

**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, October 31, 2018

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Chip Craig, Himanshu Karvir, John McKibbon
- Absent (Voting):** John Lockett, Tom Ruff (excused)
- Present (Ex-Officio):** Asheville City Councilmember Julie Mayfield
Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** None
- BC Finance:** Eric Hardy, Autumn Lyvers
- Advertising Agency:** No one was present from the Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Pat Kappes, Dianna Pierce, Jonna Reiff, Sarah Kilgore, Dodie Stephens, Justine Tullos, Elizabeth White
- CVB Staff Absent:** Glenn Cox
- Guests:** Paula Wilber, Biltmore and BCTDA Past Chair
Richard Kort, McGuire, Wood & Bisette
Robert Foster, Biltmore Farms Hotels & TPDF Committee Chair
Buncombe County Commissioner Robert Pressley
John Ellis, BCTDA Finance Committee
Bob McMurray, Black Mountain-Swannanoa Chamber
Jane Anderson, Asheville Independent Restaurant Association
Demp Bradford, Asheville-Buncombe Regional Sports Commission
Stephanie Moore, Mike Marcus; Center for Craft, Creativity & Design
Josh O’Conner, Karla Furnari; Buncombe County Recreation Services
Amanda Stratton, Jim Holland, Dan Hesse, Catlado Perrone; Buncombe County
Jennifer Pickering, Adam Bowers, Jim Diaz; LEAF Community Arts
Lisa Baker, The North Carolina Arboretum
Garrett Artz, RiverLink
Stephanie Swepson-Twitty, Eagle Market Streets Dev. Corp.

Catherine Mitchell, Marcell Proctor, Veronika Gunter; River Front Development Group
Dana Frankel, City of Asheville
Peter Pollay, Posana
Jackson Tierney, Homestay Network
Cindy Vismich Weeks, Mountain Housing Opportunities
Lacy Cross, Entegra Bank
Matilda Bliss, Andrew Fletcher; Area Residents
Jason Sandford, Ashvegas
Dillon Davis, Asheville Citizen-Times
Virginia Daffron, Mountain Xpress
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 9:06 a.m.
- Minutes from the September 26, 2018 BCTDA regular meeting were approved with a 7-0 vote.
- The September 2018 financial reports were approved with a 7-0 vote.
- A contract amendment to extend the BCTDA's FY 17-18 audit completion date, by Clifton Larson Allen LLP, to January 31, 2019, was approved with a 7-0 vote.
- CVB staff presented an in-depth review of the new Destination Dashboard report which, with the consensus of the BCTDA, will replace the monthly Visitor Index.
- In her President's Report, Ms. Brown reviewed recent Explore Asheville CVB and industry activities and initiatives.
- Robert Foster, chair of the Tourism Product Development Fund committee, presented the 2018 TPDF funding recommendations. In a unanimous 7-0 vote, the board approved the committee's recommendations and awarded \$9,485,000 to six community projects that will benefit both residents and visitors. These include: Buncombe County Recreation Services (\$6,000,000), the Center for Craft, Creativity & Design (\$975,000), Eagle Market Street Development Corporation (\$800,000), LEAF Community Arts (\$705,000), the North Carolina Arboretum Society (\$905,000), and the River Front Development Group (\$100,000).
- Ms. Kappes presented an African American Heritage Project proposal to utilize staff and TPDF/Wayfinding resources and work in partnership with the River Front Development Group, to develop the African American Heritage Trail. The proposal was approved with a 7-0 vote.
- Ms. Brown shared a TPDF Major Works Process Recommendation via a PowerPoint presentation which included steps staff will follow to develop a long-term TPDF investment plan. The recommendation was approved with a 7-0 vote.
- Updates from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- Under Miscellaneous Business, Demp Bradford and Bob McMurray expressed gratitude for the BCTDA's support.
- Under Comments from the General Public, Jackson Tierney, Matilda Bliss and Stephanie Swepson-Twitty shared remarks.
- The joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, adjourned at 11:07 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 9:06 a.m. and welcomed everyone.

The visitors in attendance introduced themselves.

Approval of Meeting Minutes

Mr. Celwyn made a motion to approve the September 26, 2018 regular meeting minutes as presented. Mr. Froeba seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

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

Financial Reports

September 2018 Financial Statements

Ms. Lyvers reviewed the September financial reports.

Occupancy tax revenue received in September for August sales totaled \$1,756,223. September expenditures totaled \$503,648. The net change to fund balance was \$1,315,499. September expenditures for Salaries & Benefits: \$153,094; Net Media: \$62,308; Research: \$11,850; Sales: \$21,503; Marketing: \$178,875; Public Affairs: \$2,379; Other Operating Expenditures: \$33,639; Events and Festivals/Sponsorships: \$40,000.

There is currently \$5,864,443 in undedicated funds in the Tourism Product Development Fund (TPDF).

Mr. Craig made a motion to approve the September 2018 financial reports as presented. Mr. Karvir 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 Explore Asheville Convention & Visitors Bureau.

BCTDA Audit Contract Amendment

Interim Buncombe County Finance Director Eric Hardy said that due to the change in scope for Buncombe County's audit, in which the BCTDA's audit is done in conjunction with, Clifton Larson Allen LLP has requested a timeline extension to complete the audit process. Mr. Hardy said the current contract calls for an October 2018 completion date. He is requesting approval of an amendment being presented to extend the deadline to January 31, 2019, marking the only change to the contract.

Ms. Ashburn made a motion to approve the audit amendment as presented, extending the audit completion date by Clifton Larson Allen LLP to January 31, 2019. Mr. McKibbon seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

Chairman Muth will sign the amendment and a copy will be retained at the Explore Asheville Convention & Visitors Bureau.

Tax Collection Update

Ms. Brown said the tax collection update on the agenda will be deferred to a later date in order to further collaborate with the Buncombe County Finance team.

Destination Dashboard Review

Ms. Brown presented the Destination Dashboard and Ms. Pierce and Ms. Tambellini explained the details of the sales and marketing sections.

Ms. Tambellini announced that the marketing department recently received news that the Explore Asheville CVB has won two Hospitality Sales and Marketing Association International (HSMAI) Adrian Awards: a Gold Adrian Award for the Asheville Music Project and a Silver Adrian Award for the Steep Canyon Rangers Partnership Initiative.

When the presentation ended, Ms. Brown said the staff recommends replacing the monthly Visitor Index with this new monthly Destination Dashboard report and asked if the board agreed, to which everyone nodded in consensus.

Chairman Muth thanked staff for presenting this new report and for monitoring and sharing these metrics. Ms. Brown commended Web Manager Elizabeth White for creating the Destination Dashboard.

The Destination Dashboard and other research reports can be found on ExploreAshevilleCVB.com.

President's Report

In her President's Report, Ms. Brown shared a PowerPoint presentation highlighting recent Explore Asheville CVB activities, including photos of the team working in the John Wilson Community Garden in Black Mountain as a service project, participation in our accommodations partners' *Sweet Dreams, Full Plates* initiative and video to raise money for Manna Food Bank, and sponsorship of the 5th Annual African American in WNC Conference held at UNC Asheville last weekend.

Ms. Brown answered all questions related to her report. The PowerPoint presentation is on file with the Explore Asheville Convention & Visitors Bureau.

The CVB Staff Recap, Visitor Index and Quick List were not reviewed at this meeting. The documents can be found, along with other meeting materials, on ExploreAshevilleCVB.com.

Tourism Product Development Fund Projects

Wayfinding Maintenance Request

Ms. Kappes said additional information is being collected on the wayfinding maintenance plan and the request will be presented for consideration at the November BCTDA meeting.

WNC Nature Center Contract Amendment Request

Ms. Kappes asked the board to turn to the information related to the WNC Nature Center request provided in the board books. She said the WNC Nature Center was awarded a TPDF grant in the amount of \$313,000 in 2015 for front entrance upgrades. The construction completion deadline in the contract is June 2018, and the organization is requesting to extend the deadline to December 28, 2018. The project is complete and a final Certificate of Occupancy is expected within the next two weeks.

Mr. McKibbin made a motion to approve an amendment to the WNC Nature Center's Tourism Product Development Fund grant contract as requested, extending the project completion date to December 28, 2018. Mr. Karvir and Ms. Ashburn simultaneously seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

2018 TPDF Funding Cycle Recommendations

Robert Foster, chairman of the Tourism Product Development Fund (TPDF) committee, said the 2018 application cycle went well and he is present today on behalf of the committee to make funding recommendations to the BCTDA. He shared a PowerPoint presentation highlighting the process the committee followed over the past several months that has led to the recommendations. Highlights of the presentation included:

- In Phase I of the funding cycle, eleven applications were received with a total request of \$12,261,952.
- One organization withdrew its proposal and nine organizations were invited to participate in Phase II, with a total funding request of \$10,440,577.
- Phase II applicants underwent a rigorous review process, which included submitting a long-form application, providing extensive supporting documentation, and giving in-person presentations of project details to the committee. Additionally, each applicant was asked to host a site visit for committee members, which provided deeper insight and context for the projects.
- The estimated undesignated balance of the TPDF fund through June 2019 is \$10,416,624.
- Six projects are being recommended for funding totaling \$9,485,000, and Mr. Foster shared details of each project to include photos and architectural renderings.
- Projects not recommended for funding in this cycle include the Asheville Museum of Science Entrance Beautification and the Wild Food Foundation – Tourism Event Center.

Mr. Foster said that the TPDF committee recommends approving the following six projects for funding based on legislative requirements and established criteria:

Project: Enka Recreation Destination

Organization: Buncombe County Recreation Services

Requested: \$6,000,000 | Award recommendation: \$6,000,000

Buncombe County Recreation Services is expanding and improving the Buncombe County Sports Park (BCSP) and the Bob Lewis Ballpark and creating the Enka Heritage Trail to provide unique infrastructure that allows for ease of access between the two parks and nearby amenities. Improvements include the addition of lights on soccer and softball fields to allow for nighttime play, adding turf to three soccer fields (two existing

and one new), creation of a recreation-quality multi-purpose community field, development of a dog park, increased parking, construction of a picnic pavilion with restrooms and Wi-Fi, and establishment of several fitness and recreation courses. The project also aims for connectivity between the Bob Lewis Ballpark and BCSP while adding a major spoke of the Buncombe County Greenway system. The Enka Heritage District includes construction of an ADA-compliant bridge over Hominy Creek and two miles of paved interpretive trail/greenway that connects to Sand Hill Road and allows for neighborhood connectivity while also featuring unique aspects of the area including an area of river cane, of historical importance to the Cherokee.

Project: Center for Craft - National Craft Innovation Hub

Organization: Center for Craft, Creativity & Design

Requested: \$975,000 | Award recommendation: \$975,000

The National Craft Innovation Hub is an expansion of the Center for Craft, Creativity & Design's historic 1912 structure, located at 67 Broadway Street. The new space will create an additional 7,000 square feet that will expand the first-floor gallery as well as add an auxiliary gallery, a lecture space, classrooms and workshops, a co-working space and lounge area. Also included is a new artist-designed parklet at the entry. This project will enhance Asheville's downtown by developing a cultural gateway, connecting cultural assets along the Broadway-Pack Square-Biltmore corridor.

Project: Historic African American Business District - YMI Cultural Center Improvements

Organization: Eagle Market Streets Development Corporation, CDC

Requested: \$930,577 | Award recommendation: \$800,000

The YMI Cultural Center, in collaboration with Eagle Market Streets Development Corporation (EMSDC), will undertake extensive upgrades to the historic facility that expands opportunities for further events and exhibits. Additional work will create updates to gallery space, the auditorium and develop a state-of-the-art media system.

The TPDF Committee recommended partial funding in support of the YMI Cultural Center portion of the proposed project scope. The balance of proposed scope included improvements to office space located in the Del Cardo Building; the planned use of offices did not meet the legislative requirements of the fund.

Project: LEAF Global Arts Center

Organization: LEAF Community Arts (LEAF)

Requested: \$705,000 | Award recommendation: \$705,000

LEAF plans to open the LEAF Global Arts Center in the historic Del Cardo building on Eagle Street where guests can enjoy educational experiences rooted in music, art, community and culture. The 3,300 sq. ft. center will provide a variety of experiences separated into a variety of zones throughout the Center that highlight music, art and culture from around the world. A mini-theater and international global immersion room will use virtual reality and the global sound underground area will encourage experimentation with unique musical instruments from around the world. A small stage for performances, recording stations and interactive artist workstations are also featured in the center.

Project: The North Carolina Arboretum - Garden Lighting and Parking Enhancements

Organization: North Carolina Arboretum Society

Requested: \$905,000 | Award recommendation: \$905,000

The North Carolina Arboretum Society will add decorative lighting in the gardens and key facilities that creates evening experiences and events throughout the year. Additional parking and landscaping are also included in this project to expand capacity for both daytime and evening attendance.

Project: African-American Heritage and Cultural District - Museum at Stephens-Lee Community Center & Heritage Trail

Organization: River Front Development Group

Requested: \$550,000 | Award recommendation: \$100,000

This project by the River Front Development Group celebrates the community's African American heritage and consists of two distinct components. Development of an African-American Heritage and Cultural District will connect downtown Asheville to historically African-American neighborhoods. The project also develops an interactive museum at Stephens-Lee Community Center (in partnership with the Asheville Art Museum and the Preservation Society), which will highlight and recognize the history and contributions of the community's African-American population. BCTDA approved TPDF funds for the museum component. The District signage and interpretive markers will be funded through the BCTDA Wayfinding Program and Explore Asheville staff will work directly with a River Front Development Group advisory group on content development for an African-American heritage trail and signage as well as incorporating it into a mobile-responsive project-branded micro-site. The TPDF committee recommended the \$100,000 award with a waiver to disregard the guideline for matching funds.

Mr. Foster said Ms. Brown will be making a recommendation to the BCTDA later in the meeting to suspend the grant cycle in 2019 in order to assess projects for multi-year investments using the Major Works Pathway.

Mr. McKibbon thanked Mr. Foster and the TPDF committee for their investment of time and commended everyone for doing a great job to vet these projects and bring forth the funding recommendations. He added these projects will be wonderful assets for the community.

Mr. McKibbon made a motion to award Tourism Product Development Fund grants totaling \$9,485,000 to the following six community projects as presented, which includes undesignated TPDF revenue received to date plus revenue anticipated to be received through the current fiscal year ending June 30, 2019:

1. \$6,000,000 to Buncombe County Recreation Services for the Enka Recreation Destination project;
2. \$975,000 to the Center for Craft, Creativity & Design for the National Craft Innovation Hub;
3. \$800,000 to the Eagle Market Street Development Corporation, CDC, for YMI Cultural Center Improvements;
4. \$705,000 to LEAF Community Arts for the LEAF Global Arts Center;

5. \$905,000 to the North Carolina Arboretum Society for the Garden Lighting and Parking Enhancements project;
6. \$100,000 to the River Front Development Group for the Museum at Stephens-Lee Community Center Project.

Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

Chairman Muth, Councilwoman Mayfield and Commissioner Belcher echoed Mr. McKibbon's expression of gratitude to the TPDF committee and commended the applicants for their passion to envision and develop these projects to benefit the community for visitors and residents alike.

The Explore Asheville CVB will inform the recipients of the BCTDA's approval and grant agreements will be prepared and executed for each project.

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

African American Heritage Project Proposal

Ms. Kappes shared a PowerPoint presentation outlining the African American Heritage Project Proposal being recommended by staff in conjunction with the TPDF grant that was just awarded.

The grant was approved in the amount of \$100,000 for museum space at the Stephens-Lee Recreation Center. The proposal is to utilize staff resources and fund the development of the Heritage Trail, which will include 19 interpretative markers and four entry points to the district that celebrate cultural, historical and architectural treasures in walkable and historic districts. Staff would provide resources to include content development and design for trail markers and a website, and marker fabrication and installation. Staff will also convene an advisory group of neighborhood associations, community stakeholders and municipal partners for this community-driven process.

During the presentation, Ms. Kappes explained how the CVB's creative and collaborative expertise can be useful in this process, adding the trail signs can be incorporated into the Wayfinding program. She and Ms. Brown then answered all related questions. In response to Mr. Froeba's question related to cost, Ms. Brown responded that the planning and design work can start as early as this fiscal year and be done in-house, with hard costs associated with the project coming back to the BCTDA for TPDF funding consideration at a later date.

Mr. Karvir made a motion to approve the recommendation for CVB staff to move forward on the African American Heritage Project Proposal as presented. Mr. Craig seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

Chairman Muth thanked Ms. Kappes for bringing this initiative before the BCTDA. The PowerPoint presentation is on file with the Explore Asheville Convention & Visitors Bureau.

TPDF Major Works Process Recommendation

Ms. Brown shared a PowerPoint presentation centering on how *Tourism Builds Community*. She reviewed the BCTDA's Mission and Vision, an overview of how occupancy tax dollars are allocated (75% to marketing and sales and 25% to TPDF), and the economic impact of marketing and sales efforts on visitor spending.

Next, Ms. Brown shared a brief history of the TPDF beginning with it being established by legislation in 2001, and subsequent review process refinements the Fund has undergone over the years.

Ms. Brown then posed a series of "What If" questions asking about possible outcomes if a long-term strategic investment plan for the TPDF was developed to collaborate with municipal partners to align infrastructure needs and destination management principles. The plan would be in compliance with legislative mandates, while preserving and protecting community assets.

Ms. Brown then presented the following staff recommendations to establish a TPDF Major Works Planning Process:

1. Develop a long-term investment plan to:
 - Assess current opportunities;
 - Collaborate with project partners;
 - Identify destination best practices for tourism management.
2. Create a BCTDA Steering Committee to oversee the process while maintaining the integrity and responsibilities of the TPDF Committee:
 - The Steering Committee would work with consultants and project partners to shape proposals.
 - The TPDF Committee would evaluate proposals based on established requirements and criteria and make recommendations to the BCTDA for final approval as mandated by state law.
3. Request a proposal from PGAV and Magellan Strategy Group to define the process and provide professional expertise.
4. Pause the TPDF application process in 2019 to devote resources to the Major Works Planning Process.

A discussion centering on this proposal took place with board members offering their input and support and Ms. Brown answering all related questions.

Mr. Karvir made a motion to move forward with the TPDF Major Works Planning Process as presented. Ms. Ashburn seconded the motion. There was no further discussion and with all in favor, the motion carried 7-0.

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

Asheville City Council Update

Councilwoman Mayfield reported on city-related business, including the hiring of a new city manager, the success of the downtown EMT initiative, tactical urbanism on Coxe Avenue, and a new affordable housing initiative. She also shared insight on the majority of Asheville City Council's input when they were presented with plans for a new hotel on Biltmore Avenue at last night's meeting, which led to developers withdrawing the proposal prior to a vote being taken.

Chairman Muth thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher said he is still relishing in the great news of Buncombe County receiving the \$6 million TPDF grant. He thanked the BCTDA board and said the project will be a great benefit to Buncombe County and its residents.

Commissioner Belcher then reported on county-related business, including the hiring of Don Warn as Finance Director, approval to commission a study to assess city and county schools, the investment of \$3.6 million in early childhood education, strong communication amongst current commissioners, grant approvals, the county manager search, early voting numbers to date, and changes in Buncombe County staff and processes implemented over the past few months.

Chairman Muth thanked Commissioner Belcher for the report.

Miscellaneous Business

Asheville Buncombe Regional Sports Commission Executive Director Demp Bradford thanked the BCTDA for its support of the ABRSC both directly in the form of financial support, and indirectly by approving TPDF funding to develop or improve area sporting venues. He shared upcoming sporting events the ABRSC is working on, including a 26-team wrestling tournament in December and the unprecedented occurrence of Asheville hosting Fed Cup for two consecutive years.

Mr. McMurray said the Black Mountain-Swannanoa Chamber is celebrating 100 years in its current building and he thanked everyone who attended the anniversary event.

Comments from the General Public

Jackson Tierney said there are 700 legal homestay permit holders in the area and they have formally organized as a group. He shared the mission statement and said a kick-off meeting was held last night with 115 members in attendance, and speakers included Ms. Brown and representatives from Airbnb. He said the group is looking forward to working with the BCTDA board and CVB staff.

Matilda Bliss said she appreciated the initiative Ms. Kappes presented on the Stephens-Lee Recreation Center and urban renewal, and the BCTDA's conversation regarding infrastructure in Asheville. She encouraged the board to learn more about a needle exchange program issue in West Asheville and the ongoing effects of climate change.

Stephanie Swepson-Twitty, President and CEO of Eagle Market Street Development Corporation (EMSDC), thanked the board and staff for the approval of the TPDF grant. She added it provides the EMSDC with an awesome opportunity and she hopes to deliver a stellar outcome for the community.

Adjournment

Chairman Muth adjourned the meeting at 11:07 a.m. The BCTDA will next meet on Wednesday, November 28, 2018, at 9:00 a.m., in the Boardroom of the Explore Asheville Convention & Visitors Bureau.

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