

**Rowan County Tourism Development Authority
Regular Meeting Minutes
Wednesday, October 13, 2010**

Members Present: Brian Miller Michelle Patterson, Jerry Chandler, Wes Thompson, Gretchen Witt, Andrew Watters, Kelly Alexander; James Meacham & Lesley Pullium, Staff

Not Attending: Raymond Coltrain, Dave Redden, Millie Cress, Steve Hall

Guests: Mark Lewis, Salisbury Tourism Development Authority and Jon Barber, Rowan County Commissioner

Call to Order: Chairman Michelle Patterson called the TDA meeting to order at 1:37 PM.

James Meacham gave the invocation.

Meeting Agenda:

Motion: Jerry Chandler made a motion for approval of the meeting agenda with the change to remove the Consideration of 2011 TDA Officers from the agenda.

Second: Gretchen Witt

Motion: Approved

Patterson introduced J. Wesley Thompson to the RCTDA board. Introductions were done around the table.

Approval of the Minutes:

Motion: Brian Miller made the motion for approval of the September 2010 regular meeting minutes.

Second: Jerry Chandler

Motion: Approved

Committee Reports:

Budget & Finance Committee

Meacham reported that occupancy tax collections year-to-date are up. Collections were up 8.1% in July and 4.1% in August. Payments for June, July and August are missing from the Travelodge. Meacham is working with County Attorney, Jay Dees on communicating with the Travelodge regarding this matter. With Travelodge revenues submitted the overall occupancy tax revenue would be up around 9% and 5% respectively.

Meacham reviewed the Balance Sheet and noted that September was a big month with three payrolls, new hires, new computers and office equipment in addition to new staff training. The receivable of \$24,000 has since been deposited and the cash balance is actually about \$60,000 and this will increase as the fiscal year progresses.

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The year-to-date total income is \$101,294 with expenses of \$117,057 leaving a net loss of \$16,262, however when then September revenue was deposited the first week of October this left net income of around \$8,000.

Commissioner Barber asked about the situation with the Travelodge with taxes several months in arrears. Meacham reported that Jay Dees is working on the situation on behalf of the County and the TDA.

Personnel & Policy Committee

Jerry Chandler reported that the Personnel & Policy Committee along with the Executive Committee met together last week to discussion revisions to the RCTDA By-laws. Dr. Chandler noted that a copy of the By-laws with the proposed revisions highlighted have been handed out to each member today. Chandler briefly reviewed each proposed change. He said that these By-laws changes come to the board for informational purposes today and asked the members to review the proposed changes over the next month and give him a call should anyone have any questions on any of the changes. The By-laws changes will come before the board for consideration at the November 2010 regular meeting.

Brian Miller inquired as to how the fund exchange was going to be handled between the Salisbury TCDC and RTCDA. Meacham said that he and Mark Lewis were meeting following this meeting to outline those procedures.

Meacham said that moving forward with STCDC being a new organization it will important to determine the cash flow schedule that works best for the new organization and tailor any exchange of funds around what works best for both TDA's.

Dr. Chandler welcomed the new TDA staff Tourism Services Coordinator, Kristen Trexler and the Visitor Center & Trolley Coordinator, Melissa Murguz to the organization. Meacham said that the new staff is already making an impact in that the bureau is able to accomplish much more with the additional staff. He noted that it was courtesy of Michelle Patterson's wisdom to realize that two part time positions were needed.

Kristen Trexler has been focusing on marketing support, social networking, the website and working on various campaigns. With the increased advertising there is an increase need for visitor services as the Visitor Center has been processing about 8,000-10,000 inquiries a month. Melissa Murguz has been managing the Visitor Center to accommodate the increase in visitor services and working on growing the Trolleys and that line of business with increased tour offerings and packages. Specifically, the Haunted Trolley tours during the month of October are running Friday and Saturday nights and have been selling 60-70% of those seats for each tour, which is very good for a first time venture. Melissa has been doing a great job and is very creative. Both Kristen and Melissa have been very energetic and the CVB staff is very glad to have them.

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Joint Marketing Committee:

Kelly Alexander asked Meacham to present the report on the current initiatives that the marketing committee has in place that he presented at the last Joint Marketing Committee meeting.

Meacham noted that the Salisbury TCDC really stepped up in the spring and provided the funds for this cooperative visitor marketing campaign in partnership with the State of North Carolina and the North Carolina Division of Tourism. Meacham presented a PowerPoint presentation on the results thus far and opened with the goals of the cooperative marketing campaign which included the following:

- Leverage the Salisbury-Rowan County Authentic North Carolina Brand with marketing efforts of the Division of Tourism
- Create greater Brand Awareness for Salisbury-Rowan County and create leads
- Larger Audience Reach
- Generate new visitations through marketing and lead fulfillment
- Guarantee a continual and strong presence with the Division of Tourism's marketing efforts.
- Reach target audience segments. (Family, Culture, Heritage, Events, and Affordable Travel)

The campaign has been broad and has promoted events and attractions from all around the destination. The first item that launched was the "Featured Events" that are listed on the homepage of Visitnc.com. Meacham reviewed all of the Salisbury-Rowan County events that have been featured since May 2010 on the site and the results of the views by visitors and the click-thru stats of visitors who went to the event or visitsalisburync.com website for additional information. The featured events will continue through the spring of 2011 and will continue to highlight various events from all over the county.

Meacham reviewed the print ad schedule and the number of leads that have been generated by the various publications thus far. Oprah 3366 leads, Civil War Traveler 792, AAA World 302, and Good Housekeeping 572. Some of the leads are just starting to come in as ads were in the October issues. Print ads will continue in various publications through the spring of 2011.

In addition to the Visitor Center staff the bureau is utilizing community services workers to process the inquiry leads as the leads come in to expedite those requests.

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Meacham presented examples of the actual print ads that were placed in Oprah, Budget Travel and the Civil War Traveler.

The Touring Rowan County with Thomas Sweepstakes did very well with 7043 entries and 1994 leads generated on the August sweepstakes and 245 on the smaller September 1 week sweepstakes. Meacham reviewed the prize packages given away by RCTDA using tourism partners such as NCTM, Holiday Inn, Uncle Bucks, Lazy 5 Ranch, Trolley Tours, Downtown Salisbury Inc, and Dan Nicholas. All three families came to the event and experienced the various events and activities. One family had triplet teenage boys and staff worked with that family along with the Holiday Inn to accommodate any special needs this particular family had.

Kelly Alexander reported that the 4 subcommittees appointed by the Joint Marketing Committee in September met during the past month and reported back to the Joint Marketing Committee at the meeting last week. Alexander asked Meacham if he would give an update on where the committee stands on the key initiatives.

Meacham reported the Holiday Marketing Subcommittee met and made the recommendation to the full Joint Committee for approval of a budget of up to 65,000 for the Winter Holiday Marketing Campaign. The two main pieces of the campaign will focus on holiday events, activities and retail sales. The third piece is adding the packaging and overnight experience to the campaign using radio, TV, billboard and Internet with a holiday shopping sweepstakes throughout the promotion to encourage visitors to come to Salisbury-Rowan County for shopping and participate in holiday events through the holiday season. The sweepstakes is similar to the Thomas sweepstakes with 7 drawings over 7 weeks, 1 grand prize, 1 large prize package, 2 medium packages and 3 small packages. Advertising will focus on the major metro areas along the I-85 corridor from Raleigh to Gastonia.

The Kiosk Program subcommittee met and The Kiosk Committee met and developed a kiosk program plan that would encourage visitors at the individual sites to visit other sites and attractions around the county. The first phase of the kiosk program for destination will be launched in the next couple of weeks. The committee selected a simple kiosk design to use in phase one that will offer brochures, maps and information on other sites and have contracted with Miller Davis Studios for the implementation of the first 21 kiosks to be placed around the county. During the Thomas weekends, NCTM tested one of the basic single banner kiosks and distributed over 1000 visitor guides during the two weekends. Kiosk designs will vary to fit each site and will range from the simple design being implemented in the first phase to more complex models involving touch screens and website integration as the program evolves. The program is designed to be cost efficient and will utilize the simple kiosks going into place now at other sites to expand the program as the more complicated kiosks are placed at places like the hotels and downtown sites where the kiosks are being placed in phase one.

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The subcommittee on marketing grants has requested and had a budget approved of up to \$25,000 for the rest of this fiscal year. The subcommittee on grants reported that they recognize that all of the tourism partners are at different levels in their knowledge and understanding of tourism marketing. The subcommittee has developed a plan to both collect information from and distribute information to the partners to improve the overall marketing grants program and offer the most benefit to the partners and the destination. The first listening session with partners will start next week.

- Start with a budget of up to 25,000
- Set a listening session with community partners to help establish new guidelines
- Recommend a grant cycle
- Establish educational sessions for community partners on marketing
- Create a checklist (tips/techniques) that can be given to community partners as a resource guide
- Require that community partners that are interested in using the marketing grant program attend the educational sessions.

The final program is a group incentive sponsorship model that will focus on RCTDA having funds available to recruit groups with large events, meeting and activities, such as fishing tournaments, bicycling events, or a cross-country road race or other sporting events. This program would take funds and set them aside to be used for bids or sponsorships to help secure some of those types of events here and in turn bring additional visitors and overnight stays. A gap analysis will be completed that outlines the best time of the year for hotels to work on bringing in additional events that most benefit the destination.

A tiered incentive program has also been developed to be provided to the hotels to use to help recruit new groups and events to the destination. Incentives would be paid by the CVB directly to the event organization. In order for properties to be eligible to participate in the incentive program and use it to help sell group events the hotel should be current on all local taxes. If a group contract is secured prior to June 30, 2011 but the event occurs after June 30, 2011 the group is eligible for this year's incentive.

- Tiered incentive based on the following levels.
 - 2,501-3,500(5%)
 - 3,501-5,000(7%)
 - 5,001-7,500(10%)
 - 7,501-10,000(12%)
 - 10,001- 15,000 (15%) with cap at 15,000)

The committee has established a Sponsorship/Bid fee budget of \$15,000 for the rest of fiscal year 2010-11 with RCTDA staff to determine possible items the sponsorship funds can be applied towards, such as bid fees.

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Kelly Alexander noted that the November Joint Tourism Marketing Committee meeting will consist of a planning session for the coming year and she will report back on the outcomes of that meeting at the next TDA Board meeting.

Patterson thanked Kelly and the RCTDA staff for everyone's efforts with all that has been involved in all of the various committee and subcommittee meetings in the last month.

Salisbury Tourism Cultural Development Commission:

Mark Lewis reported that realistically with the majority of all of the action taking place on the marketing side with the Joint Tourism Marketing Committee all that he really had to report on were structural developments and the Destination Development Committee work.

Lewis said that the primary focus of the committee right now is on wayfinding signage. A design has been prepared and presented to the committee as mentioned at the last RCTDA Board meeting. The committee has reviewed two presentation, is setting a budget and setting up a phase in schedule for completing the signage plan. The original budget for phase 1 of the wayfinding signage program is \$137,000 which Lewis noted based on STCDC's funding structure is unlikely that phase 1 can be completed immediately. The major focus will first be to bring the visitor from major highway interchange into the city and direct them to the Visitor Center, parking and to sites along the way. As that section is completed the focus will shift to Jake Alexander, Brenner Avenue and the local colleges. Lewis noted that all signage changes to state maintained roads have to be approved by NCDOT and that takes time. NCDOT is beginning to move forward on these requests.

Lewis reported that Trolley replacement is another priority for the committee as there continues to be issues with the F&M Trolley. A subcommittee in place that is currently looking for possible replacements and researching the best way for a replacement to be purchased or leased working within the parameters of what STCDC can do in regard to paying for a replacement as TDA's cannot borrow money. The city may purchase the replacement and STCDC lease the trolley from the city or some other option.

Lewis said that the committee recognizes that there is a new Sculpture Show coming up next year and there may be an opportunity to purchase some art through that show. Other items include the funding of the History & Art Trail and the possibility of placing some restrooms in downtown.

Lewis stressed again that the wayfinding signage is the first goal that the committee needs to complete with the trolley replacement being a close second.

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New Business:

Meacham reported that the Courtyard by Marriott project is moving forward and he has been asked to provide market data to the bank and the investment group. Meacham said that the data reflects aspects that are favorable for the destination in securing this new property. The property will have 95 rooms and is a \$9.5 million economic development project, \$60,000-90,000 in new occupancy tax revenue, \$80,000-95,000 in new sales tax revenue and at least 10-12 new full time jobs. The project could break ground in January 2011. This would be a big project for the destination as it gives a better assessment to room portfolio and room inventory. The property would be located at Exit 76 behind the Bojangle's off of E Innes and Arlington Streets. Meacham said he will know more in the next 2-3 weeks.

Commissioner Barber spoke briefly to the board and thanked Patterson and Meacham for the presentation to the City Council on the tourism. He said that he was disappointed that there was not something in the Salisbury Post about what was presented. He was also disappointed that a presentation was not done for the Rowan County Commission however; he noted that the Commission currently accepts reports and does not allow presentations at the Commission meetings.

Jerry Chandler briefed the board about the RCCC Bond to be voted on in November and passed out some information about the bond.

Next Meeting Date:

The next regular scheduled meeting of the TDA Board will be held on Wednesday, November 10, 2010 at 12 Noon. The meeting will take place in the Gateway Building, Salisbury. There being no further business to discuss meeting adjourned.

Respectfully submitted,
Steve Hall
Secretary to the Board
Prepared by: Lesley Pullium, Clerk to the Board