
Buncombe County Tourism Development Authority
Asheville Area Chamber of Commerce

Board Meeting Minutes

Wednesday, April 26, 2017

- Present (Voting):** Paula Wilber, Chair; Jim Muth, Vice Chair; Leah Ashburn, John Ellis, Himanshu Karvir, John Luckett, John McKibbon
- Absent (Voting):** Chip Craig, Gary Froeba
- Present (Ex-Officio):** Buncombe County Commissioner Joe Belcher
Asheville City Councilwoman Julie Mayfield
- Absent (Ex-Officio):** None
- BC Finance:** Jennifer Durrett
- Advertising Agency:** Michelle Clarke, Lynne McMillen; Peter Mayer
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Dianna Pierce, Jonna Reiff, Pat Kappes, Brooke Ptaszek
- CVB Staff Absent:** Tom Roberson
- Guests:** Kit Cramer, Asheville Area Chamber of Commerce
Bob McMurray, Black Mountain-Swannanoa Chamber
Jane Anderson, Asheville Independent Restaurant Association
Demp Bradford, Asheville Buncombe Regional Sports Commission
Peter Pollay, Posana
Andrew Celwyn, Herbiary
Timothy Sadler, SolFarm Solar Company
Maria Pilos, Johnson Price Sprinkle, P.A.
Michael Beech, Interested Citizen
Jan Beech, Interested Citizen
Tori Lutkowski, Interested Citizen
Nancy Sanders, Interested Citizen
Jason Sandford, Ashvegas

Executive Summary of Meeting Minutes

- Chairwoman Wilber called the meeting to order at 9:06 a.m.
- Notes from March, 23, 2017 BCTDA annual planning retreat were approved with a 7-0 vote.
- Minutes from the March 24, 2017 BCTDA meeting were approved with a 7-0 vote.

- Updates from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- The March 2017 financial reports were reviewed and approved with a 7-0 vote.
- In her Executive Director report, Ms. Brown highlighted recent CVB activities and metrics.
- Mr. Ellis reported on the BCTDA Finance Committee's recent meetings related to the FY 2017-18 budget process.
- On behalf of the Fiduciary Task Force, Mr. Ellis presented several items that required action related to the CVB's reorganization and relocation. These included:
 - In a 7-0 vote, two DBAs were approved for the new BCTDA nonprofit organization which the CVB will operate under effective July 1, and are: Explore Asheville and Explore Asheville Convention & Visitors Bureau.
 - A moving expense supplemental budget resolution, in the amount of \$67,958, was approved with a 7-0 vote.
 - The BCTDA (nonprofit) Compilation of Employee Benefits was approved as presented with a 7-0 vote.
 - A Payroll Transition Policy to provide continuity of pay during the transition to Buncombe County's payroll system was approved with a 7-0 vote.
 - Changes to the Discretionary Compensation Policy were approved with a 7-0 vote.
- With a 7-0 vote, the BCTDA approved giving authorization to Fiduciary Task Force Chairman Gary Froeba to execute the Chamber Memorandum of Understanding after allowing two weeks for further review by board members.
- CVB Director of Advertising Brooke Ptaszek shared a PowerPoint presentation highlighting the National Geographic Traveler partnership and the Washington D.C. Union Station Takeover initiatives.
- Several items were shared under Miscellaneous Business.
- Under Comments from the General Public, Timothy Sadler and Tori Lutkowski shared the merits of Green Opportunities and encouraged further BCTDA and community support.
- The meeting adjourned at 10:45 a.m.

Call of BCTDA Meeting to Order

Chairwoman Wilber called the regular meeting of the Buncombe County Tourism Development Authority (BCTDA) to order at 9:06 a.m. and welcomed everyone. She thanked everyone for attending and the visitors in attendance introduced themselves.

Approval of Meeting Minutes

March 23, 2017 BCTDA Annual Planning Retreat Notes

Vice Chairman Muth made a motion to approve the March 23, 2017 annual planning retreat notes as presented. Mr. Lockett seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

March 24, 2017 BCTDA Meeting Minutes

Mr. Karvir made a motion to approve the March 24, 2017 regular meeting minutes as presented. Mr. Luckett seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

The notes and minutes are on file with the Asheville Convention & Visitors Bureau.

Asheville City Council Update

Councilwoman Mayfield expressed her gratitude for being moved up on the agenda since she needs to leave the meeting early due to a scheduling conflict. She reported that at last night's Asheville City Council meeting, Council reluctantly opted to put a six-district redistricting option on the ballot for voters to decide on without drawing any districting lines. She provided insight on council's opinions and the challenges associated with Senator Edwards' proposed redistricting bill to include time constraints, polling results, and public processes. Councilwoman Mayfield said the city is also involved in planning next year's budget.

Chairwoman Wilber thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including the budget process, community support requests, and fire department, area school and A-B Tech funding, along with pending legislation that affects elementary school class size and will have an impact on school budgets.

Commissioner Belcher said he is pleased that the county provided funds to incentivize Avadim Technologies to bring 551 jobs to the area. He also stated GE Aviation holding its board meeting in Asheville was significant. Commissioner Belcher concluded his report by stating that while capital projects often get the most attention, the Buncombe County Commission continues to support non-capital initiatives such as providing family services and offering ways to battle opioid abuse.

Chairwoman Wilber thanked Commissioner Belcher for his report. Councilwoman Mayfield exited the meeting.

Financial Reports

March 2017 Financial Reports

Ms. Durrett reviewed the March financial reports. Occupancy tax revenue received in March for February sales totaled \$764,043. March expenditures totaled \$922,723. YTD revenue exceeded expenditures by \$2,861,685 and includes nine months of expenditures and eight months of revenue. March expenditures for Tourism Administration: \$44,577; Professional Services: \$187,778; General Tourism (excludes media buys): \$183,093; Net Media: \$259,673; Motorcoach Sales: \$3,698; Meetings and Conventions: \$33,568; Convention Services: \$2,403; Marketing/Public Relations: \$19,132; International: \$354; Public Affairs: \$1,388; Event Grants Program: \$50,650. There is currently \$2,198,062 in undedicated dollars in the Tourism Product Development Fund (TPDF).

Revenue Summary: February operating (75%) collections equaled \$764,043, and TPDF (25%) collections totaled \$254,681.

Ms. Brown noted that not all of the earned revenue received to date has been committed to the Cultural Events Grants program, and that an additional amount was recently received from commissionable visitor guide sales. She said the BCTDA will sponsor the Chamber's Annual Meeting and a WomanUp event from this this non-occupancy tax revenue, and that the carryover balance from prior years and current revenue will continue to be used for event sponsorships and potential signature events. Ms. Durrett added she has separated the earned revenue out on the balance sheet in the financial statements. Ms. Brown said that in the next fiscal year, expenses from earned revenue will be separated from the operating budget, similar to the TPDF admin budget.

Ms. Durrett then reported on the number of properties delinquent on submitting occupancy tax reports and payments.

A brief discussion took place regarding short-term rentals. In the end, Chairwoman Wilber said it would be helpful to see a report of sales by category incrementally for the past three years. Ms. Brown asked Ms. Durrett to look into adding this type of report to the portal.

Mr. Karvir made a motion to approve the March 2017 financial reports as presented. Mr. Luckett seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

The financial reports are on file with the Asheville Convention & Visitors Bureau.

Executive Director Report

March CVB Staff Recap

Ms. Brown asked the board to turn to the Recap that was provided in the board books and briefly highlighted several recent CVB staff activities, including the launch of the spring advertising campaign, sales team travel, logistics associated with the CVB's reorganization and relocation, and the CVB's latest Partner Forum. She also reviewed efforts related to the Beer Marketing & Tourism Conference, Southern Conference, and recent meeting planner and media site visits. Ms. Brown said a Federal Employer Identification Number has been secured for the new nonprofit. Additionally, the TPDF committee is reviewing its first Major Works Pathway application, which has been submitted by the Town of Woodfin in a collaborative project with Buncombe County to fund and develop a park system, greenways, and the Wave water feature planned to be constructed in the French Broad River. Ms. Brown recognized Mr. Cox and Ms. Reiff for their extra efforts in relation to the CVB's relocation and establishment of the new nonprofit organization.

Next, Ms. Brown encouraged everyone to attend and promote the CVB's newest event, the National Tourism Week Summit, taking place at the Renaissance Asheville Hotel on Friday, May 12. She said Steven Paganelli from TripAdvisor will be the keynote speaker and, after lunch and his presentation, attendees will have a choice to either attend a breakout session on marketing, sales, or a meet-and-greet with public officials. The afternoon will conclude with a tourism expo and reception.

The March Recap is on file with the Asheville Convention & Visitors Bureau and is posted on AshevilleCVB.com.

March Visitor Index

Ms. Brown briefly reviewed select numbers from the March Visitor Index and announced that Elite Airlines will begin service from Asheville Regional Airport to Vero Beach in May. After answering questions related to the Index centering on ever-evolving trends and market conditions, Ms. Brown said she will have staff review metrics that are currently included in this monthly report and come back with recommended revisions to be implemented in the next fiscal year.

The March Index is on file with the Asheville Convention & Visitors Bureau and is posted on AshevilleCVB.com.

March CVB Quick List

Ms. Brown said the March Quick List provides the most up-to-date perspective on hotel metrics and is provided in the board books.

Other Updates

In response to Commissioner Belcher's question asking about marketing efforts related to the upcoming Total Solar Eclipse on August 21, 2017, Ms. Tambellini shared that staff has built [a microsite on ExploreAsheville.com](http://a-microsite-on-ExploreAsheville.com) and implemented social and media relations efforts.

Ms. Brown said the [2018 FEI World Equestrian Games](http://2018-FEI-World-Equestrian-Games) will take place in Tryon in September 2018, and the members of the CVB and Asheville Regional Airport teams have met with representatives from the Tryon International Equestrian Center to discuss how Asheville can partner with them and be a draw for people coming to the area for that event. A brief discussion took place on this topic including the significance of the event for the area and all related questions were answered.

Chairwoman Wilber thanked Ms. Brown for her report and the CVB staff for their efforts.

Finance Committee Report

BCTDA Finance Committee Chairman John Ellis said he and Ms. Brown met with committee members Mr. Craig and Mr. Lockett yesterday to discuss items pertaining to the FY 2017-18 budget process. He said the committee is meeting more often than normal this year due to the establishment of the CVB as a new organization and the upcoming relocation. Mr. Ellis said recent meetings have centered on discussing revenue projections and reviewing staff structure, the new payroll process, and employee compensation and benefits. Mr. Ellis noted the committee will meet again to review the detailed budget prior to staff presenting it to the board on May 31. He then offered to answer any questions pertaining to this year's budget process.

In response to Mr. McKibbon's request to have staff budget anticipated expenditures to more closely align with what is actually spent on a monthly basis, Ms. Brown and Ms. Tambellini explained that the variances are mostly due to governmental accounting mandates that require expenditures to be budgeted in the months in which they are committed. The majority of the budget is for media placements and the advertising

invoices and required backup documentation usually follow a month or two after the scheduled placements run, which causes budget-to-actual discrepancies.

Ms. Durrett said the county's system is set-up on an annual budget basis and doesn't record or reflect monthly accruals. She said the new system that will go into effect on April 1, 2018, should give better management and budgeting tools, which may help with Mr. McKibbon's request.

Chairwoman Wilber thanked Mr. Ellis and the members of the finance committee for their work in planning the budget and for everyone's input during this discussion.

Fiduciary Task Force Report

Mr. Ellis said the Fiduciary Task Force (FTF) continues to oversee the many details associated with establishing the new 501(c)6 nonprofit organization and the relocation of the CVB to its new office at 27 College Place. The FTF met on April 7 and covered a variety of topics that are being brought to the board today for approval.

Nonprofit DBA and Branding

The first item to be considered is the DBA and branding for the nonprofit. Mr. Ellis said the 501(c)6 was established as the Buncombe County Tourism Development Authority. The Asheville Convention & Visitors Bureau staff will be employed by the nonprofit, therefore, it is necessary to establish a DBA for the CVB.

Ms. Brown said that Ms. Tambellini met with some local marketing professionals and through a collaborative process, they developed various identity and branding options for the new organization. Those options were discussed internally and staff provided input to help inform the decision. Ms. Brown then unveiled a slide of the recommended new organizational name and logo for the Asheville CVB: Explore Asheville.

The logo for Explore Asheville features the word "Explore" in a blue sans-serif font, followed by "ASHEVILLE" in a larger, multi-colored font where each letter is filled with a different color (yellow, green, red, blue, etc.).

Ms. Brown said having a second DBA would be beneficial to use at times for clarity, especially during the transitional phase, and would be: Explore Asheville Convention & Visitors Bureau.

This logo is similar to the one above but includes the text "Convention & Visitors Bureau" in a smaller blue font directly beneath the word "ASHEVILLE".

Ms. Brown then shared slides showing variations of the logos and a rendering of how the branding would look on the exterior of the new office building, as well as on collateral pieces such as business cards. She requested permission to file for the two DBAs.

On behalf of the Fiduciary Task Force, Mr. Ellis made a motion to adopt the two DBAs of Explore Asheville and Explore Asheville Convention & Visitors Bureau for the BCTDA 501(c)6 nonprofit. Vice Chairman Muth seconded the motion. Discussion included Mr. McKibbon stating he agrees with this recommendation. A vote was then taken and with all in favor, the motion carried 7-0.

Chairwoman Wilber thanked the staff for their work on developing the two DBAs. The PowerPoint presentation is on file with the Asheville Convention & Visitors Bureau.

Moving Expenses Supplemental Budget Ordinance

Mr. Ellis said the next item is a supplemental funding request for relocation expenses. He asked the board to turn to the memorandum provided by Ms. Brown in the board books outlining the original and revised estimates for building upfit, IT and AV, furniture, moving company, appliances and incidentals, and contingency. He noted some costs came in higher than originally estimated while others were value engineered, resulting in reductions. Mr. Ellis said while this amount is in addition to the request previously approved, total costs are still \$160,000 less than the other property that had originally been under consideration.

Mr. McKibbin made a motion to approve a budget resolution in the amount of \$67,958 for supplemental reorganization and relocation expenses. Mr. Lockett seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

Chairwoman Wilber will sign a budget resolution and it will be kept on file with the Asheville Convention & Visitors Bureau and the Buncombe County Finance Department.

Employee Benefits Package

Mr. Ellis said the next item is a compilation of employee benefits. He stated the CVB staff has done a great job of vetting out carriers and options to develop a benefits package that is comparable to what is currently offered by the Chamber, with a slight increase in health insurance premiums. Mr. Ellis said the details and costs associated with the recommended benefits package as presented for the new organization have been approved by the Fiduciary Task Force. The package includes health, dental, long-term disability, and life insurance, an Employee Assistance Program, accidental death and dismemberment, a flexible spending account, 401K plan, and optional employee-paid Aflac, short-term disability and vision insurance policies.

Ms. Brown gave a brief overview of the benefits and associated employee/employer costs and answered all related questions.

Vice Chairman Muth made a motion to approve the BCTDA (nonprofit) compilation of employee benefits as presented. Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

The list of benefits is on file with the Asheville Convention & Visitors Bureau.

Payroll Transition Policy

Mr. Ellis said the next item is the Payroll Transition Policy, which was developed due to the timing challenges associated with changing from the chamber's twice-monthly pay cycle to the county's bi-weekly periods. Continuity of pay is a priority during the transition and without this policy, staff would be underpaid. He said this policy has been reviewed by the executive and finance committees and the FTF and was provided to the BCTDA prior to the meeting. Ms. Brown said staff worked with the county to develop this policy and she provided a brief overview of the plan.

Mr. Lockett made a motion to approve the Payroll Transition Policy as presented. Mr. Karvir and Ms. Ashburn simultaneously seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

The Payroll Transition Policy is on file with the Asheville Convention & Visitors Bureau.

Discretionary Compensation Policy

Mr. Ellis said the last policy item being considered is a modification to the Discretionary Compensation Policy that was approved in 2012 as a replacement to the policy that was first adopted in 2004. The changes were provided in advance of the meeting and are in the board books. Mr. Ellis summarized that there are some nomenclature changes and criteria being moved from one category to another.

Seeing that there were no questions, Chairwoman Wilber called for action. Vice Chairman Muth made a motion to approve the changes to the Discretionary Compensation Policy as presented. Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

The revised Discretionary Compensation Policy is on file with the Asheville Convention & Visitors Bureau.

Chamber Memorandum of Understanding

Mr. Ellis said the Fiduciary Task Force has been working with Ms. Cramer and chamber leadership to develop a Memorandum of Understanding (MOU) that addresses matters related to the Asheville CVB's establishment as an independent organization. He said the agreement has been approved by the FTF, the BCTDA's attorney, and the chamber's executive committee. It was presented to the chamber board yesterday, however, while it was approved by the directors who were in attendance, a quorum was not present to officially receive approval from that body. Mr. Ellis said the MOU has implications in next year's budget, therefore, it is necessary for the BCTDA to adopt as presented or give Mr. Froeba, as chair of the FTF, the authority to execute after further review and prior to the finalization of the budget.

Ms. Brown apologized for not getting the MOU to the board in advance of the meeting, adding that the amount of time needed for review did not allow for an advance draft to be distributed. She reiterated what Mr. Ellis offered that if members wanted additional time to review and provide feedback, authorization could be given to Mr. Froeba to execute the agreement on behalf of the BCTDA.

Mr. Ellis and Mr. Karvir said the FTF has spent a significant amount of time arriving at this agreement. Chairwoman Wilber commended the FTF and chamber leadership for their collaborative work over the past several months. She asked if the board wanted to adopt the document as presented or authorize Mr. Froeba to give final approval after further review. Ms. Ashburn and Mr. Lockett requested additional time, and a two-week period was agreed upon by consensus. Ms. Cramer asked that the effective date at the top of the agreement be changed to July 1, 2017.

Mr. Ellis made a motion to give BCTDA Fiduciary Task Force Chairman Gary Froeba authority to approve and execute the Memorandum of Understanding as presented after receiving input from board members within two weeks from today. Mr. Lockett seconded the motion. There was no further discussion and with all in favor, the motion carried 7-0.

After allowing two weeks to hear from members of the BCTDA (by May 10, 2017), Mr. Froeba will execute the Chamber Memorandum of Understanding and it will be kept on file with the Asheville Convention & Visitors Bureau.

Marketing Update – National Geographic Traveler Partnership & D.C. Takeover

Ms. Tambellini introduced Brooke Ptaszek, the CVB's Director of Advertising, who has worked closely with the Peter Mayer team on two significant initiatives being presented. She commended agency representatives Michelle Clarke and Lynne McMillan, who are present today, along with their team, for bringing these opportunities to the BCTDA for consideration. She praised Ms. Ptaszek for her excellence in managing the process and seeing the initiatives through to fruition.

Ms. Ptaszek said these initiatives represent career highlights for her and shared a PowerPoint presentation outlining the National Geographic Traveler Partnership and Washington D.C. Union Station Takeover. Highlights of the presentation included:

National Geographic Traveler Exclusive Partnership:

- Print included a 6-page "Happily Ever After Asheville" feature story in National Geographic Traveler and a 20-page travel guide that includes a reprint of the story.
- Digital assets included four blog posts/articles on art, music, food and outdoor adventures, an adapted magazine story, a "Top 10 Must-Do's" list, Behind the Scenes features, and a midweek travel itinerary.
- Social Media via @natgeotravel (25 million followers) included two Facebook Live posts with a local artist and the Friday night drum circle, two Instagram stories, multiple Facebook and Twitter posts, and a full-day Instagram takeover.
- Last fall, CVB staff spent seven days with National Geographic travel writer Andrew Nelson, travel writer and social media influencer Andrew Evans, and photographer Krista Rossow, connecting them with over 60 industry partners to develop content and photography assets for the partnership.
- Multiple National Geographic records were broken for metrics related to average time on site, Likes, engagement, impressions, etc.
- The CVB received 10,000 copies of the 20-page travel guide, which will be distributed across many channels.
- A custom event will take place in Washington, D.C., on Friday, April 28, and will highlight live music from Asheville's Fly By Night Rounders. Over 200 guests will attend this special presentation on Asheville to be held at the National Geographic Society headquarters.
- RSVPs for the event filled within one hour following a custom invite being sent out to travel bloggers and NGT's D.C. audience, and 91 percent of those clicked through to ExploreAsheville.com to enter a "Win a Vacation to Asheville" contest.
- The program cost of \$300,000 netted a value of \$830,500 and garnered more than 19 million impressions.

Washington D.C. Union Station Takeover

- During the month of April, Union Station in Washington D.C. experienced an Asheville "Takeover," in which 99 total installations of Asheville images were on display throughout the terminal. In addition, advertising appeared at 35 bike share locations.

- Ms. Ptaszek traveled to D.C. in October to scout the space and returned to oversee the installation of the creative in the spring.
- The scale and visibility netted an estimated 1.5 million impressions over the four-week duration.
- The theme was “*Picture Yourself in Asheville*” and people could text AVL to a number given on the creative to be entered into a contest to win a trip to Asheville.

During and after the presentation, Ms. Ptaszek answered all related questions. She then received an enthusiastic round of applause for her efforts.

Chairwoman Wilber congratulated the Peter Mayer and CVB teams on the excellent work and efforts related to these initiatives. She suggested that anyone wanting copies of the National Geographic Asheville Travel Guide to contact the CVB.

The PowerPoint presentation is on file with the Asheville Convention & Visitors Bureau.

Miscellaneous Business

Ms. Cramer said this week is Small Business Week. She noted the GE Aviation board meeting is happening in Asheville today and said a number of economic development projects are in the works and she hopes an announcement will be forthcoming soon. Ms. Cramer said the Chamber’s Annual Meeting is on May 15, and sales tax redistribution has been reintroduced in the General Assembly. She thanked the members of the BCTDA board for moving forward on the Chamber Memorandum of Understanding.

Mr. McMurray said *Rock the Taste* will take place in Black Mountain on May 3, and thanked Chairwoman Wilber for Biltmore’s donation of the wine. He added Avadim Technologies is beginning to work on infrastructure and just hired 34 new employees.

Ms. Ashburn encouraged everyone to participate in or support a fundraiser 5k that is taking place in Black Mountain on April 27 for Coach Britton Olinger, who was recently injured in a tragic accident.

Mr. Karvir said he and Mr. Lockett serve on the Tourism Product Development Fund (TPDF) committee, and he was pleased to see that the City of Asheville was recently presented with a “big” check for \$3.5 million from the Fund for developments in the River Arts District. He added that this is a very positive thing that the BCTDA does and he is looking forward to the board possibly supporting the County and Town of Woodfin via the Woodfin Greenway and Blueway project currently under consideration.

Comments from the General Public

Timothy Sadler spoke and suggested the BCTDA partner with Green Opportunities on their job training programs and support its culinary program, and encourage industry partners to do the same. Ms. Brown responded that the CVB team does work closely with Green Opportunities, the staff has volunteered there, and the BCTDA is sponsoring the organization’s Soul Shakedown fundraising event. Mr. Cox added he works extensively with them via workforce development efforts.

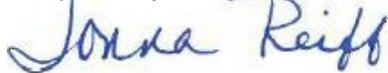
Tori Lutkowski added that while on a tour to learn Asheville's history, she went by Green Opportunity's Eddington Center. She is pleased to hear that the CVB team supports that organization and encouraged everyone to also go as "regular" people outside of work, as well, to eat lunch there and also support businesses owned by people of color.

Ms. Ashburn thanked Mr. Sadler and Ms. Lutkowski for their comments and said Highland Brewing Company is also a supporter of Green Opportunities.

Adjournment

Chairwoman Wilber thanked everyone for attending and the meeting adjourned at 10:45 a.m. The BCTDA will next meet on Wednesday, May 31, 2017, at 9:00 a.m., in the Boardroom of the Asheville Area Chamber of Commerce.

Respectfully submitted,

A handwritten signature in blue ink that reads "Jonna Reiff". The signature is written in a cursive, flowing style.

Jonna Reiff, Executive Operations Manager