

Explore ASHEVILLE

Buncombe County Tourism Development Authority

**Buncombe County Tourism Development Authority,
A Joint Meeting of the Public Authority and Nonprofit Corporation**

Explore Asheville Convention & Visitors Bureau – 27 College Place, Asheville

Board Meeting Minutes

Wednesday, January 29, 2019

- Present (Voting):** Gary Froeba, Chair; Himanshu Karvir, Vice Chair;
Leah Ashburn, Andrew Celwyn, Chip Craig, John Luckett,
John McKibbon, James Poole
- Absent (Voting):** Tom Ruff
- Present (Ex-Officio):** Buncombe County Commissioner Joe Belcher
Asheville City Councilwoman Julie Mayfield
- Absent (Ex-Officio):** None
- CVB Staff:** Stephanie Brown, Marla Tambellini, Dianna Pierce, Glenn Cox,
Jennifer Kass-Green, Kathi Petersen, Jonna Sampson,
Sarah Kilgore, Ritchie Rozzelle, Hannah Dosa
- BC Finance:** Don Warn, Buncombe County/BCTDA Fiscal Agent
- Advertising Agency:** Cindy Stein, Nick Smart; 360i
- Guests:** Sabrina Rockoff, McGuire, Wood & Bissette/BCTDA Legal
Counsel
Kit Cramer, Samantha Cole; Asheville Area Chamber of
Commerce
Jim Muth, BCTDA Past Chair
John Ellis, Past BCTDA Board Member
Demp Bradford, Asheville Buncombe Regional Sports
Commission
Jane Anderson, Asheville Independent Restaurant Association
Tina Kinsey, Asheville Regional Airport
Sharon Tabor, Jon Brooks; Black Mountain-Swannanoa
Chamber of Commerce
Nicole Will, Asheville Wellness Tours
Rick Bell, Engadine Inn
Julia Akers, The Omni Grove Park Inn
Samantha Fann, Princess Anne Hotel
Kate Bannasch, Copper Crown Restaurant
David Nutter, Retired City Planner
Ed Phillips, Burke County TDA
Bob Michel, Asheville Homestay Network
David Donnell, Mark Ferguson and John; Asheville Celtic Fest
Lacy Cross, Entegra Bank
Christy Miller, Christy Miller Consulting

John Boyle, Asheville Citizen-Times
Brooke Randle, Mountain Xpress
Holden Mesk, Sunshine Request
Justin Hinton, WLOS

Executive Summary of Meeting Minutes

- Chairman Froeba called the joint meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, to order at 9:02 a.m.
- Minutes from the November 20, 2019 BCTDA regular monthly meeting were approved with an 8-0 vote.
- The November 2019 financial statements were reviewed and approved with an 8-0 vote.
- The December 2019 financial statements were reviewed and approved with an 8-0 vote.
- In the first of a two-step process, a penalty waiver request for Beaucatcher Motel was approved to be passed on to the Buncombe County Commissioners with an 8-0 vote.
- In her President's Report, Ms. Brown briefly reviewed recent Explore Asheville CVB and tourism industry metrics and events and answered all related questions.
- Chairman Froeba appointed a BCTDA finance committee.
- Following a PowerPoint presentation outlining budget trends and proposed additions to the spring advertising plan, a supplemental advertising budget amendment was approved with a 7-1 vote.
- A budget amendment to support non-stop flights through Asheville Regional Airport was approved with a 7-1 vote.
- Updates from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were provided.
- There was no Miscellaneous Business discussed at this meeting.
- Under Comments from the General Public, Dave Donnell thanked the BCTDA for its support of the inaugural Asheville Celtic Fest.
- The joint meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, adjourned at 10:34 a.m.

Call of the Joint BCTDA Meeting to Order

Chairman Froeba called the joint meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:02 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

Approval of Meeting Minutes

Mr. Karvir made a motion to approve the November 20, 2019 regular meeting minutes as presented. Mr. Lockett seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The minutes are on file with the Explore Asheville Convention & Visitors Bureau (CVB).

Financial Reports

November 2019 Financial Statements

Mr. Warn reviewed the November 2019 financial statements and answered all related questions. Ms. Brown reminded board members that the Undesignated Fund Balance amount on the financial statements includes both the budgeted dollars that have not yet been expended in the current fiscal year and the undesignated reserve balance.

Mr. Luckett made a motion to approve the November 2019 financial statements as presented. Mr. Craig seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The November financial statements are on file with the Explore Asheville Convention & Visitors Bureau.

December 2019 Financial Statements

Mr. Warn reviewed the December 2019 financial statements. Ms. Brown pointed out a minor change to the graph on page five to better reflect the current three percent business objective on which the current year budget was established.

Mr. Celwyn made a motion to approve the December 2019 financial statements as presented. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The December financial statements are on file with the Explore Asheville Convention & Visitors Bureau.

Penalty Waiver Request – Beaucatcher Motel

Ms. Brown said a penalty waiver request has been received from Shradha Patel, General Manager of the Beaucatcher Motel. Ms. Brown said the amount of the penalty is \$990.51, which exceeds her administrative limit to consider the waiver without bringing it before the board. She said Ms. Patel's email provides background information on the reason the property's October 2019 occupancy tax report and payment were late, adding if the BCTDA approves the waiver today, the request will then be presented to the Buncombe County Board of Commissioners for further and final consideration.

Mr. Celwyn noted that when he pays sales tax online, he can schedule the payment to occur in the future. He asked if it is possible to schedule an occupancy tax payment in advance. Mr. Poole said he didn't think that option was available, and Mr. McKibbon responded it would be a nice enhancement to Buncombe County's online occupancy tax payment system.

Mr. Karvir made a motion to recommend to the Buncombe County Board of Commissioners to waive the penalty assessed to the Beaucatcher Motel, in the amount of \$990.51, as requested. Mr. Poole seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The waiver request and relevant documentation will be passed onto the Buncombe County Board of Commissioners for a final decision.

President's Report

Ms. Brown shared a PowerPoint presentation highlighting recent Explore Asheville and industry news and events, including the African-American Heritage Trail, new Asheville Regional Airport flights, the Asheville Symphony's David Whitehill being honored, a sales and marketing partner forum, the Tourism Management & Investment Plan, AENC care kits, and the Explore Asheville holiday party and CVB SuperStars. She answered all related questions.

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

Destination Dashboard, Quick List & CVB Staff Recap

CVB Staff Recaps, Destination Dashboards, Quick Lists, financial statements, board meeting minutes, agendas, and relevant research reports can be found on ExploreAshevilleCVB.com.

Appoint BCTDA Finance Committee

Chairman Froeba appointed four members to serve on the BCTDA's finance committee for this year to include: Chip Craig (chair), John Lockett, John Ellis and Ron Storto. He added all four have accepted his invitation and he extended his gratitude for their willingness to serve.

Asheville Art Museum TPDF Contract Revision Request

Chairman Froeba said the Asheville Art Museum's TPDF contract revision request has been tabled until a future meeting.

Spring Advertising Campaign Supplemental Funding Proposal

Ms. Brown gave a brief overview of board direction received over the past few years related to budget performance and Fund Balance. She spoke about advertising in a cluttered marketplace, room supply increases and local industry metrics, and national travel trends that point to economic uncertainty. Ms. Brown noted the board gave consensus to move forward on preparing a supplemental advertising proposal at last month's meeting and the CVB and 360i teams have been working diligently on the recommended plan that will be presented today.

Cindy Stein and Nick Smart of 360i, and Ms. Tambellini shared a PowerPoint presentation highlighting recent advertising and creative testing results and explained how the supplemental funding plan will bolster outreach in target markets via TV, radio, digital billboards, cinema, digital, and online search.

An additional \$150,000 funding proposal was presented to stimulate additional travel from select origin markets with non-stop flights through Asheville Regional Airport, with a focus on maximizing load capacity with inbound leisure travelers.

Next, Ms. Tambellini noted that misperceptions had arisen regarding a so called "savings" in the ad budget that stemmed from a presentation last year. She clarified that an analysis conducted by 360i noted a diminishing return based on the TV weights in

specific markets. At that time, the agency recommended some shifts and reallocation of \$900,000 in the FY 19 media budget to more efficient advertising mediums.

During and after the presentation, board members engaged in an active discussion regarding the supplemental advertising proposal, with Ms. Brown, Ms. Tambellini, Ms. Stein and Mr. Smart responding to all related questions. Topics of the conversation included: local and national trends, room supply increases, definition of a visitor, cinema advertising/ROI measurement, total of this year's advertising budget, percentage of Fund Balance as related to this one-time supplemental request, year-to-date budget status, non-stop flights, competitive markets, year-end Fund Balance, and appreciation for the staff being pro-active in this regard.

When the discussion ended, Ms. Tambellini said two separate actions are being requested and she asked board members to turn to the amendments provided. She said the first action is to consider a budget amendment for the supplemental advertising from Appropriated Fund Balance, in the amount of \$1,005,750. This will be applied to the Marketing cost center, Net Media ledger account, in the following spend categories: TV Media (\$182,365), Broadcast Radio (\$148,385), Paid Search (\$50,000), Out-of-Home Advertising (\$550,000), and Online Display (\$75,000).

Mr. Poole made a motion to approve the budget amendment for supplemental advertising, in the amount of \$1,005,750, as presented. Ms. Ashburn seconded the motion. There was no further discussion. A vote was taken and carried 7-1, with Mr. Celwyn casting the dissenting vote.

Ms. Tambellini said the second requested action is to consider the budget amendment to support non-stop flights, in the amount of \$150,000 from Appropriate Fund Balance. The funds will be applied to the Marketing cost center in the Out-of-Home spend category, which will bring the total FY 20 budget for this item to \$200,000.

Mr. McKibbin made a motion to approve the budget amendment to support non-stop flights, in the amount of \$150,000, as presented. Mr. Luckett seconded the motion. There was no further discussion. A vote was taken and carried 7-1, with Mr. Celwyn casting the dissenting vote.

The PowerPoint presentation and budget amendments are on file with the Explore Asheville Convention & Visitors Bureau.

Asheville City Council Update

Asheville City Councilwoman Mayfield reported on city-related business, including the FY 21 budget process and anticipated revenue gap, a proposed three percent property tax increase to benefit transit, renewable energy and affordable housing initiatives that she and Councilman Young have presented, the proposed Thomas Wolfe Auditorium renovations presentation, and the Urban Land Institute's upcoming presentation to share hotel development recommendations. She answered all related questions.

Next, Councilwoman Mayfield said at last night's Asheville City Council meeting, the Energy Innovation Task Force, which has worked for the past three years dedicated to avoiding or delaying Duke Energy's construction of a peaker plant and to develop a cleaner and smarter energy future, was officially dissolved. She highlighted the significant successes of the task force and said the group's ongoing responsibilities will transition to the Blue Horizons Project.

Councilwoman Mayfield said Mr. Karvir, as the BCTDA's appointee, has been a valuable member of the task force and she thanked him for his service.

Chairman Froeba thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Buncombe County Commissioner Joe Belcher reported on county-related business, including a \$600,000 designation for the Woodfin Greenway and Blueway project, strategic planning, the budget process, lights on at the Enka ballfields, and excitement over the upcoming announcement of board member appointments for the newly-established Parks, Greenways & Recreation Advisory Board.

Chairman Froeba thanked Commissioner Belcher for the report.

Miscellaneous Business

There was no miscellaneous business discussed at this meeting.

Comments from the General Public

Asheville Celtic Fest organizer Dave Donnell introduced two co-organizers who were with him and said they were in attendance to thank the BCTDA for supporting their inaugural event, taking place on February 15, with a Festival & Cultural Events grant.

Adjournment

Chairman Froeba adjourned the meeting at 10:34 a.m. The BCTDA will next meet on Wednesday, February 26, 2020, at 9:00 a.m., in the Board Room of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Sampson, Executive Operations Manager