

**Town of Blowing Rock  
Tourism Development Authority  
Minutes – May 4, 2010**

The Town of Blowing Rock Tourism Development Authority met on Tuesday, May 4, 2010 at 3:30 p.m. in a regular meeting held at Town Hall. Present were Chairperson Kent Tarbutton, Vice-Chair Lynn Drury, Authority members Dean Bullis, Phil Pickett and Rob Dyer, Ex-officio members Nicole Norman and Scott Hildebran and Executive Director Tracy Brown.

**Call to Order**

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

**Approval of Minutes – April 7, 2010**

Chairperson Tarbutton entertained the approval of the April 7, 2010 meeting minutes. Motion by Member Pickett and seconded by Vice-Chair Drury to approve the April 7, 2010 meeting minutes. Unanimously approved.

**Financial Report**

Ex-Officio Member Norman briefly reviewed the monthly financial statement and the FY 2009-10 Occupancy Tax collections fiscal year-to-date through March 2010. She stated that occupancy tax revenues were down approximately 11.33% (or \$61,420) compared to the same nine-month period of 2010. For the month of March 2010, occupancy tax revenue was down 1.94% (or \$330) from March 2009. It was also pointed out that interest income was well below budget, only at 16.09%. Expenditures for the year were in line with projections. (**Attachment #1**)

The Board briefly reviewed the outstanding occupancy tax penalties and their collection status.

With the economic downturn affecting tourism, the TDA discussed the need for a fund balance appropriation to cover the projected budget shortfall of approximately \$72,910. They agreed to discuss the matter further during their upcoming FY 2010-11 Budget worksession.

Board members shared that April occupancy numbers were looking somewhat better.

With no further questions/comments, Chairman Tarbutton moved to the Operations Activity Report.

**Operations Activity Report**

Executive Director Brown briefly reviewed his bi-weekly update on the Operations and Visitor Center activities - web site usage, telephone and email requests, walk-in traffic, etc.

Mr. Brown then discussed –

- Visitor Center indicators, reflecting the economy, are steady – inquiries {-2% }, and walk in traffic {+2% }.
- Upcoming ads include *Cary Living*, *Cooking Light*, *WNC Magazine*, *Oprah Magazine* as well as Google.
- JDM Strategies assisted with obtaining commitments from celebrity judges for the Fire on the Rock event and placed several Wine Festival articles.
- Wine Festival comments have been positive.
- Oasis Shriners hosting their second ceremonial in Blowing Rock the first weekend in June. Hotels should be full for minimum of two nights. Parade to be held on Saturday, June 5 at 2:00 p.m.
- Hosted travel writers from *Boom Magazine* out of Raleigh, NC.
- Working with LKM, the State of NC marketing agent, on a sweepstakes initiative with *Family Circle Magazine*.
- Mentioned in a *USA Today* article (March 29, 2010) regarding the Blue Ridge Parkway 75<sup>th</sup> Anniversary and will be hosting a NBC Today Show segment on the parkway.

Chairperson Tarbutton thanked Mr. Brown for his report.

### **FY 2010-11 TDA Budget**

Ex-Officio Member Hildebran, Ex-Officio Member Norman and Executive Director Brown reviewed a draft copy of the proposed FY 2010-11 TDA Budget. (**Attachment #2**)

The FY 2010-11 proposed budget totals \$683,125, with \$660,000 from occupancy tax proceeds, down \$97,800 or 13% from the FY 2009-10 adopted budget of \$780,925, with \$750,025 from occupancy tax proceeds.

Ex-officio member Norman reviewed the TDA Fund Balance Policy and then distributed an outline of the current fund balance. (**Attachment #3**) Mr. Hildebran briefly mentioned that the recent renovation of the Holiday Inn Express and the closure of the Green Park Inn had impacted occupancy taxes as well.

Mr. Hildebran provided an overview on the town portion of the proposed budget with the Authority – i.e. streetscape - sidewalk, signage, paving, parking, landscaping/beautification in the downtown area. Executive Director Brown briefly reviewed the TDA portion of the budget – specifically proposed marketing and administrative items. Ex-officio Norman reminded the Authority that a majority of the administrative line-items were fixed costs and yield little flexibility.

The Board agreed to schedule a budget worksession for Thursday, May 20, 2010 at 9:00 a.m. Chair Tarbutton informed the Authority of a forecast by PKF Hospitality Research stating that 2010-11 should be flat but that in 2011-2012 occupancy numbers should see an increase.

Mr. Hildebran reminded the Authority that the public hearing on the proposed budget is scheduled for the June 1, 2010 TDA meeting at 3:30 p.m.

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

Ex-officio Member Hildebran stated that the Downtown Retail Strategy Steering Committee met in April and welcomed Mayor Pro-tem Albert Yount and Chamber Economic Development Chair John Aldridge to the committee. Jim West was elected chairperson and Kent Tarbutton as vice-chairperson. Overall, the meeting was mainly informational.

During the May meeting, the Retail Strategy Committee will receive updates from the Blowing Rock Art & History Museum and Blowing Rock Historical Society.

### **Marketing Research Services**

Executive Director Brown updated the Authority on the two proposals received for marketing research services, with one from Crown Communications and one from Smith Advertising. The research would evaluate the Blowing Rock image and language and determine if the image/language appeal to our desired audience.

Member Dyer disclosed that his godfather was owner of Smith Advertising and that he would recuse himself from any discussion of the matter.

After some discussion, it was the Authority consensus that Smith Advertising be retained for the marketing services based on their experience, cost and references. Due to budgetary concerns, any award would be deferred to next fiscal year. Chair Tarbutton requested that Mr. Brown follow-up with Smith Advertising and report back to the Authority at the meeting on May 20<sup>th</sup>.

### **Other**

Executive Director Brown informed the Authority of the organizational changes occurring at the Boone TDA, Boone CVB and Watauga County TDA. He stated that the Boone TDA has terminated their contract with the Boone CVB (Boone Chamber) and would be contracting with the Watauga County TDA and/or High Country Host for marketing and visitor center services.

Chair Tarbutton advised that he was recently asked to join the High Country Host Board and they were working to improve efficiencies. He briefly discussed the possibility of the High Country Host Visitor Center relocation and cost sharing arrangements that may include staffing, joint marketing, fulfillment, website, etc.

The Authority discussed the importance of collaboration efforts and the involvement with other area TDAs, especially with co-ops. 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.

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

It was the consensus that the Authority will continue to monitor the issue.

**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 4:45 p.m.

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Kent Tarbutton, Chairperson

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Scott E. Hildebran, Secretary

**Attachments**

**#1 - Occupancy Report**

**#2 - Proposed FY 2010-11 TDA Budget**

**#3 - Fund Balance Calculation**