



**SALISBURY TOURISM AUTHORITY  
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SALISBURY TOURISM AND CULTURAL DEVELOPMENT COMMISSION**

Minutes  
November 14, 2012

The Salisbury Tourism and Cultural Development Commission (STCDC) assembled at the Gateway Building, 204 East Innes Street, second floor, at 11:30 a.m. for their regular meeting and joint meeting of the Rowan County TDA and STCDC.

**STCDC:** Kelly Alexander, Boris Bunich, Bill Burgin, Randy Hemann, Mark Lewis, Brian Miller, Krista Osterweil, and David Redden

**Absent:** Barbara Perry

**Staff representatives:** James Meacham (RCCVB), Diana Moghrabi (Secretary), Joe Morris (Salisbury Staff Liaison), Lesley Pulliam (RCCVB), John Sofley (Treasurer), and Gail Elder White (Salisbury Parks and Recreation)

**Guest:** Director of Corporate Sales and Corporate Trainer, Shannon Stewart-Hill of Marriott Courtyard, Salisbury, NC and Andrew Waters, Chair of the Joint Marketing Committee

**Rowan County TDA:** Amie Baudoin, Suzanne Jones, Dan Peters, Wes Thompson, Andrew Waters, and Gretchen Witt

**WELCOME AND OPENING REMARKS**

Bill Burgin, Chair, brought the STCDC meeting to order. Minutes of the October 10, 2012, STCDC meeting were approved as submitted.

**FINANCIALS**

John Sofley provided the October 2012 financial reports. The reports are attached. The Quality Inn is past due. Occupancy Tax revenue collections are up.

At the December meeting, John will provide the audited financial statements; everything looks good.

The financial report was accepted as submitted.

## **DESTINATION DEVELOPMENT COMMITTEE**

October 1, 2012, the Destination Development Committee met. Minutes of that meeting were made available.

### Downtown Holiday Decorations

Barbara Perry sent the following report to Bill Burgin and apologized for not being able to attend the meeting:

*The wreaths will be installed November 15 and 16, 2012. Randy Goodman has been contacted and has agreed to hang the star at the square for \$600. Pending his paper work with Anna Bumgarner regarding insurance, we will get a bid from him to hang the lights in the median on West Innes Street. The electrical work will begin on West Innes soon to prepare for the lights. We hope to get them in after Thanksgiving if bids fall within our remaining budget.*

*The grant for the banners was approved by the Joint Marketing Committee. I will let you know about the outcome of the bids for the lights as soon as I get them.*

Bill explained, "In our contract on the lights, we had a conflict with the City schedule about when we could put them up; our vendor thought he could put them up any time he chose and the City said, 'No, not really'." The contract amount for the installation of the lights was removed from the MOSCA agreement.

We had to get NCDOT permission to bore underneath W. Innes Street and we did not get that permission in time for the vendor to work that piece of the puzzle into his schedule. He adjusted for the timing of the main lights, but got squeezed too tight for the wiring underneath W. Innes Street. That will be contracted now to somebody else.

There will be lane closures Saturday to do the work. The installation of the lights in the median will require some night lane closures to accommodate the bucket trucks.

Bill Burgin thanked Barb Sorel, Barbara Perry and Lynn Raker for dealing with this. "They did a good job for us."

### Trolleys

James Meacham said the trolleys are due to arrive December 1 and 3, 2012. Lesley has alerted the insurance company of the upcoming additions. There will be some legal paperwork to complete before the trolleys are put to work.

### Jeremiah

Bill Burgin has the approval of the condominium owners to install the sculpture titled “Jeremiah” at the previous location at Liberty and North Main Streets. Hopefully, it will remain a surprise to Mr. Fisher. The money has been appropriated and the process for buying public art has been approved. Historic Preservation Commission will approve installation or it may just go to minor works approval in the spring.

Mark Lewis made a MOTION to “allocate \$10,000 back to Destination Development Committee for the purpose of purchasing and installing “Jeremiah, the Bullfrog” public art at the corner of Liberty and North Main Streets.” Brian Miller seconded the motion with all members VOTING AYE.

**The STCDC paused for lunch at 11:45 and resumed meeting at 12:05.**

### **JOINT MARKETING REPORT**

Andrew said that tourism has continued to invest in an online presence. The committee will be looking at ways to involve cultural partners in the programs.

The proposal for next year’s downtown events will be somewhat status quo.

### Our State Magazine

At the October meeting the committee was introduced to *North Carolina Our State Magazine* “travel app” for Smart Phones. They are providing custom tours that we can populate with our businesses’ information. On behalf of tourism partners, the committee bought ten spaces. Tourism will be offering these spaces to our cultural partners. It will help control the brand and the message and the identity for Salisbury/Rowan while elevating the exposure to our partners. We will be able to do updates. It will come out with the 2013 cooperative programs.

The committee approved a budget for the *Our State Magazine* Mobile Application up to \$11,400 (Premium Plus) and to work with our partners. (8-0)

### Trolleys

- October was a very good month for trolley tours. Total income was \$5,900. Year-to-date the system is \$1,000 in the black.
- We have a new partnership with Lee Street, Historic Salisbury Foundation and sponsored by F&M Bank. We are doing Scrooge Trolley Tours beginning November 23.



### 2013 NC Main Street Conference

Planning is still fully underway; the steering committee will meet Friday, November 16 and again December 7 at 9 a.m. at the Plaza. The EDC and the Chamber of Commerce, in addition to

Downtown Salisbury, Inc. and Tourism have come on to support the event. They will be providing sponsorship funds. The Chamber of Commerce will provide volunteers to help with the event which runs Wednesday, January 30 through Friday, February 1, 2013.

#### Downtown Holiday Events

November 23 thru December 31

- **53rd Annual Holiday Caravan Parade**, Wednesday, November 21, Spencer, 2 p.m., Salisbury, 3 p.m.
- **Scrooge's Christmas Trolley Tour**, Friday's and Saturday's, November 23 through December 22. Tours start at 6:30 p.m. nightly—\$20 adults, \$15 children and for seniors. Board at Salisbury-Rowan County Visitor Center
- **Santa & the Grinch at the Bell Tower**, Saturday, November 24, 10 a.m. to 12 noon, Bell Tower Park, Sponsored by Innes Street Drug Company
- **The ARC Festival of Trees**, Friday, November 30, 7 to 9 p.m., Saturday, December 1, 11 a.m. to 8 p.m. and Sunday, December 2, 1 to 5 p.m., F&M Trolley Barn
- **Santa & the Grinch Fire Trucks**, Saturday, December 8, 10 a.m. to 1 p.m., Board at 126 E. Innes Street
- **New Year's Eve at the Bell Tower**, Saturday, December 31, 11:30 p.m. to 12:30 a.m.

Marketing starts next week and will run through the season. The Downtown Promotions Committee created a package for the 2013 schedule. The “night out” events will continue (8) and some merchants will stay open on first Fridays. Tourism will not handle logistics of first Fridays, but will help with the marketing. Tourism is in the Caravan Holiday Parade, but does not participate outside of that.

#### 2013 Destination Marketing Planning Session—December 6, 2012

This is a regular meeting date for the Joint Marketing Committee. We will chart the course for 2013—lay out the budget, the grants, marketing, program of work, etc. There will be a preview of the state cooperative marketing program.

### **HOTEL MARKET REPORT**

Boris made a presentation on the hotel industry trends that covered occupancy, room rates and guest satisfaction. Demand has come back, but the rates are still short.

It is getting more difficult to differentiate hotel guest services other than with brand and programs. All hotels have newspapers, continental breakfast, TV, Internet, etc. The more you talk to your guests, the more feedback you will get.

The economy is moving ahead, but it is taking an extended period to come back. “Fiscal cliff” is the popular shorthand term used to describe the conundrum that the U.S. government will face at the end of 2012, when the terms of the Budget Control Act of 2011 are scheduled to go into effect.

## **ROWAN ARTS COUNCIL**

The affiliate program has been restructured. They now have an arts and culture development grant program that will get funds into more areas.

With the change of the political scene, there have been many changes in the state professionals and appointed positions.

## **MASTER PLAN IMPLEMENTATION COMMITTEE**

The committee did not meet in November.

The leadership was actively engaged with the Chamber of Commerce “fix-it-group.” (EDC, Downtown Salisbury, Inc., Chamber of Commerce, Tourism) The Chamber of Commerce has a visioning process last Friday that was professionally facilitated.

The Gateway Building is an item for discussion with much to consider. James requested direction from the TDAs. There is the unknown variable of the CEO leadership which is not in place, yet. A subgroup has been addressing the subject of the building. A non-profit, tax exempt status is being researched. Another option would be to transfer the building to one of the government partners. This would remove the building from the tax rolls. (Taxes are about a third of the expenses of the building.) It would be important to keep the original community purpose of the building intact.

Even if we get it to be most cost-effective to stay, it will never realize the gains offered in a partnership with Downtown Salisbury, Inc. at the Plaza. What is the value of staying in the Gateway Building even at a reduced price?

It would make sense to reduce costs of the building to make it more efficient to stay such as: (1) service contracts like cleaning, (2) energy efficiency, (3) shared staffing and resources, and (4) ownership structure.

The building has been debt free. There has been about a \$25,000 net income to the Chamber of Commerce each year that has been used to balance the budget of the Chamber of Commerce each year for the last three years. Would they be willing to forfeit that income? It does not appear that the discussions are taking place within the Chamber of Commerce Board of Directors.

What scenario fits the goals of the TDAs? The TDA will continue to be a partner to the Chamber of Commerce whether they are in the Gateway Building or the Plaza. The TDAs have said they are willing to “pause” the potential move until December 31 before making a final decision. (Brian Miller recommends June to give the Chamber some time.) This needs to be communicated to the Chamber of Commerce board. It also needs to go before City Council.

The TDAs serve as the agents for change.

Mark does not think we need to make a decision today. The discussion and feedback is helpful. Bill Burgin said the values we are looking for are hard dollars; how can we impact the community from a positive standpoint with the synergy? Are we stronger in numbers? We have to be able to write down what success looks like. What are the characteristics that keep the TDA at the Gateway Building or make it move? For the next 30 days leadership will try to write down what success looks like. They will bring it back to the board at the next meeting.

## **ADJOURNMENT**

The STCDC meeting adjourned at 1:15 p.m.

### Regular schedule:

- The Master Plan Implementation Committee will meet December 5 at noon at the Gateway Building. RCCVB will provide the lunch.
- The Joint Marketing Committee will meeting December 6 at 10 a.m. at the Gateway Building.
- The next full STCDC meeting is Wednesday, December 12, 2012, at 11:30 a.m. at the Gateway Building, 204 East Innes Street, on the second floor. Salisbury TDA will provide lunch.

Respectfully submitted,

Diana Moghrabi

**Salisbury Tourism and Cultural Development Commission**

**Balance Sheet**

**October 31, 2012**

ASSETS

Cash and investments	\$	270,007
Accrued interest		<u>717</u>
Total assets	\$	<u><u>270,724</u></u>

LIABILITIES AND FUND EQUITY

LIABILITIES

Accounts payable	\$	<u>-</u>
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FUND EQUITY

Fund balance:

Reserved for Capital	\$	267,248
Unreserved		<u>3,476</u>
Total fund equity	\$	<u><u>270,724</u></u>

Total Liabilities and Fund Equity	\$	<u><u>270,724</u></u>
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**Salisbury Tourism and Cultural Development Commission**  
**Statement of Revenues and Expenditures and Change in Fund Balance**  
**For the Year to Date Period Ending October 31, 2012**

	<b>Actual</b>	<b>Budget</b>	<b>Variance with Budget Positive (Negative)</b>
REVENUES:			
Occupancy Tax Receipts	\$ 106,021	\$ 310,000	\$ (203,979)
Interest Income	-	2,000	(2,000)
Total revenues	\$ 106,021	\$ 312,000	\$ (205,979)
EXPENDITURES:			
Marketing	\$ 103,734	\$ 194,400	\$ 90,666
Operating Expenses	2,721	5,000	2,279
Capital			
Trolley		58,976	58,976
Other		44,324	44,324
Administrative Fee	3,181	9,300	6,119
Total expenditures	\$ 109,636	\$ 312,000	\$ 202,364
NET INCREASE (DECREASE) IN FUND BALANCE	\$ (3,615)	\$ -	\$ (3,615)
 FUND BALANCE, JULY 1, 2011	 \$ 274,339		
FUND BALANCE, OCTOBER 31, 2012	\$ 270,724		