



November 25, 2019

Re: YMCA at the Pines tourism expenditure request follow up memo

Dear Elizabeth City - Pasquotank County Tourism Development Authority Board Members,

Since February the YMCA has stated that the Pines is a struggling community asset and they are requesting community support. They claim they have an operating gap upwards of \$150,000 annually and need cash simply to keep the doors open. We have received no data indicating what percentage, if any, of their business can directly be attributed to tourism. We have received no plan indicating how the YMCA intends to invest the requested community support into actionable items that will establish a more successful business over the next year.

Mr. Olson makes a compelling case that golf as an industry can drive tourism within the state of North Carolina. He further makes the case that golf as an industry drives overall economic impact within some states including North Carolina, South Carolina and California. I agree with those points.

However, the question before us is not holistically "is golf considered a tourism driver" nor "can golf be considered sports tourism". The issue at hand is specific to the YMCA at the Pines in Elizabeth City, NC, and whether the intended use of tourism expenditure dollars for that entity is appropriate.

The VisitNC tourism research referenced by Mr. Olson is an indication of demographics and tripographics of the entire 28 county Coastal region, including counties such as Dare, Brunswick and New Hanover. This data is directional at best, and certainly does not point to the specific tourism activities within any one of the counties within the entire region.

As an example, Brunswick County alone is home to 30 champion golf courses along the nationally branded North Carolina's Golf Coast. There is no correlation to that county and ours as a possible golf destination.

In looking at our own Elizabeth City visitor research (September 2019), we asked past, prospective and business travelers to rank a list of 18 things to do with the following question: How important are each of the following activities or sites when planning a vacation or getaway? For all three groups of travelers, golf is the **least** important activity.

Mr. Olson refers to the North Carolina Travel & Tourism Coalition and their legislative priority to promote outdoor recreation and other overarching components of the state's tourism industry. Two additional priorities of the NCTTC follow.

*LOCAL OCCUPANCY TAX POLICY. All new and revised local **occupancy taxes should be dedicated to the promotion of travel and tourism, which was the original purpose of such taxes.***

*FUNDING FOR TOURISM MARKETING AND PROMOTION. ... NC must invest substantially more in marketing our state. ... The Coalition will urge the General Assembly to **expand its critical investment in marketing and advertising NC as a destination** for business and pleasure travelers.*

In other words, the NCTTC strongly supports spending occupancy tax dollars on advertising and marketing. Not in providing operating support to failing businesses. This reasoning is exactly why our board voted to support the YMCA at the Pines with marketing-specific dollars. It fits the legislative purpose of investing occupancy tax dollars and is a positive way for our organization to provide effective support for this community asset.

An additional point. The City has expressed frustration with our board's decision and has indicated that these dollars are "theirs" and they should have access to them for whatever they want. They state how the dollars will be spent is irrelevant. Both of these beliefs are incorrect.

These dollars are tourism dollars. They are a direct collection of occupancy tax paid on overnight stays by overnight visitors. The Tourism Development Authority has a legal fiduciary responsibility to invest all tourism expenditure dollars, whether ear-marked for the City, the County or not, in a way that will allow for continued and increased overnight stays in our region, thus refilling the tourism expenditure fund for future projects.

Regardless of this "no" being the first, it is time for this Authority to mature, to engage in industry best practices, and be as proactive and smart as we can be in the interest of growing tourism and the incredible positive economic impact it can have for our entire City and County. It is not about control. It is about improving and moving forward.

In conclusion, we all agree that the YMCA at the Pines is an asset to this community. We all agree the community would like to see the golf course continue to function. But the question before this Board remains: is this request to use tourism expenditure funds to support the YMCA at the Pines by covering everyday operating gaps, an appropriate use of occupancy tax dollars, and more importantly, a use that will replace those occupancy tax dollars through increased overnight stays in the next year?

Thank you for your thoughtful consideration,

Corrina J Ferguson, CDME  
Visit Elizabeth City Executive Director