

**Watauga County District U
Tourism Development Authority – Board Meeting Minutes
Watauga County Administration Building Conference Room
Tuesday, May 9, 2023**

PRESENT: Matt Vincent – Chair
Tony Gray
Kim Rogers
Lisa Cooper
Tina Houston
Samantha Brown, Watauga County Finance
Wright Tilley, TDA Executive Director
Hope Thingelstad, TDA Director of Tourism Outreach
Emily Neeley, TDA Director of Social Media and PR

ABSENT: Brad Moretz

GUESTS: Eric Woolridge, Destination by Design
Charlie Brady, Blue Ridge Conservancy
Roger Atkins, Cove Creek Preservation & Development
Mark Trivette, Cove Creek Preservation & Development
Kelly Burkett, Cove Creek Preservation & Development

Call to Order: *The meeting was called to order by Chairman Vincent at 8:28 am.*

Approval of May 9, 2023 board meeting agenda:

Lisa Cooper, seconded by Tony Gray, moved to approve the May 9, 2023 board meeting agenda. VOTE: AYE – 5 / NAY – 0

Approval of April 18, 2023 board retreat minutes:

Tony Gray, seconded by Lisa Cooper, moved to approve the April 18, 2022 board retreat minutes. VOTE: AYE – 5 / NAY – 0

Approval of March 14, 2023 board meeting minutes:

Tony Gray, seconded by Tina Houston, moved to approve the March 14, 2022 board meeting minutes. VOTE: AYE – 5 / NAY – 0

Approval of February 14, 2023 board retreat minutes:

Tony Gray, seconded by Lisa Cooper, moved to approve the February 14, 2022 board meeting minutes. VOTE: AYE – 5 / NAY – 0

Valle Crucis River Access Funding Request – Eric Hiegl

The Blue Ridge Conservancy acquired property along the Watauga River in Valle Crucis in 2021. They have also received \$150,000 from the general assembly to fund building a river access and parking area there. They estimate the construction to be around \$215,000. There will be about 31 paved parking spaces and minimal infrastructure due to the floodplain. The property will be signed over to the county for maintenance after the initial construction and the access provides connectivity to other accesses around the area.

Cove Creek / Doc Watson Day Museum Request

The Imagine Watauga plan identified the Cove Creek area as a potential project for rural development. Cove Creek Preservation and Development Board members attended the WCTDA board meeting to submit a formal request for funding. The request includes supplemental funding for their signature annual event, MusicFest, the Doc Watson Museum, and a Saturday music series over a period of three years – about \$50,000/year.

Financial Matters:

i. Occupancy Tax Charts

March occupancy tax collections continue to fall after the historically high collections over the past two years. Watauga County was down nearly 25%, the largest decrease year over year in recent memory. Boone occupancy tax collections were up for the month. Beech Mountain TDA collections were also included in board meeting packets and also reflected a 21% year-over-year decrease in March. The board discussed new markets and marketing strategies to deal with the decreasing collections.

ii. Fund Balance

Watauga TDA total fund balance is at \$9,571,000, with \$6,670,383 on the 2/3 promotional side, and \$2,806,524 on the 1/3 infrastructure side. There is also \$94,093 undesignated and \$1,197,049 committed to the Blue Ridge Conservancy for the Middle Fork Greenway project.

Preliminary FY 2023/24 Budget Review

Wright reviewed the preliminary draft budget with the board members. There are increases in administrative expenses, notably in salary and rental space with the addition of two new staff members. Educational and travel expenses have also increased for the upcoming fiscal year to send staff to industry conferences. The promotional items line item has also increased due to rising costs of swag items and adding in an additional festival, IBMA in Raleigh. Total occupancy tax revenue is projected to reach \$3.6 million in the 23/24 fiscal year, with \$1.2 million of that representing the 1/3 infrastructure portion. The board of directors will need to have another meeting to set funding priorities for the projects identified during the Imagine Watauga plan.

New Business

i. Health & Dental Insurance Renewals

Dental insurance is increasing by about 6% and health insurance is increasing by about 4%. After shopping around both last year Wright recommends sticking with both Blue Cross and Blue Shield and Humana for health and dental insurance, respectively.

Tony Gray, seconded by Tina Houston, move to approve the health and dental insurance renewals for FY 23/24. VOTE: AYE – 5 / NAY - 0

ii. Valle Crucis River Access Request

Wright recommended the board fund this Blue Ridge Conservancy-led River access project. The TDA is going to be re-printing the New River Paddle Trail adventure maps to include Watauga River accesses in the new fiscal year and this access fits in perfectly with that trail.

Tina Houston, seconded by Tony Gray, moved to approve the \$72,000 funding request from the Blue Ridge Conservancy to create a new public river access in Valle Crucis. The board would like the kiosk and other signage costs separated.
VOTE: AYE – 4 / NAY - 0

Lisa Cooper recused herself from the vote.

iii. Cove Creek / Doc Watson Museum Funding

Since Cove Creek infrastructure improvements are a part of the Imagine Watauga plan, that part of the request, including the festival and music series stage, can come out of the infrastructure side of the TDA budget. The amount will be decided at a later work session planning meeting. Mr. Tilley was concerned that the Doc Watson Museum was only planning to be open 2 days a week, so there may not be enough operating hours in this plan for the TDA to be able to promote as a tourism destination. The board would like to see the music festival become a two or three-day event and more of a tourism attractor, and a marketing sponsorship could help them get to that point. The TDA is already a sponsor at a lower amount, but that could be increased to a “presenting” sponsorship. The TDA board would like to schedule a meeting at Cove Creek School, if possible, to get more of an idea of what the museum could be with more funding.

Lisa Cooper, seconded by Tony Gray, moved to approve up to \$10,000 for marketing and \$5,000 for other expenses, as long as Explore Boone is named a “presenting” sponsor for Doc Watson Music Fest 2023. The board will reconsider another sponsorship next year only if it increases to a multi-day event. VOTE: AYE – 5 / NAY - 0

Tourism Outreach Report

Visitor Guide requests were up 2.62% YoY in March, and up 7.75% in the month of April. Bulk visitor guides have been distributed for the year, and will only be going out as we get more requests for the rest of the calendar year. E-Newsletter subscribers have continued to increase month over month by around 100-200 subscribers. April's fly fishing-themed newsletter had a 33.4% open rate and a 2% click-through rate, and May's Mountain biking-themed newsletter had a 28.5% open rate and a 1.5% click-through rate, as of May 4th. The next partners' newsletter is going out next week.

PR/Social Media Report

Emily reviewed recent coverage of the area including several mentions in Travel + Leisure, including a piece written by an author that she was able to pitch to alongside the Blowing Rock TDA at the Visit NC conference recently. Yelp and Action Hub also had interesting pieces mentioning the area. Facebook had big increases in reach, likes, and page visits, while Instagram saw decreases in all three over the past 90 days. Emily also included paid social media metrics for March & April, including boosted organic posts.

Executive Directors Report

i. Infrastructure Update

The board decided that an additional infrastructure work session could be scheduled on May 30th to prioritize infrastructure projects before the June meeting, where the budget ordinance will need to be approved.

The meeting was adjourned at 10:34 am.