

N.C. Travel & Tourism Board Meeting, May 9, 2023, 10:30 a.m.

**BOARD MEMBERS PRESENT:** Kimberly Albritton, Rolf Blizzard, Chris Chung, Sen. Dave Craven, Denny Edwards, Shannon Gilligan, Rep. Bobby Hanig, James Meacham, Lynn Minges, Lee Nettles, Rep. Ray Pickett, Vivek Tandon, Greg Walter

**MEMBERS ABSENT:** Jim Beley, Arthur Fisher, Rep. Charles Miller, Steven Pasquantonio, Sec. Machelle Sanders, Andrew Schmidt

**LIAISONS, STAFF AND GUESTS PRESENT**: Suzanne Brown, Ashton English, Guy Gaster, Scott Gilmore, Bryan Gupton, Kaitlin DiPaola, Brooks Luquire, Margo Metzger, Scott Peacock, Kathy Prickett, Stephanie Spicer, Kylee Sprengel, Marlise Taylor, Wit Tuttell, Heidi Walters, Kara Weishaar, Graham Whitaker, Cyndi Tomblin

Rolf Blizzard, chairperson, called the meeting to order at 10:30 am. The meeting was held inperson and remotely.

## WELCOME/COMMENTS FROM THE CHAIR

Roll call was taken of board members present. Blizzard reminded members of the Ethics Statement, in accordance with Executive Order No. 35. Blizzard asked for approval of the February meeting minutes. James Meacham made the motion to approve, seconded by Lynn Minges; the minutes were unanimously approved.

### INDUSTRY PARTNER UPDATE

Denny Edwards, NC Travel & Tourism Coalition – The next NCTTC meeting is May 22. The group is focusing on school calendar and occupancy tax legislation.

Lynn Minges, NC Restaurant & Lodging Association – Monitoring H599-Unfair Advertising/Food Delivery Platforms and H20-Cash Commitment Act. Working to support ABC Commission regarding legislative reforms and to bring online portal for liquor transparency within the state. Gave status update for NCRLA \$5 million workforce development grant, including an additional \$1 million for wrap-around services that would reimburse the time spent in workforce training. Reviewing recent data about employment and job opportunities.

NC Travel Industry Association – No report provided.

James Meacham, Destination Marketing Association of North Carolina – Other than concerns already mentioned, there are discussions on the continued growth of short-term rental platforms, which may rely on the property owner to pay occupancy tax. Would like to work with NC Dept.

of Revenue to get consistency across the tax collection process to "level the playing field." Hoping to get consistency regarding enforcement of school calendars for workforce perspective and travel planning.

Graham Whitaker, NC Hospitality Alliance – No report, other than monitoring school calendar and occupancy tax legislation.

NC Sports Leadership Council – No report provided.

# LEGISLATIVE UPDATE

Sen. Bobby Hanig reported VRBO/Airbnb, NCDOR and NC Real Estate Commission discussing occupancy tax situation to "level the playing field." Acknowledged legislators may need to revisit the Vacation Rental Act to get it to modern standards, possibly in the next long session, noting there are 10 differences between OTAs and brick & mortar property managers. Sen. Dave Craven said discussions are continuing regarding school calendar with efforts to protect it. He expects budget process to finalize this week; everything is on track to wrap-up by end of fiscal with focus on personal, corporate and franchise taxes. Rep. Ray Pickett noted they're still working on ABC fill to get some aspects modernized. The House is expecting to receive Senate's proposals regarding occupancy tax.

### **GUEST SPEAKER**

Kaitlin DiPaolo, Tourism Economics, "Can Travel Defy Economic Gravity?" – She explained the core challenge to the economy is inflation, with the average household's spending an additional \$400/month. Interest and intention to travel remains high, though, with travel budgets increasing. Business travel intentions now exceed 2019 levels; international inbound travel is increasing. She noted a mild recession is likely but the visitor economy is well-positioned. In addition, DiPaolo gave a brief lodging overview for NC.

## VISIT NC UPDATE

Marlise Taylor presented information on the just released Visitor Spending for 2022, along with a lodging summary and visitation trends for 2023. She noted North Carolina set record levels, beating all metrics with the exception of direct tourism employment. Scott Peacock gave an update on Visit NC's "For Real, NC" campaign, including recent performance metrics. Margo Metzger provided recent media successes, along with upcoming media-related trips and projects. Guy Gaster's NC Film Office updates noted industry regulations are resulting in a slowdown across the board. He discussed currently filming and upcoming projects. In addition, there's the concern regarding workforce in the film sector and how to get new people in the industry. Heidi Walters provided updates on international missions and tradeshows, Outdoor NC, group travel and eSports, plus consumer shows and partner events.

### **COMMERCE UPDATE**

No report provided.

## WELCOME CENTER UPDATE

Bryan Gupton noted traffic to the NC Welcome Centers was up 3%. Calls to the Call Center were up 20%. Construction has started for the new building for I-95 South; I-26 West is having interior renovations.

## **EDPNC UPDATE**

Chris Chung, EDPNC – Business demand is solid but new activity is slowing. There is a lack of suitable industrial sites, as manufacturing is growing in demand, with "vertical development" (offices) not really there. Workforce challenges, too.

## **CLOSING**

Rolf Blizzard asked if there was any other business to discuss; none was noted.

The next board meeting will be August 22.

James Meacham made the motion to adjoin; seconded by Lynn Minges.

Meeting adjourned at 12:20 p.m.