



MINUTES

Jackson County Tourism Development Authority Board of Directors Meeting April 15, 2020 (Wednesday), 1:00 p.m. Zoom Conference Meeting

Call to Order/Roll Call

The meeting was called to order at 1:00 p.m.

- **Members in attendance:** Executive Director Nick Breedlove; Ann Self, Chair; Kathy Korb, Secretary; Robert Jumper, Vice Chair; Board Members Megan Orr, Dale Collins, Brad Herman, Andrew Harlfinger, Jay Grissom, Anna Thomas, Ron Mau, Darlene Fox, Julie Spiro, Stephanie Edwards.
- **Members absent:** None
- **Others in attendance:** John Kautz with Rawle Murdy; Deborah Stone with Pineapple Public Relations; Sales and Marketing Manager Caleb Sullivan; and Cheryl Osborne, Minutes Clerk

Approval of Agenda

MOTION: Megan Orr moved to approve the agenda. Andrew Harlfinger seconded. Motion carried.

Public Comment: None

Recognize Vice Chair and Secretary

Mr. Jumper, Vice Chair, discussed the current status of the Qualla Boundary and his industry (Cherokee One Feather newspaper) which is experiencing good online traffic.

Ms. Korb, Secretary, was encouraged by a recent webinar from the Southeast Tourism Society which stated that businesses could reopen as early as Memorial Day.

Review and Approval of March Minutes

Minutes of the March 18, 2020. Minutes of March Meeting sent via email prior to meeting. Correction is to be made to add Mr. Jumper's title as Vice Chair.

MOTION: Dale Collins moved to approve the March 18, 2020 minutes as amended. Megan Orr seconded. A roll call vote was taken, and the motion carried.

Review and Approval March 2020 Financial Reports

Ms. Fox presented the financial reports. Highlights for March include Occupancy Tax collections of \$54,854.31, penalties of \$307.21, and YTD collection totals of \$840,262.70, which is 84.06% of the budget. Airbnb collections totaled \$13,937.47. The Home Away and VRBO collections totaled \$40,108.9. 93 accounts reported rentals for February (decrease of 13 accounts from last year). Collections were up 22.08% from the same period in 2019. The total decrease for the fiscal year is 0.0031%. The March 31, 2020 cash balance was \$140,395.59 with investments totaling \$400,000.00. March expenses were \$94,308.58 with YTD expenses totaling \$855,840.33 with encumbrances of \$34,418.00 for a combined total of \$890,258.33, equaling 73.97% of the budget.

MOTION: Brad Herman moved to approve the March financial reports as presented. Andrew Harlfinger seconded. A roll call vote was taken, and the motion carried.

Friends of Panthertown Letter of Support

Mr. Breedlove gave brief explanation of the 90-day comment period that the U.S. Forest Service is currently conducting regarding the new Forest Service plan which will affect Panthertown Valley for the next 10-20 years. Friends of Panthertown wants the entire Panthertown Valley, 10,000 acres, to be recognized in the plan along with the back-country areas. This will allow the recreation corridor to remain the same and to allow visitors and residents to use the corridors. Additionally, this will prevent this section of Panthertown Valley from being logged or undergoing controlled burns within 50 feet of the Forest Service trails unless it is deemed absolutely necessary to maintain the ecological quality. Non-motorized recreational activities would be the primary purpose of the trails in Panthertown Valley.

The TDA Board would be issuing a letter of support for the Friends of Panthertown proposal.

The issuance of the letter of support did not require a formal motion and vote. It only required a consensus of agreement from the Board. Board members were asked to type “agree” or verbally say “agree.” Majority of Board members agreed. The letter of support will be sent.

JCTDA Staff Report

Executive Director: Mr. Breedlove provided the board with a written report listing all the activities of the previous month prior to the meeting via email and presented the following updates that were not included in the report:

- Graph from Destination Analysts’ Coronavirus Travel Sentiment Index Report – Week of April 13th, 2020, a weekly report of travelers opinions, shows that Americans expect coronavirus situation will get better in the next month nearly doubled from 15.4% to 29.5% in one week, from April 3-5 to April 10-12, which is a positive indicator for the travel economy.
- While 70% of respondents say that miss travel, few (13.1%) will jump back into travel when the coronavirus has passed. 47.0% say that they will approach travel carefully.
- A number of people (39.3%) say that they will change the types of destinations they will choose to visit when they get back to travel again. This is up nearly 10% from one week ago.
- American travelers will be avoiding crowds including cruises, conventions and conferences, areas hard hit by the coronavirus and destinations that were slow to put social distancing measures in place.
- 55.2% of respondents are leaning toward taking staycations this summer, up from 41.3% one month ago. Our marketing plan will target in-state travelers and travelers from contiguous states.
- When asked where travelers will be visiting, beach/resorts top the list at 38.2%, followed by rural areas and small towns at 30.0%, and cities at 26.6%. National parks will be visited at 20.4% and mountain destinations are at 19.7%. Jackson County should fare well since we offer rural areas, a National Park and a mountain destination.
- While July and August are the prime travel months, people are looking to book trips in October and December.
- Statistics from the Jackson County Tourism Development Authority weekly Smith Travel Research data comparing last year to this year show that last year’s projection is at about 60% occupancy and we are currently at 29.3% occupancy, which is impressive given the current circumstances. Revenue between last year (\$988,000) to this year (\$413,220), which is surprisingly good given the circumstances.
- Visitor Guide will be delivered April 16. We’ve had the opportunity to modify the Guide to reflect the current situation and take out language mentioning popular and well-traveled places and change the imagery to reflect more wide open nature.

- Mr. Breedlove is one of eight members on the North Carolina Tourism Recovery Task Force, which is looking for ways to jumpstart the economy once the legislature goes back into short session. Mr. Breedlove proposed to do direct grants to the DMO's throughout the state which they can use for marketing purposes, since they are suffering from lost occupancy taxes.

This proposal will be put before the legislature for approximately \$6.1 million in grants and for \$7 million more to market the state and looking at grants to small to medium businesses. The Task Force is optimistic about reopening at a state level in the next 60 days; however, tourism is not represented on the Governor's committee to reopen the state. The Task Force is asking for representation with the Governor's committee. There has been no guidance as to how restaurants will be affected by reopening. The Task Force is asking for guidance for how when a restaurant reopens, will they need PPE and what are SERV Safe COVID-19 requirements.

- Mr. Collins asked the question, "How are we doing compared to other local DMO's regarding budget and occupancy? What levels of collaboration are in place?" Mr. Breedlove answered that for the past two weeks, video conferences are taking place with all the regional DMO leaders to share all information about what each is doing that is successful. In terms of budget, 76% of the state's DMO's have fund reserves and 24% do not.

In terms of occupancy, JCTDA is doing better than our regional counterparts: for example, Haywood County's occupancy was at 16% while Jackson County's was at 29%. North Carolina as a whole was at about 23%.

Budget Amendment

The details of the Budget Amendment are available to the Board as a link in the Agenda for this meeting. Mr. Breedlove explained the proposed details of the amendment. The basis of the changes was to reduce spending for this fiscal year for good cash flow to be available for recovery next year. Ms. Fox explained the overview of the changes. The total budget amount is decreased by \$108,858; decrease tax revenue by \$150,000; and decrease occupancy tax revenue by \$10,000. An additional \$51,142 is increased in fund balance.

MOTION: *Jay Grissom moved to approve the budget amendment. Dale Collins seconded. A roll call vote was taken, and the motion carried.*

Directors' Reports

Jackson County Chamber: Highlights of the Jackson County Chamber report, which was emailed prior to the meeting, was supplemented by Ms. Spiro as follows:

- The virtual on-line store for local merchants on our website went over well and will be promoted by boosting on Facebook.
- Last week worked on digital coupons and deals that are available to the general public and not just Chamber members. The page was boosted on Facebook and was promoted on Chamber website. It was very well received in Sylva and a 30-mile radius.
- The Jobs page on the website is getting a lot of attention lately. There are many jobs available in our area.
- The COVID-19 tab on the Chamber website which directs the viewer to all the declarations regarding the virus and includes FAQs is getting a lot of traffic and answers many questions that residents ask.
- The Take-Out page which has listing of restaurants that offer take-out, curbside service and discounts is extremely popular.
- The Chamber is partnering with the Franklin Chamber, Cashiers Chamber, EDC and SCC Small Business Center to host a virtually town hall on April 22 which the Chamber is encouraging members to attend

since it is important to small business since it will focus on SBA funding, Payroll Protection Program, and other sources of funding that will, or has become available.

- Jackson Chamber and Cashiers Chamber is hosting a WNC Regional Executives Zoom meeting later next week and will participate in the state-wide Zoom meeting on Friday.
- Hook, Line and Drinker is now scheduled for September 12 which may conflict with Tour de Cashiers.
- Concerts on the Creek on July 4 is still not scheduled since the Chamber is waiting to see how the state and our region is doing with social distancing by the summer.

Cashiers Area Chamber: Highlights of the Cashiers Area Chamber report, which was emailed prior to the meeting was supplemented by Ms. Edwards:

- The Chamber is considering alternative dates for Tour de Cashiers and the conflict with Hook, Line and Drinker. Ms. Edwards welcomes any input from the Board regarding several options such as a shorter ride or an individual virtual 5K. The goal is to decide in the next 60 days.
- Chamber has been focusing on COVID-19 related activities. Strategy is small business support focusing on government and private aid. During the recovery period, the Chamber's focus will focus on support of small businesses. Currently, planning for the future is the Chamber's highest priority.
- The Chamber is continuing with the production of the Visitor Guide but will reduce the number of Guides.
- The Chamber is working with JCTDA and regional partners.

Updates from Individual Board Members; Agencies

Ms. Self explained that this meeting was a good opportunity to hear updates on the activities of Board members:

- Anna Thomas of Comfort Inn says that the hotel has had some construction worker activity and that she has taken on a day-to-day operations roll at the Comfort Inn. They have been marketing to the groups that have cancelled reservations, inviting them back to the area and letting them know that they will be welcomed when the County opens back up.
- Andrew Harlfinger explained that Blue Green Vacations has furloughed 20 employees bringing the number of employees working to 4. They have stayed open as long as they could; however, the decision was made last week to close. They expect only 10-15% occupancy based on existing reservations since they are not taking any new reservations until August. Ms. Edwards asked the question if Blue Green Vacations had closed only the local venue or if closure was across the board for all Blue Green properties. Mr. Harlfinger answered that about 50% of the 48 properties are closed with the remainder running at about 50% occupancy. Out of 2,600 employees total, there are about 1,000 working. Employees will get benefits until the end of June.
- Megan Orr and Jay Grissom of Nightstar Lodging gave a joint explanation of their current situation at their properties. The Best Western has been closed since March 21, with a tentative reopening on April 27, but they are not sure if this will happen. Workers at the Best Western have been furloughed. Mr. Grissom states that the essential workers business travelers are helping the Holiday Inn Express and the Quality Inn.
- Robert Jumper states that his company is looking toward the future. Mr. Jumper did pose a question to the group of since people are ready to get back to work and back to social interactions, people still have the fear of out of state visitors in their community. What will the JCTDA strategy be to address the concerns of the locals about people coming back into the community? Mr. Jumper directed his question to Ron Mau and Deborah Stone of Pineapple PR. Mr. Breedlove explained that this concern has been discussed at meetings that he has attended since our local businesses need the revenue from visitors. He

is working with Visit NC, who is looking for guidance from the Federal Government. The JCTDA is looking for guidance from Visit NC for what messages to send to our citizens in a tiered approach to convey the message that we need visitors. Mr. Jumper then directed his comments to Mr. Mau, who is a County Commissioner, about the strategy to local community leaders to direct the message to the population and what he foresees as the roadblocks to reopening the County.

- Mr. Mau stated that he cannot speak for the entire Board of Commissioners; he gets feedback from citizens about out of state license plates in the County. The process of getting citizens to lower anxiety surrounding the virus should be educational since the virus is not going away until there is a vaccine. The people with out of state license plates are usually part-time residents and property owners who pay taxes and have a right to be in Jackson County.
- Deborah Stone of Pineapple Public Relations answered Mr. Jumper's question and Mr. Mau's statement. The process of reopening the tourism will be largely an educational process since travel and tourism may not come back as it was before the shutdown. Assuring the local community through health and safety practices, that the tourism industry has their best interest in heart and the revenue generated is in their best financial interest.
- John Kautz, of Rawle Murdy, is working on a phased approach to recovery and is waiting for the TDA's message when tourism reopens. Rawle Murdy is working on long term advertising campaigns showing interesting places and stories about Jackson County, which has all the qualities research indicates travelers will be looking for when recovery begins.
- Brad Herman from High Hampton Resort informed the Board that High Hampton has shut down its administrative staff and those employees left are working from home. Construction and development are moving forward. April 21, 2021 is still the target for reopening.
- Kathy Korb, of Whiteside Brewery and Laurelwood Inn, thanked High Hampton because their construction workers are keeping Laurelwood Inn full. Employees have been laid off and only 3 people are left to run the hotel. They are hoping that as construction picks up this summer, they can bring more employees back. Whiteside is offering take-out and the response to gift cards has been positive. They have laid off some people, but most of their staff is still working on the take-out.
- Dale Collins states that the Tuckaseegee Fly Shop has laid off all employees and he is the only person left. Operations have been suspended for the month of April and they are waiting to see what the Governor is going to do about the shutdown in May. Collins is encouraging people to "fish local." Local fishermen are not practicing social distancing and the local rivers have been crowded.
- Caleb Sullivan, TDA Sales and Marketing Manager, reports that the social media has changed for the good. He has noticed positive feedback from TDA's social media channels that is encouraging.
- Mr. Breedlove added a couple of updates that he failed to mention. He has been getting complaints from the public about people who are not socially distancing or doing something that they should not be doing such as trespassing in order to fly fish. Complainers are encouraged to call the nonemergency number. People are entering closed off areas of the county, such as Whiteside Mountain and Panthertown, where rescuers workers have had to get the persons out of the restricted areas due to blatant disregard of posted signage. People should stay and recreate in an approved manner and not put additional burdens on law enforcement and volunteer rescue workers.
- Ann Self from the Village Green is the only employee and is using social media to keep in touch with the world. She is looking forward to the opening of the new building at the Village Green after the crisis has passed.

Announcements

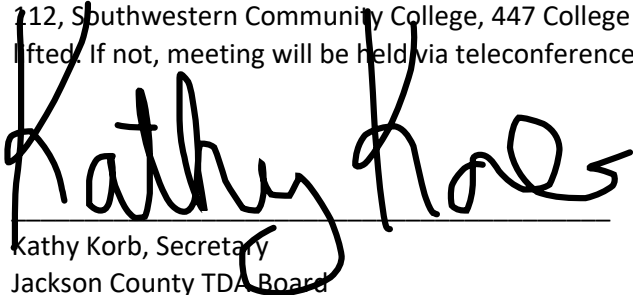
None

Adjourn

MOTION Megan Orr moved to adjourn. Dale Collins seconded. Motion carried. The meeting was adjourned at 2:30 p.m.

Next Meeting

The Wednesday, May 20, 2020 TDA Full Board Meeting will be at 1:00 pm in the Holt Library Conference Room 212, Southwestern Community College, 447 College Drive, Sylva, NC 28779 if social distancing restrictions are lifted. If not, meeting will be held via teleconference.

A handwritten signature in black ink, appearing to read "Kathy Korb", is written over a horizontal line. The signature is fluid and cursive.

Kathy Korb, Secretary
Jackson County TDA Board

Approved: May 20, 2020