

**RECORD OF MINUTES
DARE COUNTY TOURISM BOARD
THURSDAY, OCTOBER 18, 2018**

9:00 A.M.

**OUTER BANKS VISITORS BUREAU ADMINISTRATIVE OFFICES
MANTEO, NC 27954**

ATTENDING: Wally Overman, Vice-Chair; Pat Weston, Treasurer; Bambos Charalambous, Assistant Treasurer; Tonia Cohen, Secretary; George Banks, III, Nancy Caviness, Webb Fuller, Mike Hogan, Chris Nason, Bobby Owens, David Pergerson, Jeff Pruitt, and Jay Wheless, Legal Counsel.

EXCUSED ABSENCE: Myra Ladd-Bone, Chair.

STAFF:

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

OTHERS: Mary Helen Goodloe Murphy, *The Coastland Times*.

The Vice Chair called the meeting to order at 9:00 a.m. The Board then recited the pledge of allegiance, followed by a moment of silence.

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

APPROVAL OF MINUTES: Mr. Nason moved to approve the September 20, 2018 meeting minutes as presented. Mr. Charalambous seconded. There was no discussion and the motion passed unanimously.

PUBLIC COMMENTS: There were no public comments made.

STEERING COMMITTEE: The Vice-Chair reviewed the following items:

Short Term Restricted Fund Project Grant Award Recommendations: The Chair summarized the following Short-Term Restricted Fund Project Grant Recommendations:

- \$307,289 to the Town of Duck for the Pedestrian Improvements [along Duck Road/Hwy 12], Phase III
- \$47,592 to the Town of Kitty Hawk for the Kitty Hawk Trail Connection Project, Phase I
- \$487,932 to the Town of Nags Head for the West Side Multi-Use Path, Phase VIII

Mr. Fuller moved to approve the awards. Mr. Charalambous seconded. There was no discussion and the motion passed unanimously.

Soundside Event Site Recommendations: Lee Nettles reviewed the discussion about The Soundside at the September meeting and instructions given to the Steering Committee regarding the request from the Town of Nags Head asking the Tourism Board to buy their share of ownership in the site. The Steering Committee made the following recommendations:

1. A 20-year plan to pay the Town of the Nags Head for their portion of the event site purchase.

While the Town's original financial participation was not based on an expectation of real estate gain or repayment by the Tourism Board at some later date, the Tourism Board respects the Town's desire to recoup funds from the event site purchase so that those funds may be reallocated toward more pressing needs of the Town.

It is the Board's desire to purchase Nags Head's entire interest in the property for a total sum of \$2,366,107, which is the cash amount the Town used to purchase their portion of the property. However, under the proposed plan, the Board would purchase (approximately) 14.2% of interest in the property for \$336,107 in the first year. The Board would continue to purchase the Town's interest in the property over 20 years, based on available funds. Payments will be made upon closing of the contract and recording the deed.

Mr. Fuller asked how the statement that the Town did not expect to be repaid came about. Lee Nettles stated that there were no statements made or written saying the Town expected to be reimbursed nor did the Memorandum of Understanding say the Town would be reimbursed and that the Town had contributed to the purchase but clearly stated they had no interest in developing or doing administration of the site. Mr. Fuller stated he thought the MOU did address reimbursement, but Lee Nettles read the portion that Mr. Fuller was referring to said:

The Board discussed real estate gifts in terms of establishing a price; the Board's inability to hold a note; if the Board had the money to buy Nags Head interest completely (it does but would limit what the Board could do with the site); establishing a line item each budget to continue to purchase the Town's interest; if Nags Head had a time frame for the buy-out to happen. Mr. Fuller noted the Town Board had discussed that and were ok with it taking a longer time frame.

Following discussion, Mr. Fuller moved to accept the recommendation as a starting point for discussion with the Town of Nags Head. Mr. Charalambous seconded. Ms. Caviness asked about the language used- if the Board was buying a percentage or portion. Mr. Fuller talked about the percentages of ownership interest the Town held. Mr. Wheless responded that the Board's intent was to purchase Nags Head's interest in the real estate [property]. Ms. Weston asked would it be possible to have a final document spell out the set price for each year. Legal Counsel noted that would be ideal but may not be possible.

The Board reached consensus that Legal Counsel and the Executive Director will work together with regard to discussions with Nags Head.

- 2. Direct the Executive Director and Legal Counsel to negotiate a price to purchase the property immediately to the north of The Soundside event site (currently occupied by the Dairy Queen, mini-golf and ropes course).**

Acquiring the property would expand the contiguous footprint of The Soundside and provide additional parking and storage. The current budget allows for the purchase of this property.

Lee Nettles stated the Board needed to decide if they wanted to pursue the property and if so, a closed session would need to be held.

Mr. Fuller noted he was under the impression that there were several easements on the property. Lee Nettles noted there were two long-term rental agreements in effect but one of those leases would not be continued.

Mr. Pruitt moved to enter closed session Closed Session Pursuant to NCGS 143.318.11 (a)(5) To establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property located at 6714 and 6716 S Croatan Hwy, Nags Head, NC 27959 and owned by On Trading Company and Overrun II, LLC, by purchase, option, exchange, or lease as expansion of parking and other use for The Soundside Event Site. Mr. Charalambous seconded. There was no discussion and the motion passed unanimously.

The Board took a five-minute break. The closed session began at 10:10 a.m.

The meeting resumed open session at 10:49 a.m. Legal Counsel noted that there was no final action taken that required reporting; however, the Board negotiating agents have clear and distinct authority to negotiate in regard to the property the Board entered closed session for.

BUDGET AND FINANCE REPORT: Ms. Weston reviewed the meals and occupancy receipts received. Receipts for fiscal year 2018-2019 are up 4.75% over 2017-2018 actual receipts.

GRANTS & LOCAL PUBLIC RELATIONS: Mr. Nason reviewed the Event Grant applications and the process the Grants Committee used to evaluate the applications. Mr. Nason then moved to approve the following grant awards:

<u>Organization</u>	<u>Event</u>	<u>Recommended Award Amount</u>
Dare Co. Restaurant Association	Taste of the Beach *\$30,000 and all three main events must be held in Dare Co.	←
ESC OBNC District	MidAtlantic Regional Surfing Championship	\$19,000
Frisco Native American Museum	Native Journeys: Music and Dance	\$13,500
Hatteras Island Cancer Foundation	OBX Paddle Palooza *\$3,000 to be used for advertising only	←
Hatteras Island Youth Educ. Fund	Shore Break 5k & Tide Pool Fun Run	\$7,000
Hatteras Village Civic Assoc.	Hatteras Village Offshore Open	\$15,000
Hatteras Village Civic Assoc.	Hatteras Village Waterfowl Festival	\$10,000
Manteo Preservation Trust	Holiday Tour of Homes	\$5,820
Motu Music Festival	Dare2Care OBX Shred Fest	\$11,000
NC Coastal Federation	Hatteras Island Oyster Roast	\$6,000
Outer Banks Chamber of Commerce	OBX Tiny Home & Lifestyle Festival	\$15,000
Outer Banks Sporting Events	Flying Pirate Half Marathon	\$21,000
Outer Banks Sporting Events	Storm the Beach	\$15,000
Roanoke Island Historical Assoc.	Ghosts of the Lost Colony	\$4,000
	<i>TOTAL AWARDED AMOUNT</i>	<i>\$175,320</i>

Mr. Fuller seconded. There was no discussion and the motion passed unanimously.

Mr. Banks suggested contacting Board members who might have information if the grants committee has questions about new events. Mr. Nettles reminded the Board that all grant applicants must meet with the Grants Administrator, Diane Bognich.

OUTER BANKS VISITORS BUREAU UPDATES: Lee Nettles reviewed:

- Both the Seafood Festival and Wright Brothers National Memorial Visitors Center reopening on Saturday, October 20th.
- Message Management after Hurricane Florence, both locally and statewide, including staff appearances on local television shows to let folks know the Outer Banks is open and to make them aware of upcoming events.
- Economic Partnership of North Carolina Board appointment.
- Internet, fulfillment and visitation numbers.

Lorrie Love noted an upcoming fee increase that will impact group business. An Executive Order raises the entry fee to a majority of National Park sites and places a \$10.00 per person fee on top of the group rate. This increase may change how groups do business on the Outer Banks. Staff will ask Park Service staff to attend the next meeting to discuss this.

Aaron Tuell reviewed his appearances on morning tv shows in Raleigh, Richmond and Tidewater, and a radio interview with a Michigan station.

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

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

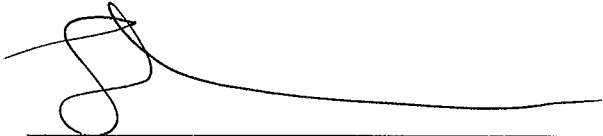
BOARD MEMBER COMMENTS: The Vice Chair noted discussion with the Dare County Airport Authority and complimented the OBX/BOX advertising campaign.

SET DATE, TIME AND PLACE OF NEXT MEETING: The next meeting will be Thursday, November 15, 2018 at 9:00 a.m. in the Curtis H. Creech Memorial Boardroom, Outer Banks Visitors Bureau, One Visitors Center Circle, Manteo NC.

Mr. Pergerson moved to adjourn. Mr. Hogan seconded. There was no discussion and the motion passed unanimously.

The meeting was adjourned at 11:30 p.m.

ATTESTED:



Secretary, Dare County Tourism Board