

**Tourism Development Authority  
Meeting  
Tuesday, January 22, 2019  
12:00pm  
Town Council Chambers  
504 South Broad Street  
Edenton, NC 27932**

Present: Don Faircloth, Diane Pariseau, Tyler Russell, Teresa Thesier, Katrina Barnes and Ben Speller.

Absent: Frank Jones, John Dowd and Susan Beckwith

Ex-Officio Members present were Anne-Marie Knighton, Nancy Nicholls, Cathy Smith, Kevin Howard and Susanne Stallings Clerk

Guest present Win Dale, Bob Hopkins, Melissa Radke and Elizabeth Bryant.

Chairman Faircloth called the meeting to order.

**Approval of Agenda**

Mr. Speller moved to approve the agenda as presented. Ms. Thesier seconded the motion. Chairman Faircloth asked for all in favor, the motion passed unanimously (6-0).

**Public Comment**

There was none

**Consent Agenda**

A. Review and acceptance of 12/4/18 minutes

Mr. Speller moved to approve the minutes as presented. Ms. Thesier seconded the motion. Chairman Faircloth asked for all in favor, the motion passed unanimously (6-0).

C. Appointment of Vice-Chairman

Ms. Barnes nominated Mr. Speller. Ms. Thesier seconded the motion. Chairman Faircloth asked for all in favor, the motion passed unanimously (6-0).

**Financial Report**

Ms. Smith provided the Finance Report and highlighted that the TDA revenues and expenditures were up. She noted that this included encumbrances for the whole year.

**Budget Amendment**

Ms. Smith presented the Budget amendment BA1819-040.

Account Number	Account Description	Revenue (Inc+/Dec-)	Expense (Inc+/Dec-)
<b>TDA</b>			
51-3815-530-00	Co-Op Monies	222.08	
51-8150-261-01	Co-Op Office Supplies		222.08
51-3832-530-00	Co-Op Advertising	1,000.00	
51-8150-370-01	Co-Op Advertising		1,000.00
51-3839-894-00	*Music & Water Festival	100.00	
51-8150-826-00	*Music & Water Festival		100.00
	Balanced	1,322.08	1,322.08
<b>Justification:</b>			
<i>To amend the 2019 budget for TDA to include Co-Op and Discretionary income through December 2018</i>			

Mr. Speller moved to approve the budget amendment as presented. Ms. Barnes seconded the motion. Chairman Faircloth asked for all in favor, the motion passed unanimously (6-0).

### **Media Report**

Ms. Barnes and Ms. Thesier reviewed the media committee report. A copy of the report is in the meeting file labeled January 22, 2019.

Ms. Nicholls shared some upcoming opportunities for co-ops with Destination Downtown Edenton and the Edenton Historical Commission.

Mr. Hopkins shared information on the internet radio and asked if he can be included for information release.

### **Short Term Rental**

Elizabeth Bryan shared information that she has obtained from Rebecca Badgett with the NC School of Government regarding a draft ordinance for regulation of short term rentals.

Ms. Knighton stated they feel the proposal is larger than what the Town can handle. She shared this matter will be further researched and presented to the Town Council in February.

Ms. Pariseau stated that she feels this should be pursued because of the large amount of Air B&B in Town.

Chowan County Tax Administrator Melissa Radke shared that her office has taken over the collections of Occupancy Tax. She shared the following highlights of her office activities to date:

- Tax Office has taken over collection of Occupancy Tax from County Finance
- She has created a Policy & Procedure for how we will be handling these going forward
- Information about Occ. Taxation is up on County Tax webpage
- With Tax office now handling these accounts, we have the ability to enforce collection and assessment of these taxes that the finance office didn't have.
- For those who do not submit their occupancy tax form or pay on or before the 15<sup>th</sup> of every month (or submit a form stating they had 0 rentals that month for our records) tax office will be force assessing an amount of \$1000 due plus applicable penalties
- Each account will have a 30-day appeal period in which to bring us verifying information of their correct amounts to which we will apply the late penalties and fees. After the 30-day appeal period expires, that month's bill will stand and be enforceably collected if necessary.

As of today:

- Tax Office has been actively searching for short term rentals via websites and other postings online.
- We have sent out over 100 letters to both rentals we currently have paying personal property but may or may not need to pay occupancy taxes, as well as to those we found who do rent short term through these websites. As they come back in we are cross checking to ensure each long term rental is listing their personal property as they should and that each short term rental is not only paying occupancy taxes but is also listed in our tax system for payment of personal property.
- Tax Office is working diligently to even the playing field for all those who rent not only the b&b's but also those short term and long term rentals as well.
- Melissa reviewed the forms that have gone out such as: do you currently rent? Do you rent short term or long term? Do you rent the entire property or just a partial space such as 1 bedroom/1 bathroom? Do you rent through an agency? If so, which one? Is the rental furnished or unfurnished? And if furnished we have a space for them to check off the various items they may have in their home that are utilized for profit. These can include: washer, dryer, stove, fridge, couch, table & chairs, lamps, coffee pot, silverware, linens, tv's, outdoor furniture, computers, etc. Each of these, just as the hotel or b&b's do, will be charged property taxes.
- From the over 100 letters sent out in early January, we have so far received 34 forms back. Of those 34 we found 3 short term rentals that were not paying occupancy taxes but were listing personal property. In December we had only 11 payments toward Occupancy taxes.
- We now know of 23 others who are renting and will be force assessing those until we can determine if they are paid under the Airbnb umbrella, or if payment should be on their own as we have many properties renting via VRBO, other sites, or themselves by word of mouth.
- In addition to this, we will be checking with Inspections/Planning department both with the town and county to ensure these rentals meet zoning and other applicable qualifications.
- I have reached out to my printing vendor for a cost to add a 1/3 page rack card in with the annual tax bills for 2019. The last I checked it would be around \$.03 per envelope which would be around \$360 if we sent out 12,000 envelopes. We annually print around 14,500 individual bills.

### **Welcome Signage**

Ms. Nicholls provided examples of signage. She stated the proposed signage will look similar to the wayfinding signage.

Ms. Pariseau stated she liked the sign with less wording.

### **Hospitality Reports**

Ms. Pariseau stated it has been quiet.

Ms. Barnes noted the contractors have gone however there have to be some replacement of the plumbing fixtures due to water.

Mr. Hopkins stated that visitation is down some at the State Historic Site.

Mr. Russell stated they are working towards the franchise in 2020.

### **Directors Report**

Nancy provided the Directors report. A copy is in the meeting file labeled January 22, 2019.

### **Timely and Important Matters**

There were none.

### **Adjourn**

Being no further business, Mr. Speller moved to adjourn the meeting. Ms. Pariseau seconded the motion. Chairman Faircloth asked for all in favor, the motion passed unanimously (6-0).