

# **Transylvania County Tourism Development Authority (TCTDA)**

## **Board Meeting Agenda Minutes**

*Advance notice of all meetings has been provided and all TCTDA are open to the public.*

*A schedule of meetings and minutes can be found at*

*<https://explorebrevard.com/tct/meeting-schedule-and-minutes/>*

**April 27th, 2023**

**8:31 am**

### **Call to Order**

#### **I. Welcome**

A quorum was established with the following members present at the meeting:

Aaron Baker, Jessica Whitmire, Layton Parker, Isaac Allen, Dee Dee Perkins, Larry Chapman, Madeline Magin, Ali Lien (Online)

The following TDA Staff members were present at the meeting:

Clark Lovelace, Gracie Sheffield, Virginia Watkins

The following people were also present at the meeting:

Robert Williams, Kate Hayes, Liam McKissock, Mark Johnson, Patrick Scott, Lorie Stroup, Karen Tessier, Kelly Holdbrooks, Rachel Dickson, Robert Balentine

Chairman Layton Parker called the meeting to order at 8:31 am.

#### **II. Public Comment**

There was a public comment from Lorie Stroup, a member of the Forest service who works in the Pisgah National Forest. Ms. Stroup talked about how important the forest was to the economic vitality of the community, and how important it is for the small group of people who work in the forest to maintain such a vast area of land. Ms. Stroup described how the service relies on their partners to help protect, restore, and manage the forest, and how one of those trusted partners was the Southern Highland Reserve. She described how they were the sole source of red spruce trees in the forest and how important they were in producing Ruby, the local tree that went to the US Capitol lawn for two months. Her co-worker, Rachel Dickson, echoed her comments and offered support towards Southern Highlands Reserve. Ms. Dickson pointed out how quickly these trees are dying out, and how the Southern Highland Reserve is on the front lines keeping these trees from going extinct in the area.

### **III. Agenda Modifications**

Chairman Parker presented the agenda to the Board and gave an overview of the agenda items. The Chairman then requested any questions or other modifications to be made to the agenda.

Dee Dee Perkins moved to approve the agenda with this modification, seconded by Larry Chapman. The motion was unanimously approved by the board.

### **IV. Consent Agenda**

Chairman Parker presented the consent agenda, which are items that are considered minor or routine and are voted on collectively pending any discussion by board members. Board members are allowed to move any item from the consent agenda to allow for greater discussion and particularized consideration through its own unique motion. The consent agenda included the approval of the minutes from the previous meeting and the minutes from the board retreat, contracts, and the approval of the FY22/23 Partner Funding List. Clark Lovelace gave a brief overview of the partner funding list. Dee Dee Perkins moved to approve the consent agenda as presented, seconded by Aaron Baker. The motion was unanimously approved by the board.

### **V. Presentations**

- A. Financial Report – Budget and Management Analyst, Kate Hayes, gave a financial report on the fund activities specific to the TDA. This report is looking at 8 months of revenue and 9 months of expenses, as March distributions reflect February sales due to a one-month lag in when that money is distributed. Monthly occupancy tax collections in February are up 1% over the prior year while year-to-date collections are down 3% over the prior year. Year-to-date occupancy tax distributions are at 59% of the budgeted amount (\$1,331,387), while the year-to-date total revenue is 59% of the budgeted amount (\$1,387,173). Cash expenditures through March 31<sup>st</sup> are at 58% of the budgeted amount, which is \$1,358,051. There were no expenditure lines that are significantly over the targeted amount, however dues and subscriptions will need to be adjusted as it is slightly over budget. Year-to-date net income is \$29,122. The month-to-month cash flow comparison shows 24 out of 33 months in the past 3 years are positive, which is 73%. Promotional/advertising/administrative spending is at 93%, or \$256,755, of the minimum required 66.7% stipulated by state law, while tourism related expenditures are at 7%, or \$101,297, of the maximum allowance of 33.3% stipulated by state law. Including the allocated grant funding, the percentages equal to 71% and 29% respectively at an amount of \$406,196. This does not include the funding awards made in April, so this number will increase

substantially in the next report. There is an estimated fund balance of \$1.99 million, which is roughly 1 year of expenses. A brief discussion followed the report. Jessica Whitmire made a motion to accept the financial report as presented and Isaac Allen seconded the motion. The motion passed unanimously.

- B. Office/Staff Report – Clark Lovelace gave a report on the status of events happening within his office and amongst his staff. He first describes the quarterly report created for board members and asks if there are any questions. Destination Infrastructure is starting to see more requests. We are looking at signage to claim our destinations. One of these projects is a billboard near the Turkey Creek Church that will welcome visitors to Transylvania County. Transylvania Always is working on a substantial push on the important Leave It Better and Be Waterfall Wise messaging. This includes a variety of promotional material, including a cardboard cutout of the newly created character, Trashesquatch, which reminds visitors to pick up trash they create or find in the forest. Grant committee is continuing to meet as needed. Virginia Watkins is currently putting together a camp and big event calendar for our tourism partners so they can prepare for those busy days. The staff is also pursuing greater coordination with local camps to promote campaigns as well. A budget amendment was completed in the Transylvania always line item in the budget based on the decision made at the last meeting. Mr. Lovelace also suggests that himself, Kate Hayes and Layton Parker meet and coordinate on the financial process that should be undertaken to accommodate the grant request approved towards the City of Brevard. Clark also reminds board members that Shane Hooper will be around at the end of this meeting to help set everyone up with a new county email address. A gathering of stakeholders will take place next month for a discussion on partner opportunities which will happen on May 16<sup>th</sup> at 9:00 AM on the second floor of the visitor center. Mr. Lovelace also shared that when the marketing committee was discussing the stakeholder meeting, they determined that a more substantial gathering that included a social element and a review of key info from the TCTDA should occur in late August or early September. Mr. Lovelace then gave a brief update on the Ecusta Trail project. One grant request decision, the NSFLTP, should be announced in a few days while the RAISE grant should be decided in July. If neither comes in, the plan is still to make some physical progress on the trail. The City of Brevard did receive a \$1,000,000 grant to begin some engineering work with NCDOT in preparation of the project. Larry Chapman reminded board members to be on the lookout for illegal dumping sites and stressed the value of Trashesquatch and the campaign to combat littering in the community. Dee Dee Perkins echoes these comments by describing the revived Community Appearance Initiative which funds trash removal on particularly disparaged properties along scenic

corridors throughout the county. This process can be initiated by the property owners by contacting the County Planning Department. Clark then reminds everyone to represent the county well by sporting some local apparel branded with logos approved and supported by the TCTDA.

- C. Southern Highlands Reserve Greenhouse Project – Robert Balentine and Kelly Holdbrooks from Southern Highlands Reserve gave a presentation in support of a grant request the organization submitted to help fund a greenhouse on the property. They begin by speaking about how endangered the red spruce is and how diverse and old this bioregion is. The Reserve was created in this region to help support this biodiversity and create learning opportunities for people who want to come and appreciate these ancient and unique trees. This forest has seen a lot of logging and railroads that have disrupted the natural ecosystem; however, the intentional work of the reserve is looking to reverse this trend. The reserve is responsible for Ruby, the red spruce that made its way all the way to the capitol lawn. The reserve is a destination for tourism, both local and international. Supporting this project would qualify as supporting Destination Infrastructure and Transylvania Always initiatives. The request for funds will specifically go towards the construction of a new greenhouse with double the capacity while maintaining the same footprint of the current hoop houses. It will include technology that cuts costs and conserves energy. The reserve is asking for \$100,000 from the TCTDA to make this project a reality. Jessica Whitmire comments that this organization makes a big effort to work with local partners to help ensure people plant and build things responsibly. Larry Chapman commented on how great of a resource this is for the county. Aaron Baker asked about the remaining fundraising for the project outside of this specific grant request. Mr. Balentine talked about how there is an active campaign going on right now to get funding, which includes several grant requests to other organizations, with a projected approximate time of the fall season being the conclusion of this fund-raising.

## **VI. Old Business**

There was no old business to discuss at this meeting.

## **VII. New Business**

- A. Marketing Update and FY23/24 Marketing Plan – Karen Tessier from Market Connections gave a summary of the potential marketing plan. Before Ms. Tessier began, Dee Dee Perkins reminded the board that the Marketing Committee had already conducted a detailed analysis of the marketing plan in conjunction with Market Connections, and that this is just an overview. Ms. Tessier began her summary by describing the 3<sup>rd</sup> quarter strategies and tactics, which transitioned

toward new markets, traveler demographics, and seasonal and lifestyle experiences. With a seasonal winter campaign still in place, Explore Brevard's advertising and communications were targeted toward the following opportunities: mid-week and extended stay opportunities, closer-in drive markets plus niche adventure and cultural/lifestyle markets, highlighted weather opportunities and triggers, Be Cool sweepstakes campaign to enhance engagement and knowledge of what Brevard and Transylvania County have to offer in the winter season while building the TCTDA qualified databases, younger audiences and new brand positions (wellness, romance, working remotely, etc.), expansion of broadcast media to new markets with newly developed content (:30 second TV spot – "Be Cool") and special targeted media opportunities, strengthening digital campaigns by broadening creative messages and distribution across platforms and new targets, Year of the Trail campaign, publication and distribution of the 2023 Adventure Guide and regional map, and continue to position the TCTDA for new earned media/PR opportunities and journalistic contacts. Ms. Tessier demonstrated some of the digital ads that would be going out that would change based on season, demographic and location of the person viewing the advertisement. There has also been an increased effort in spreading digital sponsored content and e-newsletters. Seasonal print material is still going out to local and regional partners. New TV advertisements and online videos are going out in addition to e-blasts and blogs that detail tourism-related content throughout the county. The updated maps and adventure guides are popular items for people here to help spread the activities they can get into. When looking at Fiscal Year 2024, there are several marketing goals that will be pursued through strategic operations throughout the year. These goals are the following: to build local, regional and national awareness of Transylvania County and Brevard as a unique destination for nature, adventure, authentic small town charm, and culture, to increase occupancy at Transylvania County accommodations year-round, and especially during shoulder seasons and winter season, drive visitors to experience all Transylvania has to offer, not just popular attractions, increase day trippers during shoulder and winter seasons, build awareness of and engage visitors in sustainable practices and responsible tourism that respects the community, its public lands, businesses, and people, increase outreach to and drive visitation from more diverse audiences, position Brevard and Transylvania County as a key destination for romance, highlight rejuvenation and wellness as key opportunities of the area, build awareness of Transylvania's arts and culture, focus visitor attention on unique outlying communities within Transylvania County, and inspire conversion of summer visitors stays to other seasons when traffic is less. Larry Chapman comments that the Adventure Guide is really great and very popular and should be spread by board members whenever they go out

of town and are in an area where tourists could see them. Dee Dee Perkins was thankful for all the hard work that Market Connections has done to create this plan. Clark Lovelace also pointed out that this plan is intended to define guardrails for FY24 marketing and promotion, and is subject to change based on the circumstances that occur during the year. Aaron Baker commends the Adventure Guide and comments on the need for social media in the changing world we live in. Mr. Baker also describes the need to get photographs of the new Brevard sidewalks after the changes that are being made are completed. Larry Chapman moved to accept the Marketing Plan as presented, and Aaron Baker seconded the motion. The motion was approved unanimously.

- B. FY23/24 Budget – Chairman Layton Parker described the budget process for the TCTDA and what actions the board needs to take to continue this process. The annual budget process is normally undertaken once information is gathered by the budget officer and the executive director from the various committees of the TCTDA, from human resources and from the county Finance Department to create a budget for the next fiscal year. The proposed budget is submitted to the full board (preferably at the April meeting) and the Board can provide feedback. No formal motion is required at this stage. After this step, a budget hearing is scheduled, typically during the next regular meeting where a formal motion will be required. The budget must then be filed with the county clerk and the budget hearing will be announced to the public. After the public hearing, the board may consider approving the final budget with a motion. Once approved, the budget is entered into the minutes, and submitted to the budget officer, finance officer, county clerk, and the county manager within five days of this approval. Clark Lovelace and Layton Parker then presented the proposed budget for FY24 as it stands right now. Kate Hayes commented that the proposed salary lines will likely change do the upcoming update to the compensation plan.
- C. Transylvania County Resolution #35 – 2021 Contract Language – This item of new business is to clarify some legal findings that were clarified by Patrick Scott and his team about the clarification surrounding the role of the TCTDA as the governing authority over discretionary spending of tourism related expenditures. This legal review will allow the board more clarity as they continue with more capital expenditures. An official statement from Patrick was sent to the board ahead of the meeting as a supplement to the advance packet.
- D. Friends of Dupont Forest Funding Request – This funding request comes from the Friends of Dupont Forest and was reviewed by the Transylvania Always committee. This request is for \$17,500, and because it came from Transylvania Always, is a committee motion and is looking to receive a second from another board member. Dee Dee Perkins seconded the motion. The motion was passed unanimously.

- E. Southern Highlands Reserve Funding Request – This item of new business is to consider whether to fund the request outlined in the presentation given earlier in the meeting. There was discussion about whether this was a Transylvania Always or Destination Infrastructure project. Clark shared that many projects have elements that apply to either of these funding paths and it is ultimately up to the board to determine where they believe makes the most sense for the funds to come from. The group concluded that half of the funding request should come from Transylvania Always and half should come from Destination Infrastructure. It was further determined that it makes sense to use as many FY23 funds as possible, while staying below the 1/3 maximum of non-promotional tourism-related expenditures, with the remaining funds coming from FY24. Aaron Baker moved to approve this funding request at the full requested amount of \$100,000, with the above funding-related caveats, while Dee Dee Perkins seconded the motion. The motion was approved unanimously.

Larry Chapman presented the board with a baby tree in a pot that was gifted by the reserve.

Chairman Layton Parker clarified that while Ali Lien had joined the meeting virtually, she was unable to formally vote on motions due to state statute.

- F. FY23/24 Budget Public Hearing Schedule for May Regular Board Meeting – Chairman Layton Parker called for a motion on whether to hold a public hearing for the FY24 budget at the next public meeting on May 25th. Dee Dee Perkins made a motion to have that public hearing at that meeting and Larry Chapman seconded this motion. The motion was approved unanimously.

#### **VIII. Public Comment**

No request for public comment.

#### **IX. Board Member Comments**

During this section of the meeting, board members offer a few brief comments about various topics.

Kate Hayes shared that the county had recently undergone its non-profit funding request process, and that the county was starting to see a lot of requests that would work better under the TDA grant process.

Virginia Watkins reminded everyone to get branded apparel before they left the meeting.

Madeline Magin reminded the board of the existence of a safety meeting being held by the City of Brevard to discuss social districts.

Aaron Baker gave an update on City Camper, saying that the project has been delayed.

Clark Lovelace said that he heard that City Camper will be making a public statement to address the speculation in the coming weeks.

Aaron Baker also gave an update on the Housing Task Force. None of what the task force is talking about will affect a permanent resident. The task force has also decided to do things along the existing zoning districts, not create new ones. Any zoning change will only affect new rentals, not existing ones.

Clark Lovelace reminds everyone to stick around after the meeting to get a new email address.

Jessica Whitmire reminds the board to come to Riverfest.

Virginia Watkins reminds everyone about the Porsche festival this weekend and describes the success of the of a recent TDA funded operation.

Larry Chapman reminds the board about an upcoming veteran event at Asheville Airport.

### **Adjournment**

Isaac Allen moved to end the meeting and Larry Chapman seconded the motion. The motion was passed unanimously, and the meeting adjourned at 11:14 AM.

Minutes respectfully submitted by Liam McKissock

**TCTDA Mission Statement** – *To generate and enhance tourism opportunities in Transylvania County through strategic promotion coordinated with tourism-related businesses and local government, and to contribute to a vibrant, sustainable economy.*