

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, June 26, 2019

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Andrew Celwyn, Chip Craig, Himanshu Karvir, John Luckett, John McKibbon, Tom Ruff
- Absent (Voting):** Leah Ashburn
- Present (Ex-Officio):** Asheville City Councilwoman Julie Mayfield
Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** None
- CVB Staff:** Stephanie Brown, Glenn Cox, Pat Kappes, Dianna Pierce, Jonna Sampson
- BC Finance:** Don Warn
- Advertising Agency:** No one was in attendance from 360i
- Guests:** Sabrina Rockoff, McGuire, Wood & Bissette/BCTDA Legal Counsel
Kit Cramer, Asheville Area Chamber of Commerce
Bob McMurray, Black Mountain - Swannanoa Chamber of Commerce
Demp Bradford, Asheville-Buncombe Regional Sports Commission
Jane Anderson, Asheville Independent Restaurant Association
John Ellis, BCTDA Finance Committee
Tina Kinsey, Asheville Regional Airport
Rick Bell, Inn at Engadine
Jackson Tierney, Robin Gregory; Homestay Network
Holden Mesk, Sunshine Request
A.J. OLeary, Mountain Xpress Intern
James Barnes, North Asheville
Tim Collins, North Asheville
Sarah Skinner, West Asheville
Rick Lerche, DSA (Democratic Socialists of America)

Executive Summary of Meeting Minutes

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, to order at 9:03 a.m.
- Chairman Muth opened the public budget hearing to order at 9:06 a.m., and with no one requesting to comment on the proposed budgets, the hearing closed and the regular business of the BCTDA meeting began.
- The May 2019 financial statements were reviewed and approved with an 8-0 vote.
- Minutes from the May 29, 2019 BCTDA regular monthly meeting were approved with an 8-0 vote.
- In her President's Report, Ms. Brown briefly reviewed recent Explore Asheville and industry metrics and provided an update on the Tourism Management and Investment Plan (TMIP) process.
- The budget ordinance adopting the BCTDA's FY 2019-20 Operating, Tourism Product Development Fund Admin, and Earned Income budgets was approved with an 8-0 vote.
- A budget amendment to transfer \$194,722 in FY 2018-19 unspent funds allocated for TMIP into the FY 2019-20 Tourism Product Development Fund (TPDF) Admin budget was approved with an 8-0 vote.
- Attorney Sabrina Rockoff shared a PowerPoint presentation highlighting BCTDA board roles and responsibilities.
- A revised Contract, Signature and Procurement Card Policy was presented and approved with an 8-0 vote.
- Ms. Brown mentioned the Explore Asheville Employee Handbook was revised and sent to board members via email to review in advance of the meeting.
- Updates from Buncombe County Commissioner Joe Belcher and Asheville City Councilwoman Julie Mayfield were heard.
- Under Comments from the General Public, a question related to the definition of "public" as it refers to the BCTDA was asked and answered.
- Under Miscellaneous Business, items of interest were shared by Chairman Muth, Mr. Warn and Commissioner Belcher.
- Ms. Brown said today is Chairman Muth's last meeting as BCTDA Chair and thanked him for his years of service on the board.
- The joint meeting of the BCTDA, Public Authority and BCTDA, Nonprofit Corporation, adjourned at 9:50 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 9:03 a.m. and welcomed everyone. Introductions were made around the room.

Chairman Muth thanked Ms. Ashburn for Highland Brewing Company being the host venue for the Summer Social event, Mr. Karvir and his wife, Swati, for supporting the Horizons Summer Learning Program at Carolina Day School, and Mr. Celwyn for providing community grants through the Awesome Foundation.

Chairman Muth said this is Mr. McMurray's last meeting as he is retiring as Executive Director of the Black Mountain-Swannanoa Chamber of Commerce after 25 years in that role.

Call of Public Budget Hearing to Order

Chairman Muth called the public hearing to provide input on the BCTDA's proposed FY 2019-20 budget to order at 9:06 a.m. He asked if there was anyone present who would like to comment on the budget. As no one in attendance at the meeting requested to be heard, Chairman Muth closed the public budget hearing. *(A public budget hearing also took place at the May 29, 2019 BCTDA meeting when the budget was presented.)*

Financial Reports

May 2019 Financial Statements

Mr. Warn reviewed the May 2019 financial statements and answered all related questions.

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

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

Approval of Meeting Minutes

Mr. Froeba made a motion to approve the May 29, 2019 regular meeting minutes as presented. Mr. Celwyn 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.

President's Report

Tourism Management & Investment Plan Update

Ms. Brown shared an update on the year-long Tourism Management & Investment Plan (TMIP) process, which is currently still in Phase I (Assessment). She said the first meeting of the Community Leadership Council (CLC) took place on June 12 and 50 community leaders attended. Ms. Brown said a community sentiment survey is also in development to get input from the public. She said anyone interested in learning more about the plan can visit ExploreAshevilleCVB.com/TMIP to download documents, review updates, and to sign up to be notified about upcoming meetings. Ms. Brown answered questions and emphasized that public engagement opportunities are scheduled.

CVB Staff Recap, Destination Dashboard & Quick List

Ms. Brown briefly reviewed select metrics from the Staff Recap and Destination Dashboard and answered all related questions. Commissioner Belcher commented on the impressive success of the airport passenger numbers.

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

Approval of Proposed BCTDA FY 2019-20 Operating Budget, Tourism Product Development Fund Admin Budget, and Earned Revenue Budget Ordinance

On behalf of the BCTDA's finance committee, Mr. Craig presented the FY 2019-20 budget ordinance for approval. He noted the following:

- The budget ordinance was posted on ExploreAshevilleCVB.com for public inspection beginning on May 10.
- The ordinance, detailed budget, and program of work that were presented by Ms. Brown at the May 29 BCTDA meeting have not changed.
- A public hearing was held at the May 29 meeting after the budget was presented and one was offered at the start of today's meeting as well. A public notice was placed in the Asheville Citizen-Times' legal section.

There were no questions asked of Mr. Craig related to the budget.

Mr. Craig made a motion to approve the budget ordinance as presented, adopting the BCTDA's FY 2019-20 Operating Budget in the amount of \$19,358,035, the TPDF Admin Budget in the amount of \$504,950, and the Earned Income Budget in the amount of \$175,000. Mr. McKibbon seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The budget ordinance will be executed by Chairman Muth and kept on file with the Explore Asheville Convention & Visitors Bureau and Buncombe County Finance Department.

FY 2019-20 Budget Amendment for TMIP

Ms. Brown asked the board to turn to the budget amendment provided in the board books and in advance of the meeting. She explained that the funds approved in FY 2018-19 for the Tourism Management and Investment Plan (TMIP) will not be fully spent before the fiscal year ends on June 30, therefore, staff is presenting a budget amendment to transfer the unspent balance to the FY 2019-20 TPDF Admin budget. Ms. Brown said the \$194,722 being requested represents the balance of the original TMIP budget amendment approved by the BCTDA in March, less all expenses paid to date through June.

Mr. Craig made a motion to approve the budget amendment as presented, in the amount of \$194,722, to move unspent TPDF dollars in the Professional Services spend category in the FY 2018-19 TPDF Admin Budget for the Tourism Management & Investment Plan, to the same budget line in the FY 2019-20 TPDF Admin budget. Mr. McKibbon seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The budget amendment is on file with the Explore Asheville Convention & Visitors Bureau.

Policies & Procedures

Board Roles & Responsibilities

Ms. Brown said she has been working with Mr. Warn and the board's legal counsel to revise BCTDA policies. She said this process also provided an opportunity to review board roles and responsibilities and the Explore Asheville Employee Handbook.

Chairman Muth introduced attorney Sabrina Rockoff, managing partner of McGuire, Wood & Bissette and the BCTDA's legal counsel, to the board.

Ms. Rockoff said the BCTDA is the steward of the occupancy tax, and is a public entity serving a public purpose. She shared a PowerPoint presentation highlighting the statutory and legislative mandates that govern the Authority, including directives on how occupancy taxes can and cannot be spent. Ms. Rockoff emphasized that the General Assembly intends for the funds to be used to increase business for the local economy. She reviewed the mission, legislative mandates, and responsibilities of board members as viewed through the eyes of the court system.

During and after the presentation, Ms. Rockoff answered all related questions. Chairman Muth thanked her for the presentation.

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

Contract, Signature and Procurement Card Authority Policy

Ms. Rockoff said a draft Contract, Signature and Procurement Card Policy was presented at the May meeting, and she and Mr. Kort incorporated feedback received from board members into the revised policy being presented today. She noted Mr. Warn has reviewed and approved this final version.

Chairman Muth invited comments or questions from board members and, seeing that there were none, he called for action.

Mr. Craig made a motion to approve the Contract, Signature and Procurement Card Policy as presented, authorizing Chairman Muth to sign the resolution to officially adopt the policy. Mr. Froeba seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The policy and resolution are on file with the Explore Asheville Convention & Visitors Bureau.

Explore Asheville Employee Handbook

Ms. Brown said several revisions have been made to the Explore Asheville Employee Handbook and, instead of printing out the long document, she provided it via email to BCTDA board members in advance of the meeting. She noted Mr. Cox led the revision process in collaboration with Craft HR Solutions, Explore Asheville's human resources partner. Ms. Brown said that while board approval is not necessary, she thought it was important to share the Handbook with the board so that they are knowledgeable about staff policies and procedures. In response to Ms. Brown's invitation to provide feedback, Mr. Froeba commented that it was very well done.

The Employee Handbook is on file with the Explore Asheville Convention & Visitors Bureau.

Asheville City Council Update

Councilwoman Mayfield reported on recent city-related business, including an upcoming work session on the hotel approval process, a July 2 work session to discuss legal options regarding election districts, and passage of the City of Asheville's FY 2019-20 budget, which includes funding the next step in developing the Haywood Street property locally known as the "Pit of Despair."

Chairman Muth thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher reported on recent county-related business, including approval of the FY 2019-20 Buncombe County budget, which maintained the current property tax rate with no increase to taxpayers. He noted the budget included significant funding for early childhood education and affordable housing concepts, a revision to the strategic plan, funding for the EDC and Asheville Buncombe Regional Sports Commission, and an increase to bring full-time employees up to a minimum \$15 hourly rate where applicable.

Chairman Muth thanked Commissioner Belcher for the report.

Comments from the General Public

Referring to the slides in Ms. Rockoff's PowerPoint presentation, an audience member who did not identify himself asked for a definition of the word, "public," as it relates to the BCTDA. Ms. Rockoff explained that the BCTDA is a public entity governed by North Carolina state laws. Ms. Brown added that the public purpose of the BCTDA is to attract outside revenue to the area for economic vitality and, from 2009 to 2017, an extra billion dollars in revenue has come into the area to create jobs and support local businesses. She added the 25% of occupancy tax dollars that are dedicated to the Tourism Product Development Fund provide the additional public benefit of helping to build amenities that are enjoyed by both visitors and residents alike, including greenways, sporting venues, museums, theatres, and other local projects. The Fund has awarded \$44 million to community projects since the plan's inception. Commissioner Belcher added that if the BCTDA did not fund many of the projects in Buncombe County, the financial responsibility would fall on the city and county, thereby causing property taxes to increase for residents.

Miscellaneous Business

Commissioner Belcher said he attended the Hospitality Camp graduation at Erwin High School last week, and thanked Mr. Luckett and the Grand Bohemian Hotel Asheville for being a business partner for the camp.

Mr. Warn said with FY 2018-19 coming to an end, his team is busy preparing for the next fiscal year audit. He said he will present the FY 2019-20 audit contract from CliftonLarsonAllen for approval at the July 31, 2019 BCTDA meeting.

Chairman Muth encouraged everyone to register for and attend the free marketing seminar that 360i, the BCTDA's agency of record, will be presenting on Tuesday, August 6, from 9:00 a.m. to 5:00 p.m. in the Banquet Hall of the US Cellular Center. He said this will be a great opportunity for local companies and nonprofits to receive help with websites, social media, SEO, and marketing efforts.

Thanks to Outgoing Board Chair Jim Muth

Ms. Brown said that today marks Chairman Muth's last meeting as Chairman of the Buncombe County Tourism Development Authority, however, he will remain on the board through August when his second term ends. She thanked him for his leadership and the amazing job he has done for the past two years as chair, and for serving six years on the board.

Chairman Muth thanked Ms. Brown, the BCTDA board, and CVB staff members, stating this is a special group that cares about their community – both personally and professionally. He added being a part of this organization has been valuable to him.

A round of applause was received for Chairman Muth.

Adjournment

Chairman Muth thanked everyone for attending and adjourned the meeting at 9:50 a.m. The BCTDA will next meet on Wednesday, July 31, 2019, at 9:00 a.m., in the Board Room of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Sampson, Executive Operations Manager