

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

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Explore Asheville Convention & Visitors Bureau – 27 College Place, Asheville

**Board Meeting Minutes**

Wednesday, September 27, 2017

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Chip Craig, Himanshu Karvir, John Luckett, John McKibbon
- Absent (Voting):** Paula Wilber
- Present (Ex-Officio):** Buncombe County Commissioner Joe Belcher
- Absent (Ex-Officio):** Asheville City Councilwoman Julie Mayfield
- BC Finance:** Jennifer Durrett
- Advertising Agency:** No one was present from the Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Dianna Pierce, Jonna Reiff, Justine Tullos
- Guests:** Ron Storto, Biltmore Farms & Past BCTDA Chair  
Carleton Metcalf, Van Winkle Law Firm/BCTDA Legal Counsel  
Kit Cramer, Asheville Area Chamber of Commerce  
Bob McMurray, Black Mountain-Swannanoa Chamber of Commerce  
Richard Brownstein, The Roost Vacation Rental  
Demp Bradford, Asheville Buncombe Regional Sports Commission  
Jane Anderson, Asheville Independent Restaurant Association  
Tina Kinsey, Asheville Regional Airport  
Amy Kemp, Nikolas Kemp; Model Communities Association  
John Farquhar, Helen Hyatt; Area Residents

**Executive Summary of Meeting Minutes**

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, to order.
- Minutes from the August 30, 2017 BCTDA meeting were approved with an 8-0 vote.
- The August 2017 financial reports were reviewed and approved with an 8-0 vote.

- A budget resolution, in the amount of \$227,652, for relocation and reorganization expenses approved in FY 2016-17 that will be paid out of the FY 2017-18 budget due to construction delays, was approved with an 8-0 vote.
- With an 8-0 vote, the BCTDA denied a waiver request from Rich Brownstein, owner of The Roost Vacation Rental property, to excuse six late occupancy tax penalty occurrences totaling \$166.36.
- In her President's Report, Ms. Brown reviewed recent industry and Explore Asheville ACVB activities and metrics.
- With an 8-0 vote, the BCTDA approved the Festival and Cultural Events committee's recommendation to approve funding for a slate of 2017 festival and event grant applications totaling \$51,500.
- A brief update from Buncombe County Commissioner Joe Belcher was heard.
- Several tourism-related announcements and items of interest were shared under Miscellaneous Business.
- The joint meeting of the BCTDA, public authority and nonprofit corporation, adjourned at 9:45 a.m. The meeting of the BCTDA, nonprofit corporation, continued.
- A closed session of the BCTDA, nonprofit corporation, took place to discuss the terms of an employment agreement with Stephanie Brown. When the closed session ended, the BCTDA gave Chairman Muth the authority to execute the agreement as discussed with an 8-0 vote.
- The meeting of the BCTDA, nonprofit corporation, adjourned at 10:31 a.m.

### **Call of the Joint BCTDA Meeting to Order**

Chairman Muth called the joint meeting of the Buncombe County Tourism Development Authority (BCTDA), Public Authority and BCTDA, a Nonprofit Corporation, to order at 9:03 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

### **Approval of Meeting Minutes**

Mr. Karvir made a motion to approve the August 30, 2017 regular meeting minutes as presented. Mr. Craig 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.

### **Financial Reports**

#### **August 2017 Financial Reports**

Ms. Durrett reviewed the August 2017 financial reports. She noted that last month, the board approved a resolution to close out budgets for Tourism Product Development Fund (TPDF) projects completed in FY 2016-17, however, the amounts for Highland Brewing Company, Montreat College and the Colburn Earth Science Museum (AMOS), totaling \$1,600,000, were not removed from liabilities in the financial statement. She apologized for the error and said this will be corrected next month.

Occupancy tax revenue received in August for July sales totaled \$1,699,616. August expenditures totaled \$552,082. YTD revenue exceeded expenditures by \$733,891 and includes two months of expenditures and one month of revenue. August expenditures for

Administration: \$29,249; Professional Services/Contract: \$159,278; Staff & Facilities: \$4,102; General Tourism (excludes media buys): \$90,097; Net Media: \$212,132; Motorcoach Sales: \$175; Meetings and Conventions: \$33,805; Convention Services: \$60; Marketing/Public Affairs: \$834; Marketing/Public Relations: \$4,697; International: \$25; Public Affairs: \$80; Event Grants Program: \$0.

There is currently \$2,786,307 in undedicated dollars in the Tourism Product Development Fund (TPDF) reflected in the financial statements, however, adding in the \$1.6 million from the aforementioned budget resolution, the total available is actually \$4,386,307. Ms. Brown said that amount is anticipated to be close to \$5.5 million when grants are awarded at the October meeting.

Ms. Durrett said 105 tax-collecting establishments, representing 25 percent of all properties, used the online portal in September to remit August occupancy taxes and reports. She said a glitch related to e-check maximum amounts was resolved and answered all related questions.

Mr. Karvir made a motion to approve the August 2017 financial reports as presented. Mr. Lockett seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The financial reports are on file with the Explore Asheville Convention & Visitors Bureau.

#### Budget Resolution

Ms. Brown asked the board to turn to the budget resolution provided in the board books. She explained expenses related to the new building spanned two fiscal years and reviewed the reconciliation spreadsheet provided that outlined the two resolutions, totaling \$587,283, approved by the BCTDA in FY 2016-17 for projected costs associated with the reorganization and relocation of the CVB. The resolutions were for projected costs related to building upfit, IT/audio installation, furniture, moving expenses, appliances and incidentals, and included an amount for contingency. Ms. Brown gave an accounting of budget-to-actual expenses and noted rent savings and higher-than-anticipated IT costs are also factored into the reconciliation table. Ms. Brown reported that \$227,652 of the approved amount went unspent at the end of FY 2016-17 and automatically transferred back into Undesignated Fund Balance. She said staff anticipates the expenses related to the move should come in close to budget and asked for approval of the resolution being presented today to move the unspent dollars into the FY 2017-18 budget, which will primarily cover costs to upfit the new building.

Mr. McKibbin made a motion to approve the budget resolution to move \$227,562 from Undesignated Fund Balance to the CVB Reorganization & Relocation line in the FY 2017-18 budget as presented. Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

Chairman Muth will sign the resolution and it will be kept on file with the Buncombe County Finance Department and Explore Asheville Convention & Visitors Bureau.

#### Penalty Waiver Request – The Roost Vacation Rental

Ms. Durrett said Rich Brownstein, owner of The Roost Vacation Rental, sent a letter to the BCTDA asking that penalties assessed against his property be waived. She said the penalties were incurred because an old address was on file with Buncombe County

Finance (BCF). The six penalties total \$166.36 and documentation related to this request was sent to the BCTDA in advance and was also provided in the board books.

Mr. Brownstein addressed the board and said he was unaware of the penalties, as the forwarding order to his new address expired and he had not received any notices from Buncombe County Finance. He said the six penalties assessed were incurred on payments being made within a week of the due date. Mr. Brownstein was unaware of the penalties until he went to make a payment using the new online portal, and could not pay for the current month unless he also paid the past due penalty amount, as well.

In response to Ms. Ashburn's question asking if the billing address has been updated with BCF, Ms. Durrett said a change form was sent to Mr. Brownstein, however, the completed form has yet to be returned.

Mr. Celwyn said he remembered the board granting Ms. Brown the authority to approve or deny some waiver requests when they met certain criteria, and asked if that applied in this situation. Ms. Brown explained she can make decisions on requests if it is the first penalty incurred by a property and the amount is less than \$500. Since there are six penalties involved, it was necessary to bring this matter to the board. In response to Mr. Lockett's question asking how properties are notified of penalties assessed, Ms. Durrett said letters and reminders are routinely mailed out to the billing address on file.

Chairman Muth called for action. Mr. Karvir made a motion to decline the penalty waiver request submitted by The Roost Vacation Rental. Mr. McKibbon seconded the motion. A vote was taken and with all in favor, the motion carried 8-0.

The Explore Asheville CVB staff will send official notice via email and no further action is required by the BCTDA or Buncombe County Commission. Mr. Brownstein exited the room.

### **President's Report**

Ms. Brown provided her President's Report and highlights included:

- BCTDA/CVB special events were held every Wednesday in September, to include a Media Preview on September 6, the BCTDA's Annual Meeting on September 13 at The Omni Grove Park Inn, and an Open House for industry partners in conjunction with the Asheville Independent Restaurant Association, Asheville Buncombe Regional Sports Commission, and the Asheville Symphony on September 20. Ms. Brown said all events were a success and thanked Mr. Froeba for generously hosting the Annual Meeting at the OGPI.
- The CVB team has hosted several groups recently who have had meetings in the Explore Asheville Boardroom, including an inter-city visit from Woodstock, Georgia, Biltmore's leadership class, the Blue Ridge Chamber of Commerce, and the Diana Wortham Theatre's board of directors.
- Ms. Brown and CVB staff members have attended several community events recently, including the AC Hotel's ribbon cutting and a data analytics program for Western Carolina University.
- Ms. Brown said the late summer/early fall advertising campaign launched and is already garnering positive, measurable results.

- The CVB team started promoting the 2017 Solar Eclipse over a year ago and [created a page on ExploreAsheville.com](#), which received over 47,000 page views. The PR team also worked with and/or hosted several journalists regarding Eclipse activities.
- The PR team is working closely with scientists and regional experts to create fall color reports and forecasts. The fall press release sent out on PR Newswire was picked up by 258 media outlets.
- Ms. Brown encouraged board members to visit the new [meetings section on ExploreAsheville.com](#) that has beautiful imagery, calls to action, and incorporates a Twitter feed. The section also includes a new video of testimonials by meeting planners who have visited and/or brought groups to Asheville.
- Ms. Brown, Shawn Boone and Carla McGlynn will be attending IMEX in October, where the sales team will receive two awards that have not yet been publicly announced. Ms. Brown noted the sales team has a full travel schedule during this busy time of year.
- The Tourism Product Development Fund committee will meet on September 28 to further review projects under consideration in the 2017 application cycle. Funding recommendations will be presented at the October 25 BCTDA meeting.

During and after her report, Ms. Brown answered all related questions. Monthly Visitor Indexes and CVB Staff Recaps are posted on [ExploreAshevilleCVB.com](#).

Chairman Muth thanked Ms. Brown for the update.

### **Festivals & Cultural Events Grant Committee Recommendations**

Mr. Craig said it was his pleasure to chair the Festivals & Cultural Events Grant committee again this year, which meets annually to review applications received to award grants in support of local festivals and events, funded out of earned revenue. He said serving with him on the committee were: Ms. Brown, Lauren Bradley, and Jon Fillman, with Mr. Cox providing administrative support. Mr. Craig asked the board to turn to the table provided in the board books and said 16 applications were received for 2018 events. He briefly reviewed the process that was followed leading up to today's recommendations and said four of the requests were deferred to the Sponsorship Program.

Mr. Craig said the committee recommends the following grants be approved for funding:

<b>Applicant</b>	<b>Event</b>	<b>Award</b>
Appalachian Sustainable Agriculture Project (ASAP)	Farm Tour	\$5,000
Asheville Design Center	Carolina Lane Street Festival	\$2,000
Asheville Downtown Association	Independence Day Celebration	\$5,000
Odyssey Community School	Asheville Percussion Festival	\$5,000
Black Mountain College	9th Annual {Re}Happening	\$3,000
Brother Wolf Animal Rescue	Asheville VeganFest	\$5,000
WNC Green Building Council	CiderFest NC	\$3,500

Eliada Home	Eliada Corn Maze	\$5,000
Montford Neighborhood Association	Montford Holiday Tour of Homes	\$2,000
Montford Neighborhood Association	Montford Annual Neighborhood Festival	\$1,000
North Carolina Arboretum	Summer Lights	\$5,000
RiverLink	RiverMusic & RiverFest 2018	\$5,000
Southern Highland Craft Guild	71st Annual Craft Fair of the Southern Highlands	\$5,000
	<b>TOTAL</b>	<b>\$51,500</b>

The applications being deferred to the Sponsorship Program include: Asheville Music Professionals/AMP Rocks Asheville, Media Arts Project/photo+sphere, Organic Growers School (OGS)/25th Annual OGS Spring Celebration & Conference, and Art Studio World for Xpand Your Vision/Xpand Fest.

Ms. Brown explained that funding for this program is received from revenue earned from advertising and reservations booked on ExploreAsheville.com; not occupancy taxes that are subject to legislative restrictions. There is currently \$165,000 in the earned revenue fund. Requests to support signature events up to \$25,000, along with tourism-related events via the Sponsorship Program, can be approved throughout the year.

Mr. Craig and Ms. Brown answered all questions related to the recommended grants.

Mr. Celwyn moved that the BCTDA approve the Festivals & Cultural Events committee's recommendation to fund the grant awards in the table as presented totaling \$51,500. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The Asheville CVB will inform the recipients of the BCTDA's approval and payment will be made upon the successful completion of each event.

### **Asheville City Council Update**

Councilmember Mayfield was not in attendance at this meeting, therefore, an Asheville City Council update was not provided.

### **Buncombe County Commission Update**

Commissioner Belcher reported on county-related business, including recent Buncombe County Commission work sessions, early childhood education and Pre-K program initiatives, and increased online transparency/community access related to how county funds are spent. He noted Buncombe County's parking garage on Coxe Avenue is nearing completion and a mobile app will be available to locate open spaces, similar to the City of Asheville's app.

Ms. Cramer said it would be nice if the City's and County's apps could communicate with each other regarding downtown parking availability.

Commissioner Belcher said several more work sessions will be scheduled in 2018, including one to engage with the BCTDA. He added the Commissioners recently unanimously passed a resolution stating the body wants to join in with the State of North

Carolina in a lawsuit to hold pharmaceutical companies accountable for rampant opioid addiction. A brief discussion on this topic took place.

Chairman Muth thanked Commissioner Belcher for the report.

### **Miscellaneous Business**

Mr. McMurray said Black Mountain will have its annual “Little Town that Rocks” rocking chair auction during the first week in November. He added the eastern part of the county saw an influx of Florida and Texas hurricane evacuees in September.

Ms. Cramer said the Asheville Chamber/Economic Development Coalition has scheduled its annual Metro Economy Outlook on October 19, which will feature keynote speaker Ted Abernathy. She encouraged everyone to register in advance as the event will sell out. Ms. Cramer also said invited everyone to attend the Chamber’s Legislative Wrap-Up Breakfast at Rhubarb on October 24.

Ms. Cramer said Corey Atkins is currently vetting Portland, Maine, and Savannah, Georgia, as finalist locations for an upcoming intercity visit coordinated by the Chamber. She noted both cities have significant tourism components and details will be shared when a location is selected.

Ms. Cramer said early voting is currently available and she encouraged all City of Asheville residents to vote now or in the October 10 primary, where the field of candidates running for seats on Asheville City Council will be narrowed from twelve to six.

Mr. McKibbin said Asheville previously submitted a bid to host an Ironman competition, which was a phenomenal event held in Chattanooga. He said if the opportunity ever arises in the future, it would be worth the effort to again bid on that event. Ms. Brown said the reason Asheville lost the bid last time was due to the lack of a nearby water source that worked logistically. She added the ABRSC and CVB have worked to identify high-priority groups and will keep the Ironman competition on the list.

In response to Mr. Karvir’s question regarding the Haute Route international cycling event bid, Mr. Bradford said the site visit was very successful and communications with the selection committee to date have gone well. He thanked Mr. Lockett for involving his cycling group to ride the route with event planners. Mr. Bradford said he hopes to receive word that Asheville has been awarded the event in the very near future.

Mr. Bradford said that on December 17, a new UNC Asheville and Western Carolina University basketball event will take place at the US Cellular Center. He added a wrestling event that is not yet officially announced will take place the following week to include 15 high school teams, anchored by Enka High School.

Mr. Bradford said the Southern Conference Tip-Off event will take place on October 25 at Highland Brewing Company and invitations will go out soon. He thanked the BCTDA for its ongoing support of the Asheville Buncombe Regional Sports Commission.

### **Comments from the General Public**

There were no comments from the general public made at this meeting.

### **Adjournment of the BCTDA, Public Authority**

Mr. Karvir made a motion to adjourn the meeting of the BCTDA, public authority. Ms. Ashburn seconded the motion. A vote was taken and with all in favor, the motion carried 8-0 and the public authority meeting adjourned at 9:46 a.m.

Ms. Brown said both the BCTDA, nonprofit and BCTDA, public authority, share a set of financial statements and minutes. She clarified that the BCTDA, nonprofit, is the employer of CVB staff. While the joint meeting has ended, the nonprofit has additional business outside the scope of the public authority and that meeting will continue.

### **Closed Session**

Pursuant to Section 143-318.11 (a) (5) of the North Carolina General Statutes, Mr. Froeba moved that the Buncombe County Tourism Development Authority, a nonprofit corporation, enter into a closed session in order to establish the position to be taken by the BCTDA in negotiating the amount of compensation and other material terms of a proposed employment contract. Mr. Luckett seconded the motion. A vote was taken and with all in favor, the motion carried 8-0 and the closed session began at 9:48 a.m.

Guests and Explore Asheville CVB staff members, except for Past BCTDA Chair and Fiduciary Task Force member Ron Storto and Attorney Carleton Metcalf, exited the room and the BCTDA nonprofit board continued the meeting.

The board returned to open session at 10:29 a.m. and Ms. Brown and Ms. Reiff rejoined the meeting.

### **Employment Agreement**

Mr. Froeba said the Fiduciary Task Force identified the retention of Ms. Brown as a key priority and her track record during the past five years has been impressive. Prior to the creation of the independent nonprofit, Ms. Brown was an employee of the Asheville Area Chamber of Commerce. He stated having an employment contract in place is an industry best practice.

Mr. Froeba moved that the BCTDA board authorize Chairman Muth to finalize and execute an employment agreement with Stephanie Brown based on the compensation and benefits that were presented during the closed session. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

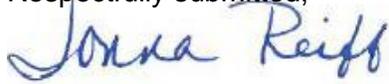
Ms. Brown thanked everyone for their support. Mr. Froeba wished her continued success.

### **Adjournment of the BCTDA, Nonprofit Corporation**

Chairman Muth thanked everyone for attending the meeting. Ms. Ashburn made a motion to adjourn the meeting of the BCTDA, nonprofit corporation. Mr. Luckett seconded the motion. There was no discussion and with all in favor, the motion carried 8-0 and the meeting adjourned at 10:31 a.m.

The BCTDA will next meet on Wednesday, October 25, 2017, at 9:00 a.m., in the Boardroom of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager