

**RECORD OF MINUTES
DARE COUNTY TOURISM BOARD
THURSDAY, OCTOBER 20, 2016
9:30 A.M.**

**OUTER BANKS VISITORS BUREAU ADMINISTRATIVE OFFICE
ONE VISITORS CENTER CIRCLE
MANTEO, NC 27954**

ATTENDING: Susie Walters, Chair; Ervin Bateman, Vice Chair; Nancy Caviness, Secretary; Dorie Fuller, Treasurer; George Banks III, Bambos Charalambous, Tonia Cohen, Mike Hogan, Natalie Kavanagh, Stuart Pack, Martha Wickre, and Dwight Wheless, Legal Counsel.

EXCUSED ABSENCE: Leo Holland, Assistant Treasurer; and Wally Overman.

STAFF:

Lee Nettles, Executive Director
Diane Bognich, Director of Administration
Lorrie Love, Tourism Sales and Events Manager
Aaron Tuell, Public Relations Manager
Amy Wood, Clerk to the Board/Administrative Specialist

OTHERS: Philip Ruckle, *The Coastland Times*; Dave Hallac, Superintendent, Mark Dowdle, Deputy Superintendent, and Sarah Merrill, Outer Banks Group, National Park Service; Audrey Webster and Dan Lewis, Dare County Restaurant Association; Chris DeWitt, VHB; Chase Davenport and Alicia Thorpe, Outer Beaches Realty.

The meeting was called to order at 9:31 a.m. The Chair welcomed guests. Then the Board recited the pledge of allegiance, followed by a moment of silence.

The Chair announced that public comments were limited to five minutes per speaker. Items that take longer can be placed on the agenda.

APPROVAL OF AGENDA: Mr. Charalambous moved to approve the agenda as presented. Ms. Fuller seconded. There was no discussion and the motion passed unanimously.

APPROVAL OF MINUTES: Ms. Caviness moved to approve the September 15, 2016 meeting minutes. Ms. Wickre seconded. There was no discussion and the motion passed unanimously.

Mr. Bateman moved to approve the amendment to the August 18, 2016 meeting minutes. Mr. Charalambous seconded. There was no discussion and the motion passed unanimously.

PUBLIC COMMENTS: Superintendent Hallac discussed visitation on the seashore and the impacts of Hurricane Matthew and noted a public meeting in Buxton regarding storm water management at Park Service sites. He also noted that the public comment period for the proposed ORV rules changes, which include lengthening the seasons for beach driving, route changes, and flexibility with the permitting process, closes at 11:59 a.m. on October 21, 2016.

ESTABLISHED EVENT DEVELOPER GRANT REVIEW PRESENTATION: Audrey Webster and Dan Lewis reviewed the 2015 and 2016 Taste of the Beach events and plans for the 2017 events (presentation attached) as well as upcoming events like Fall Restaurant Week.

STEERING COMMITTEE/CHAIR'S REPORT: Lee Nettles and the Chair reviewed costs associated with the next phase of The Soundside Event Site that were over the previously approved amount. As the Board had authorized the Chair and Executive Director to negotiate with VHB, they did so. Lee Nettles reviewed the negotiations and options for reducing the over amount (attachment A). Following discussion, Mr. Bateman moved to reallocate \$50,000 in expenses within preliminary planning to construction; to forego the additional site visits not already promised or contracted by VHB and Albemarle; keep the geo webbing; and to hire a project observer. Ms. Cohen seconded. There was no discussion and the motion passed unanimously.

Lee Nettles reviewed the three year strategic goals and timeline of implementation for some of the goals. Board members discussed the goals and strategies and offered their consensus on what was presented. It was noted that an ad hoc committee was created to help with the planning and growth of The Soundside event site and that Tonia Cohen, Mike Hogan, and Martha Wickre had been appointed to serve on that committee. Lee Nettles and the Board discussed the programs were already underway and timelines for other goals on the plan.

Legal Counsel read the following regarding the Natural, Cultural and Historic Grant request for an artificial reef off the Dare County coast:

Based on the authority of the Treaty of Peace with Great Britain in 1783 and the Declaration of Independence of July 4, 1776, the Constitution of the State of North Carolina adopted in 1868 the eastern limit and boundary of the State of North Carolina has always been one marine league eastward from the Atlantic seashore measured from the extreme low-water mark of the Atlantic ocean seashore. GS 141-6 incorporated the same definition.

A "Marine league" is equal to one-twentieth part of a degree of latitude, or three geographic or nautical miles.

Special legislation of the North Carolina General Assembly created Dare County and the east-most line is along the waters of the Atlantic Ocean.

160A-176.1 provides that cities may adopt ordinances to regulate and control swimming, surfing and littering in the Atlantic Ocean. This applies only to cities in the counties of Brunswick, Carteret, Currituck, Dare, Hyde, New Hanover, Onslow and Pender.

160A-176.2 provides that cities may regulate and control swimming, personal watercraft operation, surfing and littering in the Atlantic Ocean and other waterways adjacent to the city or within its extraterritorial jurisdiction, but may not prohibit altogether swimming or surfing. This applies in Dare County only to Duck, KDH, Kitty Hawk, Manteo, Nags Head, and Southern Shores.

Chapter 177 (House Bill 225) of the 1991 Session of the General Assembly of North Carolina was enabling legislation for the creation by the Dare County Board of Commissioners of the Dare County Tourism Board.

Section 6 provides for the required structure of a tourism board to be known as the Dare County Tourism Board to be a public authority under the Local Government Budget and Fiscal Control Act with the charge that the Board shall promote year-round travel and tourism in Dare County as provided in Section 7 and perform other duties required by law.

Section 7 provides that the Board shall use its portion of the proceeds from the Additional Occupancy Tax and Prepared Food and Beverage Tax as follows:

- a. the cost of its annual audit;*
- b. 75% shall be used for the cost of administration and to promote tourism that may include: (i) advertising to promote less-than-peak- season events and programs; (ii) marketing research' (iii) a mail and telephone inquiry response program, and (iv) welcoming and hospitality functions;*
- c. 25% for services or programs needed due to the impact of tourism on the county.*

So, here is the question: Does the expenditure of DCTB funds for a fishing attraction two miles into the Atlantic Ocean from Hatteras Island meet the requirements of House Bill 225?

Analysis: House Bill 225 requires the Board to promote year-round travel and tourism in Dare County by expending funds for:

- 1. cost of audit*
- 2. administration, and promotion of tourism by advertising, marketing research, mail and telephone inquiry, welcoming and hospitality*
- 3. services or programs needed due to the impact of tourism on the county.*

The artificial reef project might promote year-round travel and tourism in Dare County but the project is not in Dare County. What classification would it fall under? Number 3? What are the considerations regarding changes to our existing policies? Is this the type of issue that will fuel the debate to the level of the Legislature? Is that a door you want opened?

Query: Would you fund a grant for an activity on Ocracoke Island because the activity would generate travel through Dare County and potential motel room rentals, gas sales, food sales? If not, would you be willing to amend your policy to no longer require that the situs of the activity must be inside Dare County? Would public opinion be negative or positive?

Legal Counsel advised to leave the grant guidelines, stating that the project must be located in Dare County, as is. Two Board members suggested that the requestors could hold a fundraising event to help fund the artificial reef. Staff was asked to speak with the group and let them know about the event grant. The Board reached consensus to leave the guidelines as they currently exist.

BUDGET AND FINANCE REPORT: Ms. Fuller reviewed the meals and occupancy receipts received. Receipts for fiscal year 2016-2017 are up 2.75% over 2015-2016 actual receipts.

OUTER BANKS VISITORS BUREAU UPDATES: Lee Nettles reviewed:

- Awards won at the recent North Carolina Tourism Industry Association conference
- The 5th Annual Seafood Festival
- Upcoming events like Harvest Hay Day and the Halloween Film Festival
- Inquiry, Fulfillment and Visitation numbers
- Updated the occupancy tax collections for competing destinations

Lorrie Love reviewed the recent North Carolina Domestic Sales Mission in Philadelphia/Pittsburgh areas, recent group sales FAM tours and the event schedule for The Soundside event site.

Aaron Tuell reviewed past and forthcoming media and influencer FAM tours and an upcoming Society of American Travel Writers board meeting.

Ms. Wickre thanked Lorrie Love and Aaron Tuell for their hard work.

OLD BUSINESS: There was no old business before the Board.

NEW BUSINESS: There was no new business before the Board.

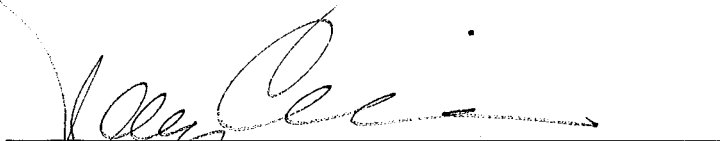
BOARD MEMBER COMMENTS: Ms. Kavanagh expressed her opinion of decisions made by the control group after Hurricane Matthew and thanked all the people who stepped forward to help clean up after the storm.

Ms. Wickre invited Board members to the Wooden Boat Show and the Haunted House at the Maritime Museum in Manteo.

SET DATE, TIME AND PLACE OF NEXT MEETING: Thursday, November 17, 2016 at 9:00 a.m. at the Dare County Regional Airport, in Manteo, NC. The December meeting date will be decided at the November meeting.

Mr. Charalambous moved to adjourn. Mr. Bateman seconded. There was no discussion and the motion passed unanimously. The meeting was adjourned at 11:25 a.m.

ATTESTED:



Secretary, Dare County Tourism Board