

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

Wednesday, November 18, 2020

- Present (Voting):** Himanshu Karvir, Chair; Gary Froeba, Vice Chair; Andrew Celwyn, Brenda Durden, John Luckett, John McKibbon, Kathleen Mosher, James Poole
- Absent (Voting):** Leah Ashburn
- Present (Ex-Officio):** Asheville City Councilmember Julie Mayfield
Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** None
- CVB Staff:** Chris Cavanaugh, Marla Tambellini, Pat Kappes, Jonna Sampson, Daniel Bradley
- BC Finance:** Don Warn, Buncombe County/BCTDA Fiscal Agent
- Legal Counsel:** Sabrina Rockoff, McGuire, Wood & Bissette
- Online Attendees:** Dianna Pierce, Carli Adams, Glenn Cox, Connie Holliday, Sarah Lowery, Kathi Petersen, Tina Porter, Glenn Ramey, Charlie Reed, Whitney Smith, Jason Tarr, Nicole Will; Explore Asheville Staff
Victoria Isley, Incoming Explore Asheville CEO
Demp Bradford, Madison Davis; Asheville-Buncombe Regional Sports Commission
Dewana Little, Nina Ireland, Anthony Thomas; YMI Cultural Center
Catherine Miller, Joel Horne, Dan Levine; Self-Help
Kit Cramer, Asheville Area Chamber of Commerce
Angie Arner, Kelsey Ann Bassel, Ashley Evangelista, Meghan Jackson, Ashley Keetle, Emery Morris, Nick Smart; 360i
Jane Anderson, Asheville Independent Restaurant Association
Jim Muth, Asheville Buncombe Hotel Association
John Ellis, Past BCTDA Board Member
Jackson Tierney, Bob Michel; Asheville Homestay Network
Sharon Tabor, Black Mountain-Swannanoa Chamber
Jason Sandford, Ashvegas
Daniel Walton, Mountain Xpress
Sunshine Request

Additional tourism industry partners and members of the public registered in advance and viewed the online meeting.

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 October 28, 2020 BCTDA regular monthly meeting were approved with an 8-0 vote.
- The October 2020 financial statements were approved with an 8-0 vote.
- Mr. Warn reported that the Buncombe County Commissioners approved the BCTDA's recommendation to approve all COVID-19 related occupancy tax penalties due through September 20.
- Demp Bradford provided an update on the Maui Invitational basketball tournament.
- In his Interim Executive's report, Mr. Cavanaugh reviewed recent lodging metrics and CVB activities.
- A YMI Cultural Center project update was provided and a motion to approve the TPDF contract amendment as requested was approved with an 8-0 vote.
- Brief updates from Buncombe County Commissioner Joe Belcher and Asheville City Councilmember Julie Mayfield were provided.
- Outgoing board members Buncombe County Commissioner Joe Belcher and Asheville City Councilmember Julie Mayfield were recognized for serving on the BCTDA board and for their contributions to the community during their tenures.
- Under Miscellaneous Business, Chairman Karvir encouraged everyone to shop local and support the Asheville area's businesses this winter and holiday season.
- Chris Cavanaugh was recognized for serving as Explore Asheville's interim executive for the past five months.
- Chairman Karvir reported that no public comments were received in advance of today's meeting.
- With an 8-0 vote, the BCTDA meeting adjourned at 10:51 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 welcomed board members and online attendees and said meeting materials are provided on the AshevilleCVB.com industry website.

Board Member Roll Call: Board members responded as Chairman Karvir called roll verifying all BCTDA members were virtually in attendance, except for Leah Ashburn, who was absent from the meeting.

Approval of Meeting Minutes

Mr. McKibbin made a motion to approve the October 28, 2020 regular meeting minutes as presented. Mr. Lockett seconded the motion. There was no discussion and with all in favor via a roll call vote, the motion carried 8-0.

Financial Reports

October 2020 Financial Reports

Mr. Warn reviewed the October 2020 financial reports and answered all related questions.

Mr. Luckett made a motion to approve the October 2020 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.

COVID-19 Occupancy Tax Penalty Waiver Update

Mr. Warn reminded everyone that at the September 30 meeting of the BCTDA, the board approved the automatic waiver of all COVID-19 related penalties incurred, or to be assessed, for late occupancy tax remittance reports and payments for the sales months of February through August 2020. He reported that at the November 5 meeting of the Buncombe County Board of Commissioners, the commissioners agreed with the BCTDA's recommendation and, in the second and final step of the process, approved the action at the county level.

Mr. Warn said the Buncombe County Tax Department continues to communicate and work with lodging properties to encourage the submission of late reports and payments as appropriate. He provided a brief update on the number of properties that still have outstanding reports and/or payments due.

Asheville Buncombe Regional Sports Commission Update

Demp Bradford, president of the Asheville Buncombe Regional Sports Commission, shared a PowerPoint presentation highlighting the upcoming Maui Invitational basketball tournament taking place November 30 through December 2 in Asheville.

Mr. Bradford reviewed the event timeline and strict safety protocols and policies being followed to mitigate the risk of spreading coronavirus and keep players, coaches, event staff, and ESPN correspondents as safe as possible during the tournament. He added there are no tickets available for the game due to the COVID-19 pandemic safety measures.

Mr. Bradford concluded his report by stating this is a significant event for Asheville and thanked board and staff members for their support in helping to make it happen.

Chairman Karvir thanked Mr. Bradford for the presentation and wished him well in the execution of the upcoming Maui Invitational event.

Interim Executive's Report

In his Interim Executive's report, Mr. Cavanaugh provided an overview of recent lodging metrics and comparisons to peer destinations. He also reviewed data highlighting the continuing trend in popularity of short-term rental lodging units during the COVID-19 pandemic. Mr. Cavanaugh shared results from a recent survey sent to industry partners regarding their business and operating plans for the upcoming winter months. He expressed his concern about the challenges that lie ahead for local businesses. Next,

Mr. Cavanaugh reviewed FY 21 budget projections and year-to-date actuals and encouraged everyone to review the materials that were sent in advance of the meeting.

Noting that this is his final board meeting as interim executive, Mr. Cavanaugh thanked the board, staff, and industry partners for their support during the past five months. He concluded his report by stating Asheville and Buncombe County will get through the pandemic and encouraged everyone to buy local, be safe, and wear a mask.

Commissioner Belcher thanked and commended Mr. Cavanaugh for his zeal and depth of knowledge in leading the Explore Asheville team in this interim capacity.

CVB Staff Recaps, Destination Dashboards, Quick Lists, and other reports were provided in advance of the meeting and are posted on AshevilleCVB.com.

YMI Cultural Center TPDF Project Update & Amendment Request

Ms. Kappes said Dewana Little, executive director of the YMI Cultural Center, and Catherine Miller, associate project manager of the Self-Help Real Estate Team, are attending today's meeting to present a YMI update and contract amendment request. She said the project was awarded an \$800,000 Tourism Product Development Fund (TPDF) grant in 2018 for building renovations to preserve the historic landmark and facilitate public uses, including hosting events in the auditorium and gallery.

Ms. Kappes provided the following background information on the project:

- The YMI renovations project was originally proposed by Eagle Street Development Corporation in 2018, and an \$800,000 TPDF grant was awarded. The matching funds requirement was waived.
- The YMI has partnered with Self-Help Real Estate Development Team.
- The BCTDA approved a TPDF contract amendment in May 2020 to include roof repair and a building assessment, not to exceed a combined total of \$50,000, with funds disbursed upon receipt of invoice. This initial phase has been completed and a disbursement request of \$42,863 is in progress.

Ms. Little and Ms. Miller shared a PowerPoint presentation and highlights included:

- The history of the YMI Cultural Center
- Results of the building assessment and financial feasibility analysis
- An update on fundraising activities
- An update on the project timeline and refined details of the scope

Ms. Little said today's amendment request is for the TPDF grant to be adjusted to include the new project scope, adjust the disbursement schedule, and extend the completion deadline. She noted the YMI's goal is to restore this historic landmark, remove any barriers to long-term sustainability, and preserve the facility for future generations. She thanked the board for the funding and for considering this request.

During and after the presentation, Ms. Little, Ms. Miller, and Ms. Kappes received input from board members. They answered all related questions, which mostly centered on fire codes, the status of potential donors, rental revenue estimates, design and construction phases, possible state and federal tax credits, an updated project budget, and the proposed revised disbursement structure.

Chairman Karvir requested to receive a fundraising update when appropriate. Ms. Kappes responded that she can add a requirement to the contract amendment for a

report to be provided to the board when the design work is done, which can also include an update on fundraising at that time.

When the discussion ended, Ms. Kappes presented the motion for consideration.

Mr. Poole made a motion to amend the YMI Cultural Center's TPDF contract to extend the completion date from January 31, 2021 to December 31, 2022; to update the project scope to include the additional details outlined in the building assessment and financial feasibility analysis; and approve a second draw for structural work in the basement and design development and documentation, not to exceed a combined total of \$130,000, with funds disbursed upon receipt of invoice. Mr. McKibbon seconded the motion. There was no further discussion and with all in favor via a roll call vote, the motion carried 8-0.

Chairman Karvir thanked everyone for their input and support of this very important project. He wished Ms. Little and Ms. Miller the best with their fundraising efforts and renovation plans and asked that they keep the board apprised of their progress. Ms. Little thanked the board for approving this request.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including the recent Pratt and Whitney project announcement which will bring 800 jobs to the area, and the approval of paid parental leave for county staff. He noted the newly elected commissioners will be sworn in on December 7 and he has recommended Commissioner Robert Pressley be appointed as his replacement on the BCTDA.

Commissioner Belcher concluded his final report by stating it has been an honor to serve our community as a commissioner for the past eight years.

Chairman Karvir thanked Commissioner Belcher for the update.

Thanks to Outgoing Board Member Commissioner Joe Belcher

Chairman Karvir expressed his gratitude to Commissioner Belcher for serving on the BCTDA from February 2013 to November 2020. He highlighted Commissioner Belcher's service and dedication to the community and thanked him for his long-time friendship. Mr. Cavanaugh virtually presented Commissioner Belcher with a tenure award for his service.

Commissioner Belcher thanked Chairman Karvir for the kind words and said it has been a privilege to serve as a member of the board.

Asheville City Council Update

Councilmember Mayfield reported on city-related business, including monetary and program support that has been provided to the community for relief related to the COVID-19 pandemic, and anticipated changes to the city's short-term rentals ordinance.

Councilmember Mayfield concluded her report by stating she has thoroughly enjoyed being on the BCTDA board. She referenced the progress that has been made with the city and tourism industry working more collaboratively, adding there is still work to be done and she looks forward to continuing the ongoing conversations in her new role as a senator in Raleigh.

Chairman Karvir thanked Councilmember Mayfield for the report.

Thanks to Outgoing Board Member Councilmember Julie Mayfield

Chairman Karvir thanked Councilmember Mayfield for serving on the BCTDA from December 2015 to November 2020. He reviewed some key achievements and said he appreciates everything she has done on Asheville City Council and the committees on which she has served. Chairman Karvir thanked Councilmember Mayfield for stepping up to represent the Asheville area in Raleigh. Mr. Cavanaugh virtually presented her with a tenure award for her service.

Miscellaneous Business

With winter and the holidays quickly approaching, Chairman Karvir encouraged everyone to shop local, support restaurants with visits and gift card purchases, and reiterated Mr. Cavanaugh's mantra to wear a mask.

Thanks to Outgoing Interim Executive Chris Cavanaugh

Chairman Karvir thanked Mr. Cavanaugh for serving as interim executive since July 1 and noted this is his last meeting in that role. He reviewed Mr. Cavanaugh's experience in the industry, how he has worked alongside the board and CVB as a consultant in various capacities, and his accomplishments during the past five months leading the Explore Asheville team.

On behalf of the staff, Ms. Tambellini expressed her gratitude to Mr. Cavanaugh for caring so much about the team and local businesses and for being an encouraging leader during a challenging time.

Comments from the General Public

Chairman Karvir said members of the public were invited to submit comments via email to reply@ExploreAsheville.com through 4:00 p.m. on Tuesday, November 17, 2020. He reported no comments were received.

Adjournment

Vice Chairman Froeba moved to adjourn the meeting and Mr. Lockett seconded the motion. A vote was taken and with all in favor via a roll call vote, the motion carried 8-0 and the virtual meeting adjourned at 10:51 a.m.

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

The next BCTDA meeting will be on Wednesday, December 16, 2020, at 9:00 a.m.

Respectfully submitted,


Jonna Sampson, Executive Operations Manager