

The Washington City Council met in a continued session on Monday, February 23, 2009 at 4:30 p.m. in the Council Chambers at the Municipal Building. Present were: Judy Jennette, Mayor; Doug Mercer, Mayor Pro tem; Richard Brooks, Councilman; Archie Jennings, Councilman; Gil Davis, Councilman; Jim Smith, City Manager; Reatha Johnson, Assistant City Clerk; and Franz Holscher, City Attorney.

Councilman Darwin Woolard arrived at 4:40 p.m. and was made a part of the minutes.

Also present were: Allen Lewis, Public Works Director; Phil Mobley, Parks and Recreation Director; Mick Reed, Police Chief; Lynn Lewis, Tourism Development Director; Keith Hardt, Electric Director; Ray Midgett, IT Director; Mike Voss, of the Washington Daily News; and Jay Niver with Beaufort Observer.

Mayor Jennette called the meeting to order and Councilman Brooks delivered the invocation.

### **APPROVAL/AMENDMENTS TO AGENDA**

On motion of Councilman Davis, seconded by Councilman Brooks, Council unanimously approved the agenda as submitted.

### **APPROVE – INNER BANKS TRAPEZE SCHOOL LEASE AGREEMENT**

Ms. Adrian Solomon presented the lease agreement prepared by Franz Holscher, City Attorney. This lease agreement included everything that had been discussed and would like Council to approve the final eight-month lease agreement of city-owned property at 141-143 Water St., which is between the North Carolina Estuarium and the former Maola building. The lease runs from March 20 to November 20, 2009.

Mayor Jennette stated she suggested the Solomon's pay \$150 in rent per month. Ms. Solomon felt because the Trapeze School would use only 38 percent of the land, the rent should be 38 percent of \$150 or \$57.

Councilman Jennings replied the City wants to do everything they can to get them there but that sounds like a very low amount. He understands the logic behind using 1/3 of the property but the City can't use the property for anything else while they are there. Councilman Jennings, Councilman Davis, Councilman Brooks, and Mayor Pro tem Mercer all agreed the proposal of \$150 per month is a fair amount especially considering rental fees that are being charged to other citizens. Councilman Davis said a monthly rent of \$150 would be in line with other fees and rents the City receives for the use of similar City-owned properties or facilities. Ms. Solomon was not aware of those fees and agreed that the \$150 per month was fair. Mr. Holscher pointed out that North Carolina Constitution requires the city to establish an equitable fee for leasing property.

Mr. Holscher asked if Council wanted to impose a security deposit. Council agreed to two months' rent (\$300) for the security deposit. Councilman Jennings was concerned if this would be enough to take the fence down and Council felt it would be.

Ms. Solomon said she plans to have the trapeze functioning as soon as appropriate insurance coverage is secured and grants are obtained to fund programs the school will offer.

Mayor Pro tem Mercer expressed his concern over making changes on the lease. Council had two weeks to look at the lease and upon arrival today he sees a change.

On motion of Councilman Brooks, seconded by Councilman Jennings, Council unanimously approved the lease with the following provision to be inserted in the blanks; \$150 per month for rental, \$300 security deposit and the amount of insurance that needed to be in the contract.

**\*Note:** Mayor Pro tem Mercer stated he would like to advise Council and the Solomon's that he would vote to approve this lease agreement today but he doesn't approve of the school being on the waterfront, he feels this is not the place for it. When the Solomon's return in eight months from now, he will argue to have it moved to another location.

**STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT**

**LEASE AGREEMENT**

**THIS LEASE AGREEMENT** (hereinafter referred to as "Agreement") is made and entered into as of the 20th day of March, 2009, by and between the **CITY OF WASHINGTON**, a municipal corporation of the State of North Carolina (hereinafter referred to as "Lessor") and **ADRIAN SOLOMON AND INNER BANKS TRAPEZE SCHOOL, LLC**, an unincorporated entity/a North Carolina Limited Liability Company, both having an address of 3608 Willow Run Drive, Greenville, North Carolina 27858 (hereinafter referred to as "Lessee").

**WITNESSETH**

**WHEREAS**, Lessor owns that certain property having a tax PIN No. of 5675-87-6430 and an address of 141 – 143 Waters Street, Washington, North Carolina as more specifically described on Exhibit A attached hereto and incorporated herein by reference (hereinafter referred to as "Premises").

**WHEREAS**, Lessor has found said Premises to be surplus to its current needs.

**WHEREAS**, Lessee desires to lease said Premises from Lessor in order to utilize the same for the purpose of operating a trapeze school (hereinafter referred to as "School").

**WHEREAS**, Lessor desires to lease said Premises to Lessee in an effort to boost the local economy, including but not limited to downtown business, and tourism.

**NOW, THEREFORE**, subject to the terms and conditions hereinafter set forth, Lessor does hereby lease and let unto Lessee and Lessee hereby takes and accepts, together with all privileges and appurtenances thereto, the Premises. In consideration of the mutual promises and covenants herein contained, the benefits to the Lessor and Lessee, and for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties do hereby agree as follows.

1. **Premises.** The Premises as defined herein is more specifically described in Exhibit A attached hereto and incorporated herein by reference.

2. **Condition of Premises.** Lessee's taking possession of the Premises shall be conclusive evidence as against Lessee that Lessee has accepted said Premises as is and that Lessor is under no duty to repair anything, furnish any services for, or otherwise improve in any way the Premises.

3. **Term.** The term of this Agreement shall be for eight (8) months and shall commence as of the 20<sup>th</sup> day of March, 2009, and shall expire on the 20th day of November, 2009. This Agreement may be terminated prior to the expiration of the term upon mutual consent of the parties. In order to effectuate said early termination by mutual consent, either party must give the other party written notice of its desire to terminate this Agreement at least 30 days prior to any such termination; in which case, this Agreement shall terminate on the date contained in said notice if the other party provides written consent to such termination within the applicable time period.

4. **Rental.** Rental shall be \_\_\_\_\_ Dollars (\$\_\_\_\_.00) per month and shall be payable in advance on the 20<sup>th</sup> of each month, beginning March 20, 2009.

a. **Security Deposit.** Lessee shall, upon execution of this Agreement, deposit with Lessor the sum of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) to secure the faithful performance of Lessee's promises and duties contained herein (hereinafter referred to as the "Security Deposit"). Lessor shall not be required to pay any interest to Lessee upon the Security Deposit. Upon any termination of the tenancy herein created, including any month to month tenancy created from a holdover, Lessor may deduct from the Security Deposit amounts sufficient to pay (i) any damages sustained by Lessor as a result of Lessee's non-payment of rent or non-fulfillment of the terms of this Agreement or breach of any term or condition of this Agreement, (ii) any damages to the Premises for which Lessee is responsible, (iii) any unpaid bills which become a lien against the Premises due to Lessee's occupancy, and (iv) any court costs incurred by Lessor in connection with terminating the tenancy. After having deducted the above amount, Lessor shall refund to Lessee the balance of the Security Deposit along with an itemized statement of any deductions therefrom.

5. **Assignment.** Lessee shall not assign its interest in this Agreement, sublease any portion of the Premises, or permit third parties to occupy or use any portion of the Premises without Lessor's prior written consent, which consent may be withheld in Lessor's sole discretion. Notwithstanding the foregoing, Lessor hereby expressly authorizes Lessee to utilize the Premises as a School and expressly authorizes Lessee to provide such access to the Premises as is necessary to and for participants in said School.

6. **Use of Premises.** Lessee shall use the Premises during the term of this Agreement for the purposes specified herein and none other. The Premises described herein may be used by Lessee only for purposes that are in furtherance of and consistent with Lessee's use as a School as contemplated hereby. Lessee shall not make any unlawful or offensive use of the Premises and agrees to keep the same in good maintenance and aesthetically pleasing appearance.

7. **Care and Maintenance.** Lessor shall not be responsible for any maintenance of the Premises and Lessee agrees, at Lessee's own expense as additional consideration for this Agreement, to maintain the Premises in an attractive manner, including but not limited to cutting and keeping any and all grass, bushes, shrubs, and trees properly trimmed so as to be aesthetically pleasing and in compliance with any and all ordinances of the City of Washington, including but not limited to zoning and public nuisance ordinances. Lessee shall adequately secure the Premises when Lessee is not utilizing the same in order to prevent unsupervised access by the public. Lessee shall pay for the repair of any and all damages to the Premises caused by Lessee, its agents, employees, invitees, guests, customers, or their successors and assigns or any of them.

8. **Improvements and Alterations.** Other than the care and maintenance provided for hereinabove, Lessee shall make no improvements or alterations to the Premises without prior written consent from Lessor. The parties recognize that Lessee must make certain improvements and alterations to the Premises in order to use the Premises as hereinbefore provided. In addition to any other permitting or approval process that may be required, Lessee shall submit a written plan for all such

improvements and alterations to and receive approval thereof from the City Manager prior to beginning such improvements and alterations. Any alteration or improvement that is made by Lessee without prior written consent from Lessor or that is inconsistent, in Lessor's sole discretion, with Lessor's prior written consent shall constitute default hereunder. All such improvements and alterations made with Lessor's consent shall be properly maintained by Lessee.

a. Notwithstanding the foregoing, said plan shall allow Lessee to do the following: (i) erect a full trapeze rig and an eight-foot chain link fence to encompass the rig on the Premises; (ii) fasten said rig to the ground using appropriate and safe staking; (iii) fasten fence posts to the ground using sufficient cement to secure the fence during high winds; and (iv) place personal property, necessary equipment, and other temporary installations upon the Premises so long as the specific type of placement and installation, including possible coverings or housings thereof, is approved as part of said plan.

9. **Inspections and Access.** Lessee does hereby agree that Lessor shall be allowed to inspect the Premises at any time. Lessee shall provide Lessor with such reasonable access over and across the Premises as may be necessary to enable and assist Lessor in the use, care, maintenance and improvement of Lessor's adjacent properties.

10. **Insurance.** Lessee shall, at its expense, obtain and maintain for the duration of this Agreement the following insurance coverages:

a. Statutory Workers' Compensation Insurance in amounts required by law and Employer's Liability Insurance at a minimum of \$500,000.00 for bodily injury by accident each employee and \$500,000.00 for bodily injury by disease each employee, with a policy limit of \$500,000.00 bodily injury by disease; and

b. Commercial General Liability Insurance, including contractual liability, personal and bodily injury, property damage, advertising injury, premises, and operations coverage at a minimum of \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate.

Each such policy shall list Lessor as additional insured and provide that it is not subject to cancellation or reduction in coverage except after thirty (30) days following notice to Lessor. Lessee shall deliver to Lessor certificates of insurance for all insurance policies required hereunder. Lessee shall, within a reasonable time prior to the expiration of any such policy, furnish Lessor with certificates of insurance evidencing renewal thereof. Lessor may, in its sole discretion, require Lessee to expand the form and/or increase the amounts of all such insurance.

11. **Personal Property Taxes.** Lessee shall pay or discharge prior to delinquency all taxes and other charges assessed against or levied upon its fixtures, equipment, furnishings, and its other personal property located on the Premises.

12. **Utilities.** The provision of utilities, including water, sewer, and electricity, if any, shall be covered under a separate agreement; however, Lessee shall be responsible for all applicable charges, including but not limited to "hook-up" and customary monthly charges for the same. Notwithstanding the foregoing, it is expressly understood by the parties that Lessee shall be responsible for installing, in the manner required by Lessor, and paying for any additional lighting that may be required.

13. **Release, Waiver of Claims and Indemnity.** Lessee shall occupy the Premises at Lessee's own risk. Lessee for itself, its invitees, customers and guests and their respective joint venturers, partners, parents, subsidiaries, affiliates, predecessors in interest, successors in interest, assigns and each of their respective officers, directors, employees, shareholders, agents, accountants, attorneys, insurance carriers, sureties, representatives, consultants and advisors, both past and present, hereby shall unconditionally waive, release, hold free and harmless, indemnify and defend Lessor and

its present and former employees, officials, and elected officials in both their respective individual and official capacities, agents, personal representatives, attorneys, insurers, heirs, successors and assigns, and each of them, respectively, of, from, and for all and any manner of action or actions, cause and causes of action, claims, demands, costs, loss of services, expenses, attorney's fees, compensation and all consequential, compensatory, general, special and/or punitive damages or liabilities, known or unknown, which may result directly or indirectly from or be in any way related to, connected with or growing out of this Agreement, Lessee's occupancy as well as use of said Premises, including use by invitees, customers, or guests of Lessee as well as participants in the School, and Lessee's operation of the School. This provision shall survive the termination of this Agreement and shall be in full force and effect beyond the term or termination of this Agreement, however terminated.

14. **Adherence to Regulations.** Lessee shall comply with all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements of and agreements with all governments, departments, commissions, boards, Courts, authorities, agents, officials, officers and other parties, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to Lessee, Lessee's operation of the School, and Lessee's use of the Premises. Further, Lessee shall comply with any and all local, state, federal or other rules and regulations as well as all applicable environmental rules and regulations, including but not limited to such rules and regulations regulating hazardous or similar substances or conditions, their storage or disposal. Lessee shall not intentionally and knowingly use the Premises, for any purpose or in any manner in violation of any law, ordinance, rule, or regulation adopted or imposed by any federal, state, county, municipal body, or other governmental agency. Lessee further agrees to indemnify and hold the City harmless for any and all damage of any kind arising from Lessee's failure to comply with the aforementioned rules and regulations, including, but not limited to, the cost of clean-up, restoration fees, mitigation costs, and attorney's fees caused or occasioned by Lessee.

15. **Reports.** If requested by the City Manager, Lessee shall provide a report of such matters involving the Premises or the School as may be required by the City Manager.

16. **Relationship of Parties.** In carrying out the terms and conditions of this Agreement, Lessee is an independent party from Lessor and is not an agent or employee of Lessor. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, or employee relationship between Lessor and Lessee.

17. **Waiver.** No waiver of any condition, covenant or restriction of this Agreement by either party shall be deemed to imply or constitute a further waiver of the same or any other condition, covenant or restriction of this Agreement.

18. **Surrender of Possession, Holding Over.** Upon the expiration or other termination of this Agreement, Lessee shall quit and surrender the Premises to Lessor. Within 30 days of any such expiration or other termination of this Agreement, Lessee shall retain ownership of and shall remove any items of personal property, including fixtures, made or placed on or about the Premises by Lessee and return the Premises to its condition prior to installation or placement of such item(s) thereon. If Lessee shall remain in possession of the Premises or any part thereof after the expiration of the term of this Agreement, either with or without Lessor's acquiescence, Lessee shall be deemed a tenant at will, and such holding over by Lessee shall in no way constitute a renewal of this Agreement.

19. **Lessee's Default.** Any default by Lessee in the performance of any of the promises, duties, or obligations herein agreed to by Lessee or imposed upon Lessee by law shall, at Lessor's option, constitute a material breach of this Agreement, giving Lessor, in addition to all other rights and remedies as provided herein and provided by law, the right without notice or demand at the option of the Lessor immediately to a) terminate this

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Agreement; b) reenter, without liability to anyone for trespass or otherwise, the Premises; and c) collect from Lessee any damages resulting from default, including the cost of repairing the Premises, returning the Premises to its original condition, and any reasonable attorney's fees incurred as a result of default. Upon any reentry pursuant to this paragraph, the Lessor may, without liability to anyone, remove any personal property located on or about the premises, whether belonging to Lessee or otherwise, and dispose of the personal property as Lessor deems proper or to store such property at Lessee's expense. Lessor is further authorized to sell or cause to be sold any such personal property so removed, the proceeds from which may be used to pay any storage charges against the property or to satisfy any delinquent rental or other obligation due Lessor by Lessee.

20. **Illegal Provisions, Governing Law.** If any provision of this Agreement shall be declared illegal, void, or unenforceable, the other provisions shall not be affected, but shall remain in full force and effect. This Agreement shall be governed by and construed in accordance with the laws of North Carolina.

21. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto with respect to the Lessee's use and occupancy of said Premises and all prior and contemporaneous agreements are merged herein, and this instrument shall not be altered or modified except in writing signed by all parties hereto.

**IN WITNESS WHEREOF**, after due authority given, the parties hereto have executed this Agreement as of the date first above written.

**PRE-AUDIT CERTIFICATE**

This contract has been pre-audited per North Carolina General Statute 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

**s/Anita Radcliffe**  
Anita Radcliffe, Interim Finance Director  
City of Washington

**LESSOR:**

**CITY OF WASHINGTON**  
**s/James C. Smith**  
James C. Smith, City Manager  
City of Washington

**ATTEST:**  
**s/Cynthia S. Bennett**  
Cynthia S. Bennett, City Clerk  
City of Washington

**LESSEE:**

By: **s/Adrian Solomon**  
Adrian Solomon, Individually and  
Doing Business As Inner Banks Trapeze  
School, LLC

By: **s/Adrian Solomon**  
Adrian Solomon, Member/Manager  
Inner Banks Trapeze School, LLC

**EXHIBIT A**

That certain tract or parcel of land lying and being in the City of Washington, Beaufort County, North Carolina, more particularly described as follows:

BEING all of that certain parcel of land as described in that Deed dated June 11, 1999 from Thomas Armistead Perry (individually and as the sole remaining partner of L & L Properties, a North Carolina Partnership) and wife, Heather Hackney Perry, to the City of Washington, of record in Deed Book 1140, Page 94 in the office of the Register of Deeds of Beaufort County, to which Deed reference is herein made for a more complete and adequate description.

**PRESENTATION – JUDY RANDALL’S – WASHINGTON TOURISM  
DEVELOPMENT AUTHORITY STUDY**

David Gossett, Chairman of the Tourism Development Authority, expressed his thanks for the opportunity to share this presentation with Council. Mr. Gossett stated a year ago the TDA decided they needed some advice on how to proceed to market the City. Ms. Randall provided facts and recommendations to the TDA and at their January meeting, the TDA adopted Ms. Randall’s study and some of her ideas will be incorporated in the FY 09-10 budget. At this point, Mr. Gossett asked Lynn Lewis, Tourism Director to give Council more information on Ms. Randall and her company.

Ms. Lewis gave some background information as to when she started with the City five years ago; stating the City had just started with a marketing company and very little research had been done. The Tourism Authority has evolved over the last five years, moving from a marketing organization to more of a true Tourism Development Authority, they decided they needed someone to come in and look at the customer base not only from the marketing standpoint but from the community as well. Ms. Lewis asked Council to adopt this as the official Tourism Plan for the City of Washington and suggested the City will not be allocating any funds. Ms. Lewis introduced Ms. Judy Randall, consultant for Randall Travel Marketing, to share some of the findings with City Council.

Ms. Randall stated “You’ve got something very precious here,” concerning the City’s waterfront and history. “You have an abundance of blessings when it comes to travel and tourism.” Ms. Randall said the City must take advantage of those blessings by investing in them. She encouraged the City to develop a strategic plan that protects and preserves the City’s assets in the downtown/waterfront area while simultaneously using those areas to generate economic development.

**Study Objective:**

The objective of this study was to conduct comprehensive research and develop a strategic marketing plan to effectively position and market Washington, North Carolina as a travel and tourism destination of choice. The Washington Tourism Development Authority (WTDA) retained Randall Travel Marketing, Inc. (RTM) of Mooresville, North Carolina to conduct this study.

**Study Methodology:**

Research was conducted in Washington, North Carolina during the four month period of July 2008 through October 2008. The following methodology steps were implemented:

**1. Initial Meeting and Materials Gathering:**

Initial meetings were conducted between the Washington Tourism Development Authority and RTM professionals in order to review study methodology, deliverables, questionnaires, etc.

**2. Reconnaissance and Mystery Shopping:**

A professional reconnaissance team visited Washington July 23 through 27, 2008 and September 7 through 10, 2008. The region was fully evaluated from the perspective of the tourist. The mystery team shopped visitor information centers, attractions, hotels, restaurants, retail stores and amenities. Other elements evaluated included signage, gateways, wayfinding and front line hospitality training.

**3. Performance Audit:**

RTM conducted an in-depth performance analysis of the WTDA. This included the organization's governance, mission statement, funding and budget allocation, staffing, results measures and program performance.

**4. Lodging Property Fax Survey:**

A confidential survey was sent to every lodging property in Washington, North Carolina.

Four (4) properties representing (272 rooms) responded to this survey. The response rate of 70.5% is reliable. Additionally, a comparison of the data submitted to RTM and the data submitted to Smith Travel Research (STR) revealed directly comparable statistics.

**5. Visitor Intercept Interviews:**

Intercept interview participants were chosen to match the overall lodging mix as reported by the lodging properties in Washington. The interviews were conducted during two periods including July 24 through July 27 and October 9 through October 14, 2008. Interviews were conducted at various lodging properties, attractions and events. One hundred one (101) intercept interviews were completed including:

- (29) Visiting friends & relatives
- (27) Business
- (27) Leisure
- (18) Pass through

A two-page questionnaire was written by RTM and approved by the WTDA. The interviews were conducted by RTM staff. An incentive of a drawing for a free weekend visit to Washington, North Carolina was offered to be selected from those that participated in the survey.

**6. Attraction Manager Survey:**

A survey was sent to seven (7) attractions in Washington. Four (4) attractions participated. A one page questionnaire was written by RTM and approved by the WTDA.

**7. State, Regional and National Data:**

Travel research data from the State of North Carolina was obtained and analyzed as part of the study. Regional and national travel databases were also studied.

**8. Marketing Materials Evaluation:**

Marketing materials including brochures and advertising were obtained from the WTDA. Materials were evaluated based on research findings and the marketing experience of the RTM team.

**9. Final Report and Recommendations:**

Based on the research findings, a comprehensive report was written and presented to the Washington Tourism Development Authority.

**Summary of Washington Lodging Study**

- Washington has approximately 386 lodging rooms.
- In closely examining Washington, we find that occupancy has fluctuated from year-to-year over the last six years. Nationally the trend has been steady growth during this same time period. Therefore, Washington needs to carefully evaluate where to spend their money and time to increase lodging revenues in the future.
- All seven lodging properties in Washington are limited service and only one has meeting space.
- Individual business travel accounts for the highest lodging occupancy at 49.5%.
- Leisure travelers represent approximately 21% of occupancy and come from a driving radius of two to six hours.
- Occupancy is low compared to national averages; in 2007 Washington saw 50% occupancy vs. a national average of 63%. Statistically, these figures are low and will not compel development of additional lodging properties in Washington.

- Winter months of January and December are slowest, summer months of June-July and off-shoulder months of May, September and October are typically the strongest.
- Saturday is the highest weekday occupancy at 60.1%, while Sunday is the lowest at 33.5%.

**Summary of Washington Tourism Development Authority (WTDA)  
Performance Review**

WTDA Revenues and Funding ACTUAL		ESTIMATED		ADOPTED	
REVENUES	FY 2006-2007	FY2007-2008		FY2008-2009	
Occupancy Taxes	\$230,076.00	\$ 237,594.00		\$ 235,000.00	
Earned Interest	\$ 7,027.00	\$ 3,600.00		\$ 2,500.00	
Miscellaneous Revenue	\$ 10,565.00	\$ 701.00		\$ -	
Co-op Print Advertising Revenue	\$ -	\$ 7,475.00		\$ -	
Website Directory	\$ 3,500.00	\$ 1,600.00		\$ 1,500.00	
Visitor Center Concessions	\$ 12,298.00	\$ 18,500.00		\$ 15,000.00	
Civic Center Rentals	\$ 45,762.00	\$ 73,274.00		\$ 76,500.00	
Civic Center Fees	\$ 14,747.00	\$ 7,200.00		\$ 8,013.00	
Civic Center Concessions	\$ 301.00	\$ 86.00		\$ 500.00	
Civic Center Catering Surcharge	\$ -			\$ 500.00	
Civic Center Miscellaneous Revenue		\$ 1,325.00		\$ -	
City Contribution to Civic Center	\$ 50,000.00	\$ 50,000.00		\$ 50,000.00	
Fund Balance Appropriated	\$ -	\$ 34,856.00		\$ 16,902.00	
<b>TOTAL REVENUES</b>	<b>\$374,276.00</b>	<b>\$ 436,211.00</b>		<b>\$ 406,415.00</b>	

**Governance for WTDA**

The WTDA reports to the City of Washington and the seven (7) members of the WTDA Board are appointed by Washington City Council.

**WTDA Staff**

The Director of the WTDA reports directly to the Chair of the Commission and serves as an employee of the City of Washington. The six person staff of the Washington Civic Center and the three visitor center attendants report to the Tourism Development Director.

**Summary of Attractions Survey**

- Of those reporting the majority of attractions have undergone some type of renovation since opening.
- Attractions reported an increase in visitation since 2006.
- 83.3% of visitors are from out of town.
- Visitation patterns: June and July were reported to be the busiest months and January and November were reported as the slowest months.
- Top Feeder states: North Carolina, Virginia and Florida.
- Staff: All attractions reported having at least one full time staff member.

**Strategic Direction**

Visitors think of Washington, North Carolina as a scenic and charming coastal riverfront town named for George Washington near the larger town of Greenville. Washington is located where the Pamlico River meets the Atlantic Ocean in eastern North Carolina along Highway 17, known as the "Coastal Highway" from Virginia to Florida. This route channels approximately 18,000 automobiles per day through Washington. Nearby Greenville dominates as a business and services hub.

Washington's riverfront setting is a picturesque backdrop for its small, historic and charming downtown that has a good number of shops and restaurants. The North Carolina Estuarium, an outstanding museum that captures the unique story of this second largest estuary system in the United States, is located along the river adjacent to downtown and provides visitor interest as well. The river and estuary, the lively downtown, as well as Washington's Colonial and Civil War era history, combine to create a destination that has good appeal.

People in Washington are very friendly and exhibit a luxuriously relaxed persona. They are willing to take time for, and are genuinely interested in, visitors. They are proud of their home. Thus, front-line service was dependably warm and friendly.

Washington has a hotel inventory of approximately 386 rooms. However, only about 200 offer modern appeal. The rest are primarily utilized by the construction/commercial market. Thus, the hotel inventory is considered limited. Also, there is no waterfront lodging. Nearby Greenville does provide a good amount of "overflow" that benefits Washington lodging.

Washington has successfully developed its waterfront downtown with a good number of unique and locally-owned shops and restaurants which provide significant appeal for travelers. It is a pleasant setting. Waterfront dining, however, is very limited.

Regarding meeting and event venues, there is a small civic center with good meeting space, but limited in potential due to size. Also, there is only one fulltime staff person at the civic center and one fulltime staff person at the WTDA. Thus, direct sales are limited at best. Small meeting and event space is also available at the Hampton Inn, Holiday Inn Express, the Yacht Club, the restored Turnage Theater and some other small event venues.

McConnell Sports Complex has adequate facilities for limited sports recruitment including soccer, baseball, softball, etc. However, Washington must compete with the significant facilities in nearby Greenville-Pitt County making sports recruitment challenging.

Thus, while Washington is somewhat shadowed by nearby Greenville, it has distinct appeal.

The Washington Tourism Development Authority (WTDA) is funded by a 6% lodging tax which nets the WTDA approximately \$250,000 for fiscal year 2008-2009. The WTDA has used its funds appropriately, but is limited to the size of its budget. Thus, there is deliberate, but limited progress in marketing. The leaders of Washington are to be commended for their vision in identifying and developing travel and tourism as a targeted industry.

**RTM** recommends the following key strategies for continuing to develop travel and tourism in Washington, North Carolina:

- 1. Establish a strategic plan for long-term sustainability of travel and tourism:**
  - Protect the natural resources and authenticity of downtown.
  - Continue to develop downtown into a lively, animated village-style setting with shops and restaurants.
  - Recruit semi-retired Baby Boomers for small businesses, downtown living, and a unique, high-quality lifestyle.
- 2. Develop new products likely to drive continued economic impact. Create New Tourism Product Development Group to champion development tailored to potential user groups including:**
  - Waterfront lodging (preferably with dining)
  - More unique and fine dining
  - Continued development of downtown as lively village-style dining and shopping
  - Sports facilities which provide a competitive edge over other destinations
  - Outdoor recreation outfitters, guides, facilitators
- 3. Develop distinct gateways and a visitor center on Highway 17 in the downtown Washington area to provide orientation, facilitation, and generate increased visitor spending to those passing through and staying in the area. Add billboards after new By-pass is completed.**
  - Gateways are needed along Highway 17 to announce arrival in Washington and provide a sense of place.
  - Simply put, this strategy is to "fish where the fish are" and place a visitor center/sales showcase where it will drive the most visitors into downtown and to cash registers.

- The visitor center needs to be a “selling showcase” rather than simply a building with brochures. It needs to actively engage the visitor and compel visitation.
  - Add billboards before and after new Highway 17 By-Pass to encourage driving the older Highway 17 route into Washington.
4. **Establish a clear mission statement for the WTDA.**

#### **DISCUSSION POINTS**

Ms. Randall noted that each visitor to the City generates about \$15 in sales tax-related revenues, of which approximately \$4 comes to the City and the remaining \$11 goes to Beaufort County. If a household in the City had to replace tax revenues generated by City visitors, the household would pay approximately \$395 a year. She stated with the County deriving financial benefit from tourists who visit the City, it would make sense for the County and the City to jointly build a visitors center.

The study shows many visitors complained about the absence of waterfront lodging, modern lodging establishments, and limited waterfront-dining opportunities.

After reviewing the study, Mayor Pro tem Mercer said he determined the City’s No. 1 strategy for improving tourism should be providing “distinct gateways” into Washington.

Councilman Jennings was concerned about the process of adopting the plan. When Ms. Randall was introduced, Ms. Lewis asked Council to adopt this study as our plan or Tourism strategy for the City, and yet, the City will still need a twenty year strategic plan. Ms. Randall stated they would be adopting this as the plan for the things you can implement now. Mayor Pro tem Mercer suggested the Tourism Authority is the agency which commissions this study and is the board City Council charged with responsibility of carrying out Tourism Development. Mayor Pro tem Mercer would like to see Council endorse this plan and let Tourism Development proceed with the implementation and carry out the plan. Mayor Pro tem Mercer clarified endorsement would mean The Tourism Development Authority will be the agency to carry out the plan. Council agreed to place this on the regular meeting in March and will vote endorse the plan at that time.

On motion of Councilman Davis and seconded by Councilman Woolard, Council unanimously adjourned the meeting at 6:30 pm, until March 3, 2009 at 8:00 am in the Council Chamber.

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**Reatha Johnson**  
**Assistant City Clerk**