

Explore ASHEVILLE

Buncombe County Tourism Development Authority

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

Via Zoom Webinar due to the COVID-19 Pandemic/State of Emergency

Virtual Board Meeting Minutes

Thursday, March 25, 2021

- Present (Voting):** Himanshu Karvir, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Brenda Durden, John Luckett, John McKibbon, Kathleen Mosher
- Absent (Voting):** James Poole
- Present (Ex-Officio):** Asheville City Councilmember Sandra Kilgore
Buncombe County Commissioner Robert Pressley
- Absent (Ex-Officio):** None
- CVB Staff:** Victoria Isley, Marla Tambellini, Dianna Pierce, Pat Kappes, Jonna Sampson, Daniel Bradley
- BC Finance:** Don Warn, Buncombe County/BCTDA Fiscal Agent
- Legal Counsel:** Sabrina Rockoff, McGuire, Wood & Bisette
- Online Attendees:** Carli Adams, Glenn Cox, Kathryn Dewey, Hannah Dosa, Connie Holliday, Josh Jones, Jennifer Kass-Green, Sarah Lowery, Kathi Petersen, Tina Porter, Glenn Ramey, Charlie Reed, Whitney Smith, Landis Taylor, Nicole Will; Explore Asheville Staff
Ashley Keetle, 360i
Kit Cramer, Asheville Area Chamber of Commerce
Jane Anderson, Asheville Independent Restaurant Association
Sharon Tabor, Black Mountain-Swannanoa Chamber of Commerce
Chip Craig, John Ellis, Jim Muth; Past BCTDA Board Members
Rick Bell, Engadine Inn & Cabins/Asheville B&B Association
Ruth Summers, Grove Arcade Public Market Foundation
Marshall Hilliard, Windsor Hospitality
Daniel Walton, Mountain Xpress
WLOS News
Sunshine Request

Executive Summary of Meeting Minutes

- Chairman Karvir called the virtual joint regular meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, to order at 9:00 a.m.
- Minutes from the February 24, 2021, BCTDA regular monthly meeting were approved with a 7-0 vote.
- The February 2021 financial statements were approved with an 8-0 vote.
- The FY 21 CliftonLarsonAllen audit contract was approved with an 8-0 vote.

- In her President & CEO's report, Ms. Isley reviewed recent lodging metrics and the four strategic pillars that will direct recovery efforts and initiatives.
- Retiring VP of Sales Dianna Pierce was recognized for her contributions after having served on the Explore Asheville team for a total of 26 years.
- Mr. Luckett provided a finance committee report and Ms. Isley shared a presentation outlining trends and projections related to forecasting the FY 22 budget.
- With an 8-0 vote, the revenue objective for the BCTDA's FY 22 budget was set at a 9% increase over revenue received in FY 19.
- With an 8-0 vote, the Tourism Product Development Fund committee was reengaged for the purpose of reviewing funding requests.
- Brief reports from Asheville City Councilmember Sandra Kilgore and Buncombe County Commissioner Robert Pressley were provided.
- With an 8-0 vote, the BCTDA meeting adjourned at 9:57 a.m.

Call of the Joint BCTDA Meeting to Order

Chairman Karvir called the virtual joint regular meeting of the Buncombe County Tourism Development Authority (BCTDA), a Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:00 a.m. He said meeting documents are provided on the AshevilleCVB.com website and additional materials will be posted after the meeting.

Board Member Roll Call: Board members responded as Chairman Karvir called roll verifying all BCTDA members were virtually in attendance, except for Mr. McKibbon, who joined the meeting at 9:08 a.m., and Mr. Poole, who was absent.

Approval of Meeting Minutes

Ms. Ashburn made a motion to approve the February 24, 2021, regular meeting minutes as presented. Mr. Luckett seconded the motion. There was no discussion and with all in favor via a roll call vote, the motion carried 7-0.

Financial Reports

February 2021 Financial Reports

Mr. Warn reviewed the February 2021 financial reports. There were no questions.

Mr. Luckett made a motion to approve the February 2021 financial reports as presented. Mr. Celwyn seconded the motion. There was no discussion and with all in favor via a roll call vote, the motion carried 8-0.

FY 21 Audit Contract

Mr. Warn said board approval is needed for the CliftonLarsonAllen FY 21 audit contract, which was sent to the board in advance of the meeting along with the engagement letter. He noted this is a standard contract and the fee changed from \$8,650 to \$8,820, representing a minimal increase over last year.

Ms. Ashburn made a motion to approve the CliftonLarsonAllen/BCTDA FY 21 audit contract as presented. Vice Chairman Froeba seconded the motion. There was no discussion and with all in favor via a roll call vote, the motion carried 8-0.

President & CEO's Report

Ms. Isley shared a PowerPoint presentation in which she reported on the One Buncombe Fund and February hotel occupancy metrics. She also clarified misinterpretations related to October 2020 accommodations sales, where a 76% increase in vacation rentals sales over the prior year led to a positive month overall, while hotel/motel revenue was down 8% percent in October.

Next, Ms. Isley said the annual planning retreat will focus on Tourism's Four Pillars and she looks forward to working with the board and wider community to further develop these strategic initiatives:

- Deliver Balanced Recovery & Sustainable Growth
- Encourage Safe & Responsible Travel
- Engage & Invite More Diverse Audiences
- Promote & Support Asheville's Creative Spirit

Dianna Pierce Retirement

Ms. Isley and Chairman Karvir recognized and paid tribute to outgoing VP of Sales Dianna Pierce, who is retiring after a total of 26 years as a member of the Explore Asheville team. It was noted that Ms. Pierce was hired shortly after the BCTDA was formed in 1983 to fill the CVB's first group sales position. She left after five years, holding various positions with lodging partners, and rejoined the CVB team in 2000. Ms. Pierce's accomplishments during her tenure have been significant and were highlighted during the meeting.

Speaking on behalf of the BCTDA, hoteliers, and the community at large, Chairman Karvir thanked Ms. Pierce for her leadership and service for over a quarter of a century working to bring groups and meetings to the Asheville area.

Ms. Isley also thanked Ms. Pierce and said she is especially appreciative of her efforts over the past year in tirelessly leading the sales team to bring Asheville to clients via virtual platforms during the pandemic.

Ms. Pierce thanked Chairman Karvir and Ms. Isley for their kind words. She said it has been a blessing to be part of an effort that has been successful, noting when she first started with the CVB, downtown Asheville was largely boarded up and vacant. Ms. Pierce expressed her gratitude to BCTDA visionaries, past and present board members and CVB leadership, and the group sales and services team.

Ms. Isley concluded her report by stating the CVB Staff Recap, Destination Dashboard, and Quick List are posted on [AshevilleCVB.com](https://www.ashevillecvb.com).

FY 22 Budget Process

Finance Committee Report

Mr. Luckett, BCTDA finance committee chair, said the committee has met on two occasions to review scenarios and trends to help formulate a FY 22 revenue objective recommendation. He said the committee includes Ms. Mosher, Chip Craig, and himself, with staff support from Ms. Isley and Jennifer Kass-Green. Mr. Luckett said that with the past year being an anomaly, the committee has reviewed figures from the past few years and, factoring in current signs of recovery, will be recommending the FY 22 revenue objective be set at a 9% increase over FY 19 – the last full “regular” year before the start of the COVID-19 pandemic.

Trends & Budget Projections

Ms. Isley shared a PowerPoint presentation that centered on trends, performance data, and revenue breakdowns by lodging sectors. Noting the challenges that come with creating a budget with many unknowns, she provided three different budget scenarios that were presented to the finance committee for discussion. These scenarios included “upside, baseline, and downside” projections, and she presented occupancy tax forecasts associated with each one.

Establish Revenue Objective

Ms. Isley said that as Mr. Luckett previously stated, based on the information reviewed and presented, the BCTDA finance committee’s recommendation is to establish a revenue objective of \$27,159,586 for FY 22, which represents a 9% increase over revenue received in FY 19, and a 15% increase over revenue forecasted to be received in FY 21.

Mr. Luckett said once the revenue objective is established, the committee will continue to provide guidance while staff builds the proposed FY 22 budget.

Next, Mr. Luckett and Ms. Isley answered all related questions and received input on travel trends from board members. Chairman Karvir thanked Mr. Luckett and the members of the finance committee for their efforts to arrive at this recommendation.

Mr. Luckett made a motion to accept the recommendation of the BCTDA’s finance committee and establish the FY 22 revenue objective at \$27,159,586, which represents a 9% increase over revenue received in FY 19. Ms. Mosher seconded the motion. There was no further discussion and with all in favor via a roll call vote, the motion carried 8-0.

Reengage Tourism Product Development Fund Committee

Ms. Kappes said capital funding requests have been received from two organizations that have been awarded Tourism Product Development Fund (TPDF) grants in the past. She stated legislation requires that a TPDF committee review all requests in order to present funding recommendations to the BCTDA for consideration. Ms. Kappes said if the BCTDA wishes to consider the requests, staff seeks board approval to reengage the existing TPDF committee to review the proposals.

Ms. Kappes said The Wortham Center is requesting \$60,000 for a camera system for virtual engagements and an air ionization system, and the Asheville Downtown Association is requesting \$150,000 for a large mobile stage for outdoor performing arts events. She added each request is being submitted with the intent to enable multiple event organizers and performing arts organizations in the community to benefit from using these facilities. Ms. Kappes added the Asheville Area Arts Council is developing a 2021 Events Support Pilot Program to help cultural arts presenters and organizations offset overhead costs associated with event production until they can reestablish funding reserves.

Next, Ms. Kappes and Ms. Isley answered all related questions. A brief conversation took place centering on the funding requests, next steps regarding the Tourism Management & Investment Plan (TMIP) process, anticipated occupancy tax legislation changes that will affect TPDF expenditures, and COVID-19 related challenges for performing arts venues.

When the conversation ended, Ms. Mosher moved to approve staff's request to reengage the TPDF committee for the purpose of reviewing funding requests. Ms. Durden seconded the motion. There was no further discussion and with all in favor via a roll call vote, the motion carried 8-0.

Asheville City Council Update

Councilmember Kilgore reported on recent city-related business, including Asheville City Council's FY 21 Action Plan related to affordable housing, the school board appointment process, and council's 6-1 vote to remove the Vance Monument.

Chairman Karvir thanked Councilmember Kilgore for the update.

Buncombe County Commission Update

Commissioner Pressley reported on recent county-related business, including the success of Southern Conference, and Governor Cooper's relaxation of COVID-19 restrictions leading to increased business for our community. He thanked the BCTDA for its \$40,000 contribution to the One Buncombe Fund.

Chairman Karvir thanked Commissioner Pressley for the report.

Miscellaneous Business

There was no miscellaneous business discussed at this meeting.

Comments from the General Public

Written Public Comments

Chairman Karvir said members of the public were invited to submit comments via email to reply@ExploreAsheville.com through 4:00 p.m. on Wednesday, March 24, 2021. He reported there were no comments received.

Live Public Comments

Chairman Karvir said members of the public were invited to sign-up to verbally share live comments during today's virtual BCTDA meeting. He reported that as of yesterday's 12:00 p.m. deadline, no requests to speak had been received.

Adjournment

Chairman Karvir said that while he wishes board members could meet in person, the BCTDA's two-day annual planning retreat that begins at 12:30 today will be engaging and informative, even utilizing an online platform. He added he looks forward to receiving input on the strategic planning process and requested a motion to adjourn the meeting.

Mr. Luckett moved to adjourn the meeting and Mr. Celwyn seconded the motion. There was no discussion and with all in favor via a roll call vote, the motion carried 8-0 and the virtual meeting ended at 9:57 a.m.

The meeting PowerPoint presentation and relevant documents are on file with the Explore Asheville Convention & Visitors Bureau and posted on AshevilleCVB.com.

The next joint BCTDA gathering will be the board's annual planning retreat, to be held Thursday-Friday, March 25-26, 2021. The next regular monthly meeting will be on Wednesday, April 28, 2021, beginning at 9:00 a.m. via Zoom Webinar.

Respectfully submitted,



Jonna Sampson, Executive Operations Manager