

**NEWPORT COUNTY CONVENTION & VISITORS BUREAU
BOARD OF DIRECTORS MEETING
TUESDAY, OCTOBER 10, 2006**

MEETING MINUTES:

The meeting was called to order at 12:13 p.m. by Vice Chairperson Charles Vaillancourt.

BOARD MEMBERS IN ATTENDANCE WERE:

Vice Chairperson Charles Vaillancourt, Treasurer Mark Stenning, Gregory Fater, Donna Olney Kohler, Karen Oakley, Len Panaggio, Susan Samson, Laurie Stroll, Harlan Tyler and Katie Wilkinson

BOARD MEMBERS ABSENT AND EXCUSED WERE:

Lisa Gross, Rocky Kempenaar, Brian Moore, Chairperson Jeanne Marie Napolitano and Pieter Roos

STAFF PRESENT WERE:

Evan Smith, Debbie Gatta, J. Timothy Walsh and Mary Ann Kelly

GUESTS PRESENT WERE:

J. Russell Jackson, John Palumbo, Lisa Bousquet, Jackie Nowell, Keith Stokes and Paige Bronk

I. PREVIOUS MEETING MINUTES:

The previous meeting minutes were reviewed. A motion to accept the minutes was made by Gregory Fater and seconded by Mark Stenning. The motion passed unanimously.

II. TREASURER'S REPORT:

The treasurer's report was read by Mark Stenning. City Tax was up 5.75% and Regional Tax was up 4.39% for a combined growth of 5.40%. A motion to accept the treasurer's report was made by Harlan Tyler and seconded by Katie Wilkinson. The motion passed unanimously.

III. STAFF REPORTS:

A. PRESIDENT'S REPORT:

Evan Smith reported on the activities and projects taking place in the sales and marketing departments. The D3000 system, previously approved by the Board of Directors, should be completed by the first of the year. A new sales manager, Patricia Smurro, has been hired for the sales department. Patricia is a seasoned professional with experience in the New York/New Jersey area. She is presently the sales manager at the Newport Marriott Hotel. The sales department just finished a Boston meeting planner function at the MIT Endicott House for 28 meeting planners on October 3rd. The sales department will be doing a Downtown Boston Function at the Capital Grill on November 8th and is working on a 3 day meeting planner FAM for December 3-5. Staff, along with industry members, will be doing the Washington, DC Blitz on November 27, 28 and 29. Evan announced that Jennifer Pitt, our national sales manager, has received the Tourism Employee of the Year Award from the Rhode Island Hospitality & Tourism Association. She will be honored at the awards dinner on November 29th at the Newport Hyatt Hotel.

The marketing department is kicking off the Winter Package Program on November 1st. There is one significant change taking place in the package. The lodging establishments will be able to adjust their rates during the duration of the package program. Newport Restaurant Week will be November 6-12. On Thursday, October 12th the state of Rhode Island, along with the PWCVB and the NCCVB will sponsor a

destination packaging seminar at the Tennis Hall of Fame. The purpose is to inspire creative packaging through state wide collaboration. The next Marketing Meeting will be held on Wednesday, October 18th at 11:00 a.m. at the Jane Pickens Theater. The marketing department is hosting the Society of American Travel Writers (SATW) holiday party at the Elms on December 3rd.

The Visitors Center had a record high visitors count for September. The most significant reason for the difference was the large number of motor coaches to the Center. The Visitors Center now sells Newport Smart Cards for parking. The Smart Cards can be used everywhere, except on Washington Square and the lot behind the Jane Pickens Theater on Touro Street. We sell them in \$5.00 and \$10.00 increments. Over 20 exhibits and demonstrations were held at the Visitors Center in September. Any business that would like to participate should contact Cathy Morrison or Jenn Bailey at the Center.

IV. COMMITTEE REPORTS:

There were no committee reports.

V. UNFINISHED BUSINESS:

A. Rhode Island Zoological Society

John Palumbo, Chair of the RI Zoological Society spoke to board members and asked them to consider voting “yes” on Question #6 on the November ballot. He explained that the zoo is Rhode Island’s top outdoor attraction averaging over 600,000 visitors a year. The zoo serves the community with education, conservation, research and species survival programs. The \$11 million bond will contribute to vital improvements at the zoo and is part of a \$35 million capital campaign and master plan to ensure that the zoo retains its premiere position as the state’s number one outdoor tourist attraction. He stated that the zoo is also a key driver of economic development in Rhode Island. The zoo is owned by the city of Providence, but 3 years ago it turned over control of the zoo to the RI Zoological Society. Lisa Bousquet, Deputy Director of the zoo, spoke about the 4 major components of the master plan. These include Unforgettable Africa (all about elephants), the North American Trail (bring back the polar bears and conservation projects), the Children’s Zoo and the hidden zoo (a veterinary hospital and animal care center). Jackie Nowell, head of marketing for the zoo, told board members that there are Hard Hat Tours at the zoo on the weekends and invited them to take the tour to learn more about the expansion that will be taking place.

B. Trends in the Newport County Retail Climate

Keith Stokes, Executive Director of the Newport County Chamber of Commerce and Paige Bronk, Planner for the City of Newport, spoke to the board on perspectives and trends in the Newport retail climate. Keith told board members that many of the retail businesses in Newport are actually quite mature. The reason for their success is usually that they are property owned and don't have to lease or pay rent on the property where their business is located. However, over the last 5 years there have been franchises that have opted to close their businesses. Opportunity lies in extending the length of the season, attracting more families and having quality retail over quantity. The best use of space isn't always retail. Mixed use may be a better way to use a property (such as Bellevue Gardens). Keith felt that Newport is a bit over retail. Lower Thames Street was concerned that they weren't getting their fair share of visitors. The Chamber hired a consultant and it was determined that retail on Lower Thames Street had a sparse inventory and there was no set hours of operation for most retail shops. The number one impediment affecting retail climate is the lack of public parking and traffic congestion.

Paige Bronk agreed with Keith. Besides parking and traffic congestion another issue that local merchants are concerned about is lease rates. Success seems to be linked to property ownership. Small businesses that come and go are attached to lease arrangements. He also felt that rents are too high and there is a need for balance. Paige also noted that Newport's population is declining,

especially the number of middle income families. Year round businesses would better serve middle income families. Some areas in need of improvement are pedestrian access, narrow sidewalks, curbage and lighting. Paige noted that there must be a partnership between the city and merchants and a focus on quality.

VI. NEW BUSINESS:

J. Russell Jackson, NCCVB legal counsel, summarized the request for a legal opinion on the advocacy against ballot Question #1 the proposed casino in West Warwick. Mr. Jackson stated that corporate contributions are barred by campaign finance laws and it is clear that the NCCVB cannot make direct contributions to any candidate or ballot question advocate. It is also his recommendation that the NCCVB not engage in any activity, which could be seen as making “in kind” contributions to any candidate or ballot question advocate. The NCCVB could draft a correspondence outlining its position on Question #1 and circulate it among the hospitality and tourism industry. Lastly, if the NCCVB desires to become more directly involved in this or future ballot questions or political campaigns, he recommends seeking an opinion from the Board of Elections.

VII. ADJOURNMENT:

A motion was made by Karen Oakley to adjourn. It was seconded by Laurie Stroll and passed unanimously. The meeting adjourned at 1:53 p.m.