



NORTH CAROLINA MOUNTAIN TOWNS OF CASHIERS,  
CHEROKEE, DILLSBORO AND SYLVA

To: TDA Board  
From: Nick Breedlove, TDA Executive Director  
Date: June 13, 2022  
Subject: Monthly Director's Brief

1. **TCPF Pre-Submission Conference** – We had two entities attend our June 1 Tourism Capital Project Fund pre-submission conference. It was not required for applicants, but we did spend about forty-five minutes with two applicants – Region A RPO who attended to learn more to potentially assist an applicant with their application and Calliope Stage Theater Company.
2. **Budget** – At our June meeting we will approve the budget for FY 23 and as a reminder, we need you to join at 12:50 via Zoom as the budget hearing is at 12:55. We will not have a July meeting as we know it's the busiest time for our lodging partners. During July we hit the ground running getting all our marketing plans and campaigns in place for the new fiscal year.
3. **STR Trends** – We are starting to see a little leveling off of overnight stays in Jackson County at area hotels from our Smith Travel Research Reporting. For the last 28 days, we saw 54.9 percent occupancy compared to 60.1 the prior year. This is expected as last year was in every respect a record-breaking year that would likely be impossible to continue to top. In good news, our ADR is holding strong with a slight increase over last year. These trends aren't unique to us – our competitive set in Haywood, Swain, and Cherokee are seeing much larger declines than we are.
4. **Social Media Hire** – We will begin advertising our vacant position for Social Media Digital Content Specialist July 1 and go through the process of interviewing, onboarding, etc. with a 90 day probationary period and we'll begin the role part-time to see if the person is a good fit before we bring them on full-time and offer benefits.
5. **STS** – Both Caleb and I attended Southeast Tourism Society Marketing College last week. Caleb is in his second year, and I attended and taught a four-hour class for alumni. All professors donate their time to teach fellow tourism industry leaders. I spoke on Sustainability and Stewardship which was the theme of this year's alumni class. I learned a lot from the two days of content from other presenters and look forward to sharing the information with our Sustainability & Stewardship Committee when we meet next.
6. **Airbnb and Other legislative topics** – I've now had three meetings in as many months to discuss Airbnb trends with the County Planning Department, Town of Sylva, and Main Street Sylva Association. The sessions were a top-level overview of

trends, legislation and more. Affordable housing was a theme in discussing their impact on our communities. Towns currently can regulate Airbnbs through zoning, and the town of Sylva planning board is currently working to regulate them in the Downtown District.

Below is the email I received from the Town Manager, which may still change:

“The Planning Board met last Thursday and discussed short term rentals. The Planning Board discussed allowing short term rentals as a secondary use to the primary use in all residential zoning districts, allowing the entire home under a certain square footage to be used for a short term rental, eliminating the parking requirement for short term rentals in the downtown business district, reducing the parking requirement if the rental is a portion of the home, and adding a threshold for required parking based on the number of bedrooms. The Planning Board would like to know how the Town Board feels about these suggestions, so they know how to move forward. Please let me know if you have feedback on these ideas or on the districts short term rentals are allowed so the Planning Board can have direction. Their next meeting is June 16<sup>th</sup>.”

As I understand in discussions with Sylva’s Town Manager Paige Dowling, Airbnbs would not be permitted in Low Density Residential, which in our discussion was identified as houses surrounding the downtown district. I am unsure of how existing Airbnbs would be affected or if Airbnb can effectively prohibit new listings from certain areas as town’s are not legally able to require registration of Airbnbs. I think there are many questions we don’t have the answers to yet. I will keep the board informed as this moves forward.

7. **ABC Bills** – there are several bills ahead of the General Assembly which could impact our restaurants. Below is a summary from NCTIA, who supports the changes:

The NC General Assembly is considering two ABC reform bills this short session, one year after enacting an omnibus ABC bill that greatly benefited the tourism industry.

HB 1108 | Allow ABC Permits for Bars repeals the requirement for bars to maintain a membership registry. The bill is sponsored by Representatives Tim Moffitt (R-Henderson), Jon Hardister (R-Guilford), John Bradford (R- Mecklenburg), and Brian Turner (D-Buncombe).

HB 1135 | ABC Laws/Local Sales Option allows local governments to establish a “happy hour” ordinance and to authorize the advertisement of products sold in a bar and restaurant. The bill is sponsored by Representatives Jason Saine (R-Lincoln), Jon Hardister (R-Guilford), and Allison Dahle (D-Wake).

NCTIA is working with the NC Bar Owners Association to enact these two bills in the short session currently underway.

“The tourism industry supports modernization of the ABC system in North Carolina and these two bills are the latest in that effort,” said NCTIA Executive Director Vince Chelena. “When visitors come to our state to vacation there can be frustration with our state’s arcane alcohol statutes when they patronize bars and restaurants. Laws that may have made sense 80 years ago are hard to justify in 2022.”

One of those outdated laws is addressed by HB 1108, which would no longer require establishments bringing in 30% or less in food or non- alcoholic sales to be considered private clubs or bars. These private clubs or bars are required to charge a \$1 annual membership fee to customers and “members” must sign in before being served an alcoholic drink.

HB1135 allows establishments serving alcohol to purchase a \$100 ABC permit in order to feature a “happy hour”, a discounted price for drinks during periods of the day. County and/or municipal governments would have to authorize a discounted price ordinance for alcohol in order for this permit to be issued.

“We need to give our small business owners in the hospitality industry every tool they can get to attract customers and these two bills do just that,” said Chelena. “These small businesses mean so much to the tourism industry and the employees who are providing for their families.”