordination among all parties when planning, developing or holding events.

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

The Authority briefly reviewed the TDA Strategic Plan, discussing the addition of the following items –

- Incorporating a greater focus on “Group” business.
- Retaining a consultant to conduct “Focus Groups” in the Charlotte, Triad and Triangle regarding marketing efforts.
- Continued support and participation in the Downtown Retail Strategy implementation process.
- Consider a continued collaboration with the area TDA’s on marketing campaigns and possibly a visitor center.
- Update all language reference to Hayes Performing Arts Center.

Vice-Chair Drury agreed to modify the Strategic Plan to incorporate the additional priorities discussed during the retreat. Chairperson Tarbuton thanked Ms. Drury for her willingness to take on the task.

### **Downtown Retail Strategy Report - Update**

Chairperson Tarbuton reported that the Downtown Retail Strategy Steering Committee continues to meet monthly to work on elements of the study. The October meeting focused on the possibility of a Downtown National Registry Historical Designation and Blowing Rock Art & History Museum assisting with guidelines for art on public property. He also stated that the committee had discussed the proposed Town Center District that was under consideration by the Town.

Mr. Hildebran provided a brief update on the Town Center District and that the issue was still under review by Town Council.

Chairperson Tarbutton and Vice-Chair Drury both stated that the TDA was an active participant on the steering committee and progress was being made on implementation of the recommendations from the HyattPalma study.

**Other Business – April 2010 Meeting**

Vice-Chair Drury suggested that the April Authority meeting be delayed by one day to accommodate Easter Break. After a brief discussion, it was the consensus of the Authority to move the April 2010 meeting from Tuesday, April 6, 2010 at 3:30 p.m. to Wednesday, April 7, 2010 at 3:30 p.m.

**Adjournment**

With no further business, motion by Member Pickett and seconded by Member Dyer to adjourn the meeting. Motion unanimously approved. Chair Tarbutton adjourned the meeting at 1:40 p.m.

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Kent Tarbutton, Chair

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Scott E. Hildebran, Secretary

**Attachments**

**#1 – FY 2008-09 Annual Audit Report**

**#2 – FY 2009-10 Audit Contract**