



# NORTH CAROLINA TRAVEL AND TOURISM BOARD

## MEETING MINUTES

May 13, 2014

**BOARD MEMBERS PRESENT:** Sabrina Bengel, Rolf Blizzard, Donna Carpenter, Randy Cobb, Denny Edwards, Joel Griffin, Senator Ralph Hise, Representative Pat McElraft, Caleb Miles, Tammy O'Kelley, Vinay Patel, Jessica Roberts, Senator Norman Sanderson, Wit Tuttell, Chris Valauri, Paula Wilber, Lynn Wingate

**BOARD MEMBERS ABSENT:** Kevin Baker, Randy Danos, Secretary Sharon A. Decker, Lew Ebert, Representative Susi Hamilton, Chris Humphrey, Lynn Minges, Diane Nordstrom, Bob O'Halloran, Jamie Reibel, Leonard Rigsbee, Art Schools

**LIAISONS, STAFF AND GUESTS PRESENT:** Peggy Brookhouse, Karin Cochran, Kristi Driver, Beth Gargan, Scott Gilmore, Bryan Gupton, Dr. Robert Handfield, Jim Hobbs, Ashlee Kirk, Brooks Luquire, Steve Mange, Andre Nabors, David Rhoades, Lisa Riegel, Aaron Syrett, Marlise Taylor, Kara Weishaar, Scott Zajic

## CALL TO ORDER

Tammy O'Kelley, Chairperson, called the meeting to order at 11:04am

## COMMENTS FROM THE CHAIR

O'Kelley welcomed attendees and thanked them for their attendance. A moment of silence was held in memory of former Commerce Secretary Keith Crisco. O'Kelley then read aloud the Ethics Statement in accordance with Executive Order No. 35.

## MINUTES APPROVED

Donna Carpenter motioned to approve the February 4, 2014 meeting minutes. Seconded by Rolf Blizzard. Unanimously approved.

## COMMENTS FROM THE CHAIR (cont'd)

Two new members of the Board were welcomed: Lynn Minges of the North Carolina Restaurant and Lodging Association (NCRLA) and Joel Griffin of Griffin Stafford Hospitality, both appointed by NCRLA. The agenda was reviewed for the meeting. O'Kelley also commented that the Travel and Tourism Board adopted positions in regards to the Film Incentive and the proposed Public Private Partnership.

## FUNDING REQUESTS COMMITTEE REPORT AND POSITION STATEMENT

O'Kelley gave a report from the Funding Requests Committee, which consists of Tammy O'Kelley, Sabrina Bengel, Jessica Roberts, and Caleb Miles, with consultation from Senator Norm Sanderson and Representative Pat McElraft as needed. The position statement was distributed to all Board members and reviewed. Denny Edwards suggested that the language be more specific stating that funding of this program be completely separate from other budget items such as marketing and advertising. Senator Ralph Hise suggested that the Board may want to look at a trust rather than a budget line item. A new copy of the position statement will be distributed to Board members once complete.

## LEGISLATIVE AND INDUSTRY REPORTS

Board member Rolf Blizzard of the NC Travel and Tourism Coalition reported that they will monitor the Public Private Partnership, Film incentives and the Admissions tax during the upcoming short session.

Board member Joel Griffin of the North Carolina Restaurant and Lodging Association noted that Steve Mange has been hired as the Director of Government Affairs. Several issues remain the focus of NCRLA including the carbon monoxide alarms legislation, minimum wage legislation, the Affordable Care act, the definition of full-time and immigration reform.

Board member Lynn Lewis of the North Carolina Travel Industry Association (NCTIA) reminded the Board of the upcoming Tourism Day which includes events such as the partner reception on May 27<sup>th</sup> at 18 Seaboard and the

Legislative reception on May 28<sup>th</sup> at the Museum of Natural Science. Lewis also reported that Board member Caleb Miles is the new president of NCTIA.

Miles added that they were encouraged by the session at the Governor's Conference on jobs in the tourism and hospitality industry.

Board Member Donna Carpenter of the Destination Marketing Association of NC (DMANC) reported that the Public Private Partnership and the tax credits for film are important to their membership.

Senator Norman Sanderson, Senator Ralph Hise and Representative Pat McElraft all expressed their recognition of the importance of tourism as an economic driver and that challenges are ahead with the upcoming short session including the budget, public private partnership and the film incentive.

Representative Pat McElraft also noted that a major concern for tourism is any proposed change to the school calendar. Board member Rolf Blizzard made a motion that the Travel and Tourism Board oppose any change to the school calendar concerning the start date. Motion was seconded by Representative Pat McElraft. Motion approved by the Board. It was suggested to Board members to get the message out to the local school boards on how tourism is affected by the school calendar. Discussion followed amongst Board members and Board liaisons.

#### **BREAK FOR LUNCH**

#### **FILM OFFICE UPDATE**

Aaron Syrett, Director of the North Carolina Film Office addressed the Board and gave some statistical information and general concerns related to the current film incentive structure.

Syrett recognized Dr. Rob Handfield who completed a statewide film study using supply chains. Dr. Handfield discussed his methods and results and a link to this study will be distributed to all Board members.

#### **DIVISION UPDATE**

Wit Tuttell, Executive Director of the Division of Tourism, Film and Sports Development provided a brief update to the Board on the recent accomplishments and future goals. Tuttell recognized Marlise Taylor, Tourism Research Manager, to present the 2013 visitor spending update.

In 2013, domestic travelers spent \$20.2 billion across all 100 North Carolina counties, a 4% increase from last year, and another record high visitor spending figure. Visitor spending has increased 119% since 1995 and 29% in just the last 5 years. Visitors to NC spend over \$55 million per day in North Carolina.

State tax receipts as a result of visitor spending increased 4% in 2013 and topped the \$1 billion mark. State tax receipts have increased 42% in the last 10 years. Visitor spending generates over \$4.4 million per day in state and local tax revenues as a result of visitor spending. Each year, each North Carolina households save over \$435 in state and local taxes as a direct result of visitor spending in the state.

Direct tourism employment increased 2.1% in 2013, and at over 197,000 hit a record high, topping the previous high set in 2000.

NC remains the 6th most visited state in the U.S. for overnight visitors. Total volume for NC visitors was 52.5 million, an increase of 16% from 2012. Overnight visitor volume reached nearly 38 million in 2013, while daytrip visitation neared 15 million.

Tuttell recognized David Rhoades, Director of Marketing for Commerce, to discuss the statewide branding effort. Rhoades went over the process by which the department is approaching this project and gave an update on the status of their work.

The Division Update concluded with information related to the status of the Public Private Partnership. It is expected that more information will be made available at the August Board meeting.

Meeting adjourned at 1:25 pm.