

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 30, 2019

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Chip Craig, Himanshu Karvir, John Luckett, John McKibbon, Tom Ruff
- Absent (Voting):** None
- Present (Ex-Officio):** Asheville City Councilmember Julie Mayfield
Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** None
- BC Finance:** Don Warn, Autumn Lyvers
- CVB Staff:** Stephanie Brown, Marla Tambellini, Pat Kappes, Dianna Pierce, Jonna Reiff, Dodie Stephens
- Guests:** Richard Kort, McGuire, Wood & Bissette, BCTDA Counsel
Kit Cramer, Asheville Area Chamber of Commerce
Demp Bradford, Asheville Buncombe Regional Sports Commission
Jane Anderson, Asheville Independent Restaurant Association
Ron Storto, Past BCTDA Chair & ABRSC Board Member
John Ellis, BCTDA Finance Committee
Chris Corl, US Cellular Center Asheville
James Poole, The Foundry Hotel
John Beatty, NC Restaurant & Lodging Association
Tina Kinsey, Asheville Regional Airport
Lynne Harty, Homestay Network
Jim Tolbert, Steffi Rausch; Citizens' Climate Lobby
Lacy Cross, Entegra Bank
Susan Russo Klein, Roberts & Stevens
Maria Pilos, Johnson Price Sprinkle
Dillon Davis, Asheville Citizen-Times
Virginia Daffron, Brooke Randle; Mountain Xpress
Jason Sandford, Ashvegas
Holden Mesk, Sunshine Request

Executive Summary of Meeting Minutes

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, to order at 9:04 a.m.
- Minutes from the November 28, 2018 BCTDA regular meeting were approved with a 9-0 vote.
- Minutes from the January 10, 2019 BCTDA regular meeting were approved with a 9-0 vote.
- The November 2018 financial statements were approved with a 9-0 vote.
- The December 2018 financial statements were approved with a 9-0 vote.
- The CliftonLarsonAllen audit amendment to extend the completion date of the BCTDA's FY 2017-18 audit to March 31, 2019 was approved with a 9-0 vote.
- In her President's Report, Ms. Brown briefly reviewed recent Explore Asheville CVB and industry activities, metrics and initiatives.
- A budget amendment in the amount of \$285,000 to transfer funds from Executive and Marketing budgetary contingency lines to Marketing Contract & Professional Services was approved with a 9-0 vote.
- Tourism Product Development Fund contract amendment requests for the Asheville Community Theatre, the City of Asheville/US Cellular Center, and the City of Asheville/Riverfront Destination Development 2.0 projects were approved unanimously in three separate 9-0 votes.
- A TPDF project ordinance in the amount of \$4,300,000 to close the budgets of four completed projects was approved with a 9-0 vote.
- A motion to schedule a public hearing and act on TPDF project ordinances at the February 27, 2019 BCTDA meeting was approved with a 9-0 vote.
- Ms. Brown shared a PowerPoint presentation summarizing results of the 2017 Economic Impact Study completed by Tourism Economics.
- Demp Bradford provided an Asheville Buncombe Regional Sports Commission update.
- Updates from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- Chairman Muth welcomed the BCTDA's newest member, Tom Ruff, President of Biltmore's Attraction Division, to the board.
- Ms. Cramer encouraged meeting attendees to complete the chamber's 20-year strategic planning survey.
- Jim Tolbert, Tina Kinsey and Chris Corl each spoke under Comments from the General Public.
- The joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, adjourned at 10:24 a.m.

Call of the Joint BCTDA Meeting to Order

Chairman Muth called the joint meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:04 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

Chairman Muth extended congratulations to John McKibbon for the Aloft Asheville Downtown winning a Marriott Award for community service and corporate citizenship; to Chip Craig for Greybeard Realty celebrating 20 years in business; and to Jane Anderson for winning the "Food Person of the Year" Stoobie Award. He also wished Ms. Ashburn well as she prepares to participate in the "Dancing with the Local Stars" competition on February 24.

Approval of Meeting Minutes

November 28, 2018 Meeting Minutes

Mr. Karvir made a motion to approve the November 28, 2018 regular meeting minutes as presented. Mr. Lockett seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

January 10, 2019 Meeting Minutes

Mr. Karvir made a motion to approve the January 10, 2019 regular meeting minutes as presented. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

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

Financial Reports

November 2018 Financial Statements

Ms. Lyvers reviewed the November 2018 financial statements and answered all related questions.

Mr. Craig made a motion to approve the November 2018 financial statements as presented. Mr. McKibbon seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

December 2018 Financial Statements

Ms. Lyvers reviewed the December 2018 financial statements and answered all related questions. In response to Mr. Celwyn's question asking why there is a difference with revenue being up 11 percent and sales up 12 percent, Ms. Lyvers said she will investigate and report back to the board.

Mr. Karvir made a motion to approve the December 2018 financial statements as presented. Mr. Lockett seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

Both sets of financial statements are on file with the Explore Asheville Convention & Visitors Bureau.

Audit Contract Amendment

Ms. Lyvers presented the audit contract amendment requested by CliftonLarsonAllen LLP that will extend the required completion date of the BCTDA's FY 2017-18 audit from January 31 to March 31, 2019. Mr. Warn said this date coincides with Buncombe County's audit and the goal is to have the BCTDA's audit completed by the end of February.

Mr. Celwyn made a motion to approve the audit contract amendment as presented. Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

The contract amendment will be executed by Chairman Muth and kept on file with the Explore Asheville Convention & Visitors Bureau.

President's Report

Ms. Brown presented both the in-market and out-of-market editions of the *2019 Official Asheville Visitor Guide* that were provided to each board member. She commended Sarah Kilgore, Pat Kappes, and the Marketing and Public Affairs teams for their efforts in producing the guides in cooperation with the publishing company, and for coordinating free distribution to local businesses.

CVB Staff Recap

Ms. Brown briefly reviewed recent and upcoming CVB activities and initiatives from the January Recap, and highlights include:

- The annual holiday party held at the Renaissance Asheville Hotel in December was a success and she thanked contributing sponsors. SuperStar awards were presented to industry partners: John Almageur, Ruth Summers, June Vengoechea and Kevan Frazier. Contributions received for the Toys for Tots drive at the event totaled \$1,200 in monetary donations and 155 toys.
- Two public input sessions will be held on February 28 to receive community input on the wayfinding/signage program in the River Arts District.
- The annual Hospitality Outlook event will be held on February 22 at the Doubletree by Hilton Asheville Biltmore.
- Adam Sachs with Tourism Economics will be the keynote speaker at this year's Tourism Summit, to be held in May.

Destination Dashboard & Quick List

Ms. Brown reviewed several numbers from December's Destination Dashboard and Quick List and answered all related questions. A brief discussion took place related to reporting challenges associated with short-term rentals.

The CVB Staff Recap, Quick List, financial statements, board meeting minutes, agendas, and relevant research reports can be found on ExploreAshevilleCVB.com.

BCTDA Advertising Agency of Record

Ms. Tambellini said that at the January 10 meeting, 360i was announced as the BCTDA's new advertising agency of record. At that time, a one-month contract was executed utilizing funds within the current budget. She reviewed additional expenses related to the increase in agency retainer and anticipated research and advertising expenses that were also shared at the January 10 meeting. Ms. Tambellini then asked everyone to turn to the budget amendment in the board books. She said that to follow public hearing and notice requirements related to budget amendments, staff is seeking approval to transfer \$285,000 from the existing Executive and Marketing Budgetary Contingency lines to the Marketing Contract & Professional Services line to cover the increase in the retainer fee. She said this will allow staff to move forward with executing a year-long contract, noting additional funds related to these increased expenses will be requested at a future meeting.

Mr. McKibbon made a motion to approve the budget amendment in the amount of \$285,000 as presented, transferring \$190,000 from the Executive Office Budgetary Contingency line and \$95,000 from the Marketing Budgetary Contingency Line to the Marketing Contract & Professional Services line in the FY 2018-19 budget. Mr. Froeba seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

Chairman Muth will execute the budget amendment and it will be kept on file with the Explore Asheville Convention & Visitors Bureau.

Tourism Product Development Fund

Ms. Kappes shared a PowerPoint presentation and a backgrounder document with the board, requesting BCTDA approval of several Tourism Product Development Fund (TPDF) administrative items.

Contract Amendment Request – Asheville Community Theatre

Ms. Kappes said Asheville Community Theatre was awarded a \$1 million grant in the 2016 TPDF funding cycle to expand and renovate the theatre. The project was originally scoped in three phases, and the TPDF grant was awarded for phases one and two. Theatre representatives have combined the second and third phases of construction into one and, therefore, will not meet the March 2019 completion requirement as outlined in the contract. They have requested an extension to the Fall of 2021. Ms. Kappes noted the first phase has been completed and a payment in the amount of \$430,000 disbursed, and she and Ms. Brown answered all questions posed by board members.

Mr. Luckett moved to extend the completion deadline for the Asheville Community Theatre's TPDF project contract to Fall 2021. Mr. Froeba seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

Contract Amendment Request – City of Asheville/US Cellular Center

Ms. Kappes said the City of Asheville was awarded a \$1.5 million grant in 2016 for a theater creation and meeting room conversion project at the US Cellular Center, and the contract deadline is March 1, 2019. She said most of the renovations have been completed, however, due to delays with the HVAC system, the city is requesting to extend the contract completion deadline to November 2019.

Mr. Celwyn moved to extend the completion date of the City of Asheville/US Cellular Center's TPDF project contract to November 2019. Mr. Luckett seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

Contract Amendment Request – City of Asheville/Riverfront Destination Development 2.0

Ms. Kappes said the City of Asheville was awarded a \$1 million grant in 2015 for the Beaucatcher Greenway and Amboy Crosswalk & River Access. \$975,000 of the \$1 million grant was allocated for the Beaucatcher Greenway and \$25,000 for the Amboy Crosswalk & River Access. The city's plans for the Beaucatcher Greenway have changed and that part of the project is not moving forward at this time. The Amboy Crosswalk & River Access is complete, however, no TPDF funds have been disbursed.

Ms. Kappes said the request is to approve a contract amendment for the 2015 City of Asheville's Riverfront Destination Development 2.0 project scope to remove the Beaucatcher Greenway, reducing the contract amount to \$25,000 for the Amboy Crosswalk & River Access. She and Ms. Brown answered all related questions.

Ms. Ashburn made a motion to approve the City of Asheville's Riverfront Destination Development 2.0 contract amendment and budget ordinance as presented, removing the Beaucatcher Greenway from the TPDF project scope and reducing the \$1 million grant by \$975,000 to total \$25,000. Mr. Craig seconded the motion. There was no discussion and the motion carried 9-0.

Budget Ordinance – Project Closures

Ms. Kappes presented a project ordinance in the amount of \$4,300,000 to close out the budgets of TPDF projects that have been completed.

Mr. Karvir made a motion to approve the budget ordinance in the amount of \$4,300,000 to close the following four TPDF project budgets as presented:

1. Black Mountain College Museum + Arts Center - \$200,000
2. Enka Center Ball Fields - \$2,000,000
3. Asheville Art Museum 2007 Grant - \$1,000,000 (*the 2009 grant in the amount of \$500,000 remains open*)
4. ABYSA – John B. Lewis Soccer Complex - \$1,100,000 (*\$899,522 was disbursed and \$200,478 returns to unallocated funds since the project came in under budget*)

Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

Motion to Schedule a Public Hearing for Project Ordinances

Ms. Kappes said the next two project amendments being presented are needed to establish budgets for seven TPDF projects, however, official action will be requested after a public budget hearing at the February BCTDA meeting.

The project ordinances are as follows:

- \$2,250,000 for the 2017 Buncombe County Government/Woodfin Greenway & Blueway project
- \$9,485,000 for six projects funded in the 2018 cycle:
 - \$6,000,000 – Buncombe County Government/Enka Recreation Destination
 - \$975,000 – Center for Craft/National Craft Innovation Hub
 - \$800,000 – Eagle Market Street Development Corp./YMI Cultural Center Improvements
 - \$705,000 – LEAF Community Arts/LEAF Global Arts Center
 - \$905,000 – NC Arboretum Society/Garden Lighting & Parking Enhancements
 - \$100,000 – River Front Development Group/African-American Heritage Museum at Stephens Lee Recreation Center

Mr. Luckett made a motion to schedule a public hearing and plan to act on the project ordinances at the next BCTDA board meeting on February 27, 2019. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

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

Economic Impact Report

Ms. Brown shared a PowerPoint presentation summarizing results of the 2017 Economic Impact Study report from Tourism Economics. During the presentation she answered all related questions. Ms. Brown said the report is found in the research section on ExploreAshevilleCVB.com. She also provided a one-page "Tourism Builds Community" summary document that highlights key points from the study that can easily be shared.

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

Asheville Buncombe Regional Sports Commission Update

Mr. Bradford gave an update on recent Asheville Buncombe Regional Sports Commission activities and successes. He reviewed awards received, recent and upcoming events, and Fed Cup and Southern Conference highlights and volunteer opportunities. Mr. Bradford answered all related questions during his report and concluded the update by thanking the BCTDA for its ongoing support.

Asheville City Council Update

Councilwoman Mayfield reported on city-related business, including forward movement on developing the property at 68 Haywood Street and challenges associated with repairing the J.B. Lewis Soccer Fields that were devastated in last year's flood events. A brief discussion took place centering on the impact the fields being out of commission is having on sports tourism.

Chairman Muth thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including a ribbon cutting at the new Buncombe County Schools Aquatic Center, a drown-proofing program for local students at the pool, grants to rename the bridge and improve the road to the new Haakon Industries plant in Enka, the Buncombe County Sports Park, new funding models for affordable housing and A-B Tech, and the anticipated appointment of a new county manager.

Chairman Muth thanked Commissioner Belcher for his report.

Miscellaneous Business

Chairman Muth welcomed Tom Ruff as the newest voting member of the BCTDA, filling the Asheville Area Chamber of Commerce's seat as a non-lodging, tourism-related representative. Chairman Muth said Mr. Ruff is the President of Biltmore's Attraction Division and will be a real asset to the board.

Ms. Cramer encouraged everyone to participate in the Asheville Area Chamber of Commerce's community-wide, strategic planning process to create a 20-year vision for Asheville by completing a survey on AshevilleGreater.org.

Comments from the General Public

Jim Tolbert, Outreach Director for the Citizens' Climate Lobby, spoke about climate change and the impacts weather-related events can have on the Asheville area's tourism industry. Mr. Tolbert encouraged the board to take a position to support the Energy Innovation and Carbon Dividend Act, which was 'enacted to drive down America's carbon pollution and bring climate change under control, while unleashing American technology and ingenuity.' Councilwoman Mayfield said Asheville City Council has adopted a resolution in support of this Act. Chairman Muth thanked Mr. Tolbert for presenting this information to the BCTDA.

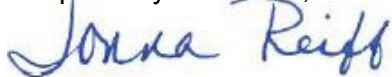
Tina Kinsey, Director of Marketing, PR & Air Service Development for the Asheville Regional Airport, said American Airlines just announced a new daily flight from AVL to Dallas Fort Worth International Airport beginning in May. She also expressed gratitude to the Explore Asheville staff and the BCTDA board for their ongoing support of the airport.

US Cellular Center General Manager Chris Corl said Bill Nye will be speaking about climate change in the Thomas Wolfe Auditorium on April 1.

Adjournment

Chairman Muth adjourned the meeting at 10:24 a.m. The BCTDA will next meet on Wednesday, February 27, 2019, at 9:00 a.m., in the Board Room of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager