

Town of Blowing Rock

## **Tourism Development Authority**

**Minutes – September 29, 2006**

**The Town of Blowing Rock Tourism Development Authority met on Friday, September 29, 2006 at 8:00 a.m. in a special meeting held at Chetola Resort. Present were Chairperson Bernard Keele, Vice-chair Kent Tarbutton, Authority members Phil Pickett and Keith Tester, and Ex-officio members Scott Hildebran and Margaret Pierce.**

Authority member Lynn Drury was absent due to a death in the family.

### **Call to Order**

Chairperson Keele called the meeting to order and welcomed the Authority members.

He stated that due to the resignation of Executive Director Shawn Miller, the Authority agreed to evaluate the internal operations of the Authority and agreed to a joint planning meeting with the Chamber of Commerce Executive Board to discuss tourism-related personnel structure issues.

### TDA Review

Chairperson Keele stated that Member Tester had developed some material to structure the discussions on the analyzing the TDA as a tourism business. (**Attachment #1**).

Member Tester reviewed the document and the key options for going forward. He advised that the major functions required to manage a tourism business were:

### Major Functions of a TDA Tourism Business

#### A. Strategic Planning

- B. Building the Product
- C. Promoting/marketing the product
- D. Tracking/reporting results
- E. Mitigating negative impacts

He then reviewed the management responsibilities of “who does what” with the key players involved:

#### Relational Look

- A. Strategic Planning – primarily a TDA function with outside consultation
- B. Building the Product – primarily an outside function with some TDA funding
- C. Promoting/marketing the product – primarily a TDA function with contracted services
- D. Tracking/reporting results – primarily a TDA function with contracted services
- E. Mitigating negative impacts – primarily an outside function with some TDA funding

Mr. Tester provided a suggested structure for managing the TDA tourism business utilizing the Chamber of Commerce as the primary interface to the community. He also discussed two organizational charts with one structure showing the TDA managing the Visitor Center and the another structure with the Chamber of Commerce managing the Visitor Center.

#### Co-op Model

- A. Strategic Planning – TDA Board
- B. Building the Product – Chamber of Commerce with some TDA funding
- C. Promoting/marketing the product – TDA Director with contracted services
- D. Tracking/reporting results – TDA Director with contracted services
- E. Mitigating negative impacts – Chamber of Commerce & Town of Blowing Rock with  
some TDA funding

He also discussed a structure for managing the TDA tourism business without utilizing the Chamber of Commerce as the primary interface to the community. Instead, Mr. Tester considered an organization made up merchants and stakeholders, such as an Economic Development Board – “Downtown Blowing Rock” or “Village Community Business Partners”.

#### Co-op Model without Chamber of Commerce

- A. Strategic Planning – TDA Board
- B. Building the Product – Community lead with some TDA funding
- C. Promoting/marketing the product – TDA Director with contracted services
- D. Tracking/reporting results – TDA Director with contracted services
- E. Mitigating negative impacts – Community lead & Town of Blowing Rock with  
some TDA funding

Finally, Mr. Tester reviewed a draft proposal for transferring the management of the Visitor Center to the Chamber of Commerce – should the TDA and Chamber of Commerce reach an agreement on a working relationship. Here, an initial phase – Phase I (October 1 thru December 31) would be a transitional period where the TDA would cover all salaries and operational costs with no significant changes in day to day operations and pay a monthly management fee to the Chamber for oversight. Phase II (January 1 onward) would transfer the Visitor Center operation to the Chamber of Commerce under a detailed annual renewable contract.

After some Board discussion, the Authority determined the key questions were – if the TDA is linked to the Chamber – How much? And will the Visitor Center be operated by the TDA or the Chamber?

The Authority discussed the issue of the Chamber being a “Blowing Rock Chamber” or a “Blowing Rock Area Chamber” and the conflict that this could create in joint operations. The Authority agreed to assist in funding the Chamber should the Chamber revert to a “Blowing Rock Chamber” to assure no negative financial impact on Chamber.

The Authority agreed to refrain from personnel discussions until such time as a determination could be made on progress of the dialogue with the Chamber of Commerce.

#### **Chamber of Commerce Executive Committee Joint Meeting**

Chairperson Keele welcomed the arrival of the Chamber of Commerce Executive Board. Chamber of Commerce Executive Committee members arrived at 9:00 a.m. Present were President Pam Vines, Vice-President Bill Hall, 2<sup>nd</sup> Vice-President Tracy Brown, Treasurer Barbara Wright and Boardmember Nancy Santay.

Member Tester stated that due to the recent departure of the TDA Director, the Authority decided that now was the perfect opportunity to evaluate the success of the TDA as well look at areas for improvement. Also, the Authority discussed that the timing was right for both organizations (TDA & Chamber) to evaluate their tourism business models.

At this time, Mr. Tester distributed the planning document analyzing the TDA as a tourism business, which was discussed earlier in the TDA portion of the meeting (**Attachment #1**). He then reviewed the document with the Chamber. Based on the five major functions of a tourism business and proposed relational responsibilities presented, Vice-Chair Tarbutton suggested that there were numerous components that could be detailed for both organizations to fulfill.

After which, Member Tester discussed the goal of the Chamber being a “Blowing Rock Chamber” and not a “Blowing Rock Area Chamber” and the conflict that this causes in pending dialogue. He admitted that this issue would be a change in direction for the Chamber and would have a financial impact.

President Vines stated that outside Blowing Rock Chamber members brings in \$40,000 a year to the Chamber of Commerce. Several Chamber Executive Committee members expressed concern about the Blowing Rock only membership component – especially the idea of a pick and choose member policy and the impact that may have on visitors.

Vice-Chair Tarbutton expressed the need to view the issue as a “hub and spoke” type of marketing. Blowing Rock would be the hub with the surrounding area as the spokes. He suggested that the TDA and Chamber would still be able to include area tourism attractions in their marketing efforts and could refer to other outside Blowing Rock businesses by utilizing High Country Host – the regional tourism agency.

Chairperson Keele advised that the TDA had agreed to financially assist the Chamber of Commerce to offset any loss of revenue should the Chamber reorient their focus to Blowing Rock.

Vice-President Bill Hall suggested looking at the two organizations in a business model approach. Member Tester stated that both organizations have overlap, duplication and both organizations still have holes in meeting the community tourism needs.

Chairperson Keele encouraged the Chamber of Commerce Executive Board to keep an open mind as they consider any changes. Vice-Chair Tarbutton stated the TDA, after almost three years of operation, was open to making modifications to improve our tourism operation and hoped the Chamber would be as well.

The organizations then documented issues such as downtown parking, increased competition from other areas, and new high-end residential growth and how both parties could work together to address these tourism issues.

After some discussion, the Chamber of Commerce Executive Board agreed to go back and discuss the important pieces of their internal operation and return to continue dialogue with the TDA.

Member Tester also mentioned that the handout included a section on Visitor Center management transition plan.

### **Follow-up Meeting**

The Authority and Chamber Executive Board then agreed to a follow-up meeting to continue discussions on Wednesday, October 11, at 8:00 a.m. at Chetola Resort.

The Chamber of Commerce Executive Board departed the meeting.

### **Other**

Due to the resignation of Assistant TDA Director Jennifer Cramer, the Authority discussed the need for interim staffing assistance in the ongoing operation of the Visitor Center. Ex-officio Member Hildebran offered the use of Town staff on a short-term basis to assist in staffing the Center. After a brief discussion, the Authority agreed to utilize Linda Steen from Town Hall during the interim period and compensate the Town for her hours. The Authority also agreed to place Amy Hill on the part-time employee roster. With the addition of Ms. Hill and recent addition of Sonya Long to the part-time roster, the Board thought the Center would be adequately staffed until a final resolution is determined.

The Authority requested that Chairperson Keele contact the top candidates for the Executive Director position and inform of the status of ongoing discussions with the Chamber of Commerce.

After some discussion, motion by Member Pickett and second by Member Tester to authorize Finance Officer Pierce to utilize the North Carolina Capital Management Trust as a tool in the TDA investment portfolio. Motion unanimously approved.

## **Adjournment**

With no further business, motion by Member Tester and seconded by Member Pickett to continue the meeting until Wednesday, October 11, at 8:00 a.m. at Chetola Resort for further discussions with the Chamber of Commerce Executive Committee. Motion unanimously approved. Chairperson Keele recessed the meeting at 10:30 a.m.

---

Bernard Keele, Chairperson

---

Scott E. Hildebran, Secretary

## **Attachments**

**#1 – TDA Tourism Business Model**