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**Buncombe County Tourism Development Authority**  
Asheville Area Chamber of Commerce Boardroom

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**Board Meeting Minutes**

Wednesday, October 26, 2016

- Present (Voting):** Paula Wilber, Chair; Jim Muth, Vice Chair; Leah Ashburn, Chip Craig, John Ellis, Gary Froeba, Himanshu Karvir, John Lockett, John McKibbon
- Absent (Voting):** None
- Present (Ex-Officio):** Buncombe County Commissioner Joe Belcher  
Asheville City Councilwoman Julie Mayfield
- Absent (Ex-Officio):** None
- BC Finance:** Jennifer Durrett
- Advertising Agency:** No one was present from the Peter Mayer Advertising Agency
- CVB Staff:** Stephanie Brown, Glenn Cox, Pat Kappes, Dianna Pierce, Jonna Reiff, Tom Roberson
- CVB Staff Absent:** Marla Tambellini
- Guests:** Kit Cramer, Asheville Area Chamber of Commerce  
Bob McMurray, Black Mountain–Swannanoa Chamber of Commerce  
Tonya Marshall, Gould Killian CPA Group, P.A.  
Ron Storto, Biltmore Farms LLC and BCTDA Past Chair  
Ken Stamps, Navitat and TPDF Committee  
Ruth Summers, Grove Arcade and TPDF Committee  
Jane Anderson, Asheville Independent Restaurant Association  
Lew Bleiweis, Asheville Regional Airport  
Chris Corl, U.S. Cellular Center/City of Asheville  
Sam Powers, City of Asheville  
Frank McGowan, City of Asheville  
Peter Pollay, Posana  
Maria Pilos, Johnson Price Sprinkle  
Emily Patrick, Asheville Citizen-Times

**Executive Summary of Meeting Minutes**

- Chairwoman Wilber called the meeting to order at 9:04 a.m.
- Minutes from the September 28, 2016 BCTDA meeting were approved with a 9-0 vote.

- Tonya Marshall with Gould Killian CPA Group presented the BCTDA's FY 2015-16 audit, in which a 'clean and unmodified opinion' was rendered. In a 9-0 vote, the audit was accepted and placed on file.
- The final/revised June 2016 and September 2016 financial reports were reviewed and approved with separate 9-0 votes.
- Under her Executive Director report, Ms. Brown reviewed recent CVB staff initiatives and media successes.
- John Lockett, member of the Tourism Product Development Fund committee and BCTDA board, presented the 2016 TPDF funding recommendations. In a unanimous 8-0 vote with Mr. Ellis abstaining, the board approved the committee's recommendations and awarded \$3,930,000 to five community projects that will benefit both residents and visitors alike. These include: Asheville Community Theatre (\$1 million); City of Asheville/U.S. Cellular Center (\$1.5 million); Montreat College (\$350,000); WNC Farmers Market (\$380,000); and Pack Place Performing Arts/The Wortham Center (\$700,000).
- Ms. Pierce provided a Group Sales & Services departmental update highlighting fiscal year-to-date activities and metrics.
- Reports from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- Under Miscellaneous Business and Comments from the General Public, board members and guests shared information on upcoming local events and happenings.
- The meeting adjourned at 10:53 a.m.

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

Chairwoman Wilber called the regular meeting of the Buncombe County Tourism Development Authority (BCTDA) to order at 9:04 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

### **Approval of Meeting Minutes**

Mr. Karvir made a motion to approve the September 28, 2016 regular meeting minutes as presented. Mr. Ellis seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

The minutes are on file with the Asheville Convention & Visitors Bureau.

### **Financial Reports**

#### **FY 2015-16 Audit Presentation**

Tonya Marshall, audit manager with Gould Killian CPA Group, P.A., thanked the board for allowing Gould Killian to be the BCTDA's auditing firm again this year. Ms. Marshall said she was pleased to report the result rendered a 'clean and unmodified opinion,' and the Gould Killian staff did not encounter any difficulties from Buncombe County Finance or Asheville CVB team members. She thanked Ms. Durrett, Ms. Brown and Ms. Reiff for their assistance during the audit process. Ms. Marshall said the financial statements are fairly stated and there are no material weaknesses. She noted the documents have been submitted to the Local Government Commission (LGC) for final review and approval, which will be received soon, and no changes are expected.

Ms. Marshall reviewed a few key figures from the financial statements and briefly referred to the Required Auditor Communications document that was also provided. She added Ms. Durrett provides the board with detailed financial reports on a monthly basis and will next present the final June 2016 reports, and then concluded her report. Chairwoman Wilber thanked Ms. Marshall for presenting the audit and seeing there were no questions, called for action.

Mr. Craig made a motion to accept the BCTDA's FY 2015-16 audit as presented and place it on file. Mr. McKibbon seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

The audit documents are on file with the Asheville Convention & Visitors Bureau.

### Final June 2016 Financial Reports

Ms. Durrett reviewed the final June financial statements, noting they differ from the preliminary version presented in July as they now include two months of revenue (May and June, for occupancy tax receipts collected in June and July, respectively) and expenses that were processed after June 30 and accrued back to the FY 2015-16 budget.

Occupancy tax revenue received in July for June sales totaled \$2,626,195. June expenditures totaled \$3,996,467. YTD revenues (including appropriated fund balance) exceeded expenditures by \$1,669,656. June expenditures for Administration: \$251,309; Professional Services: \$273,291; General Tourism (excludes media buys): \$241,071; Net Media: \$3,092,669; Motorcoach: \$4,720; Meetings and Conventions: \$62,243; Convention Services: \$2,063; Marketing/Public Relations: \$62,233; and International: \$5,652. There is \$2,470,709 in undedicated dollars in the Tourism Product Development Fund (TPDF).

Revenue Summary: June 4.5 percent (operating) collections equaled \$1,389,199, and 1.5 percent (TPDF) collections totaled \$463,066.

A brief discussion took place centering on year-end results, state required contingency dollars, the fund balance policy, effects of increased hotel room supply, and growth in the Airbnb and vacation rental categories. Chairwoman Wilber said the Asheville area ended the year on an extremely positive note and congratulated Ms. Brown and the CVB team for implementing successful marketing and sales strategies. She added it's important to closely monitor trends and adjust advertising efforts in the 15 target markets as needed if numbers begin to decline. Ms. Brown said that in November, Ms. Tambellini and the advertising agency will present a plan designed to increase winter visitation.

Mr. Froeba made a motion to approve the final June 2016 financial reports. Mr. Muth seconded the motion. There was no further discussion and with all in favor, the motion carried 9-0.

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

### September 2016 Financial Reports

Ms. Durrett reviewed the September financial reports. Occupancy tax revenue received in September for August sales totaled \$1,415,442. September expenditures totaled

\$505,784. YTD revenue exceeded expenditures by \$1,743,111 and includes three months of expenditures and two months of revenue. September expenditures for Tourism Administration: \$11,057; Professional Services: \$187,778; General Tourism (excludes media buys): \$88,264; Net Media: \$163,302; Motorcoach Sales: \$748; Meetings and Conventions: \$39,305; Convention Services: \$621; Marketing/Public Relations: \$13,992; International: \$0; Public Affairs: \$718; Event Grants Program: \$0. There is currently \$3,463,208 in undedicated dollars in the Tourism Product Development Fund (TPDF).

Revenue Summary: August 4.5 percent (operating) collections equaled \$1,415,442, and 1.5 percent (TPDF) collections totaled \$471,814.

Ms. Durrett then reported on properties delinquent on paying occupancy taxes and answered all related questions.

Mr. Luckett made a motion to approve the September 2016 financial reports as presented. Mr. Ellis seconded the motion. There was no discussion and with all in favor, the motion carried 9-0.

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

### **Executive Director Report**

#### **September CVB Staff Recap**

Ms. Brown briefly reviewed the September CVB Staff Recap and highlights included:

- The BCTDA's Annual Meeting at Lioncrest at Biltmore was well-attended with 213 guests and she thanked Chairwoman Wilber for hosting the meeting. Over 200 pairs of socks were received and given to Haywood Street Congregation to distribute to the needy in our area. Prior to the meeting, a VIP reception was held to engage with partners and state and local elected officials prior to George Zimmermann's keynote presentation at the Annual Meeting. Additionally, the Asheville Lodging Association honored outgoing Buncombe County Commission Chairman David Gantt for 20 years of public service.
- The BCTDA's partnership with National Geographic Traveler brought a team to Asheville for a full week, and they engaged with 60 industry partners and businesses. Two articles have already been written and shared on social media with two more to come in the near future, and a six-page spread on Asheville will appear in the magazine in the spring.
- In September, after a thorough deliberative process, Southern Conference officials announced that its men's and women's basketball championships will return to Asheville in March 2017. This was great news and Ms. Brown said the effort to keep SoCon in town was led by Demp Bradford and included many stakeholders who emphasized the community's values during the process. She added strong sales are needed and encouraged everyone to spread the word and buy advance tickets to the games.
- The Asheville CVB hosted a very successful Airport Roundtable, and the BCTDA's marketing strategies were well-received by the airline officials in attendance. Additionally, the NC Society for Human Resource Management

State Conference, a meeting booked by the CVB three years ago, brought 1,000 attendees to Asheville and the U.S. Cellular Center, September 28-30, and had a significant economic impact on the community.

- Following a third-party audit of ExploreAsheville.com's functionality, the CVB team continues to work through a punch list to increase visitation to the website. The audit was done to uncover reasons for the decrease in traffic that occurred after the launch of the fully-redesigned site last fall.

Following the report, Ms. Brown and Ms. Pierce responded to questions related to sales leads, group bookings, and participation in IMEX.

When the discussion ended, Chairwoman Wilber thanked Ms. Brown for the update.

#### September CVB Quick List

The September CVB Quick List was not reviewed at this meeting, however, was provided to the board and is on file with the Asheville Convention & Visitors Bureau.

#### September Visitor Index

The September Visitor Index was not reviewed at this meeting, however, is on file with the Asheville Convention & Visitors Bureau and is posted on [AshevilleCVB.com](http://AshevilleCVB.com).

#### **TPDF 2016 Cycle Funding Recommendations**

Chairwoman Wilber said Mr. Lockett will now present the Tourism Product Development (TPDF) committee's grant recommendations for the 2016 funding cycle. She thanked the members of the committee for investing many hours of their time to diligently review all of the applications received and for vetting out the merits of each individual project to arrive at today's recommendations.

Due to his professional association with one of the projects included in the recommendations, Mr. Ellis announced he would not participate in the discussion, recused himself from the upcoming vote and subsequently removed himself from the table.

Mr. Lockett said Robert Foster, chairman of the TPDF committee is traveling, therefore, it is his privilege to present the 2016 TPDF funding recommendations to the BCTDA on behalf of the committee. Mr. Lockett thanked Ms. Kappes for her efforts in managing the funding process and providing support to both committee members and applicants alike.

Mr. Lockett said the 2016 grant cycle was especially competitive given the number of strong project applications in consideration and the limited amount of funding available. He said after an extensive review, the committee met to determine final recommendations on October 18, and the recommended award package for this cycle totals \$3,930,000, which will exhaust all available funds.

Mr. Lockett shared a PowerPoint presentation and gave an overview of the process the TPDF committee has followed spanning the past few months of reviewing and evaluating the grant applications that were received in this year's cycle. He noted that in Phase I, 14 applications were received with a total request of nearly \$8.9 million. The Phase I review, designed to ensure projects met core criteria, reduced the pool to nine

projects moving onto Phase II. Those projects were requesting a collective total of over \$8.1 million with an estimated \$3.9 million available. Additionally, the committee received a Major Works Pathway request from the City of Asheville for \$20 million over seven years for South Slope enhancements. It will be assessed on a separate track and the BCTDA has hired PGAV Destinations as a consultant to provide support to the process. The Major Works Pathway is a strategic tool adopted by the BCTDA in 2015 that provides a mechanism for development partners with projects exceeding \$5 million to submit proposals for TPDF funding outside of the traditional grant cycle process.

Mr. Lockett said in 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 committee members utilized a weighted scorecard that conformed to guidelines approved by the BCTDA. The scorecard was used as a tool to assist in evaluating and prioritizing projects that provide the best return on TPDF funds. During Phase II, the Center for Craft, Creativity & Design withdrew its application from further consideration.

Mr. Lockett said that based on the eight remaining projects, the TPDF committee identified five projects as having the strongest applications, aligning with legislative requirements and providing the highest return on investment. He said the recommended award package is to give a total of \$3,930,000 to those five projects, which include:

**Organization: Asheville Community Theatre (ACT)**  
**Project: Theatre Expansion & Renovation Project**  
**Request: \$1,000,000 | Award Recommendation: \$1,000,000**

The Asheville Community Theatre, located downtown on Walnut Street, submitted a \$1,000,000 grant request for an expansion and renovation project of the 44-year-old theatre. The project encompasses a multi-phase scope renovation of the current performing space and backstage areas including new seating, sound, and lighting upgrades, as well as an increased capacity black box expansion. ACT anticipates an improved theatrical product and visitor experience, through modern amenities, 21<sup>st</sup> century technology, and an expanded programming mix. These elements will also allow the theatre to create a new education facility in a future phase to meet the growing demand for ACT's education programs.

**Organization: City of Asheville/U.S. Cellular Center**  
**Project: ExploreAsheville.com Theatre Creation & Meeting Room Conversion**  
**Request: \$1,509,400 | Award Recommendation: \$1,500,000**

The City of Asheville submitted a \$1,509,400 request for improvements to the U.S. Cellular Center with its ExploreAsheville.com Theatre creation and meeting room conversion project. The project includes three components: the installation of a curtaining wall system to transform the 7,200-seat arena into a theater with flexible seating capacity for 2,500 to 5,000, a sound and light package, and the conversion of a storage area into a meeting room. The improvements are expected to expand the type and frequency of events that have been previously priced out of the Asheville market due to costly curtain, lighting and sound equipment rentals.

The BCTDA previously invested \$4,175,000 in the City of Asheville's U.S. Cellular Center for facility upgrades and improvements through three TPDF grants in 2010, 2012, and 2013.

**Organization: Montreat College**  
**Project: Pulliam Stadium-Phase II**  
**Request: \$350,000 | Award Recommendation: \$350,000**

Montreat College submitted a \$350,000 grant request for Phase II of its Pulliam Stadium project. The college recently completed phase one for the construction of a \$2 million athletic complex featuring a new soccer and lacrosse field, running track, restroom facilities and parking lot. The Phase II request is focused on additional features including athletic field lighting, grandstand seating, and additional parking that would enable the complex to be used for evening games and practice, invitational competitions, and multi-day community events.

**Organization: NC Department of Agriculture & Consumer Services – WNC Farmers Market**  
**Project: WNC Farmers Market Retail Revitalization Project**  
**Request: \$500,000 | Award Recommendation: \$380,000**

The North Carolina Department of Agriculture and Consumer Services submitted a \$500,000 grant request for the WNC Farmers Market retail revitalization project. The project, part of a larger Master Plan, focuses on renovations and upgrades to the retail area including the installation of commercial clear view garage doors throughout the retail building to provide natural lighting, plus interior and exterior facility improvements, contributing to an overall enhanced visitor experience.

**Organization: Pack Place Performing Arts - dba Diana Wortham Theatre**  
**Project: The Wortham Center**  
**Request: \$700,000 | Award Recommendation: \$700,000**

Pack Place Performing Arts submitted a \$700,000 grant request for the creation of The Wortham Center project, the vision of which is to transform the Diana Wortham Theatre into three separate venue spaces for the performing arts. In addition to refurbishing the current theater with a new sound and lighting package and upgraded seating, two additional theatres will be created to support additional and simultaneous programming of events within an intimate performance experience. The project also includes the revamping of the main entrance and courtyard areas.

Mr. Luckett said other projects in consideration for funding were Asheville Community Yoga's Wellness Expansion and the Town of Black Mountain's Riverwalk Greenway Phase II, both of which were identified as great additions to the destination but were not funded due to the competitive nature of the cycle.

Mr. Luckett said the TPDF committee also received a \$2,000,000 grant request from Buncombe County Schools for the development of the Buncombe County Aquatic Center, a facility designed for competitive swim meets and practice sessions for local teams. The project represents a collaborative effort between Buncombe County government, which committed \$6 million to the project, Buncombe County Schools, who submitted the request, and the YMCA of WNC, who will manage the facility to be constructed at its Reuter location in Biltmore Park. The proposed project details are in an early conceptual phase and include the renovation and expansion of the existing facility

at the Reuter YMCA, converting the current pool to a warm-up/cool-down tank, and adding a new ten-lane 25-yard pool for competitive meets. Additional locker rooms and spectator seating are also included in the concept. The TPDF committee has recommended that the applicant submit an updated request, utilizing the Major Works Pathway, when the conceptual proposal is further developed.

During and after the presentation, Mr. Lockett answered all related questions.

When finished, and on behalf of the TPDF committee, Mr. Lockett made a motion to award Tourism Product Development Fund grants, totaling \$3,930,000, to the following five community projects:

1. \$1 million to the Asheville Community Theatre
2. \$1.5 million to the City of Asheville's U.S. Cellular Center
3. \$350,000 to Montreat College
4. \$380,000 to the North Carolina Department of Agriculture & Consumer Services for the WNC Farmers Market, and
5. \$700,000 to Pack Place Performing Arts for The Wortham Center

Mr. McKibbon and Ms. Ashburn simultaneously seconded the motion. There was no discussion and with all in favor, the motion carried 8-0, with Mr. Ellis abstaining.

Chairwoman Wilber thanked Mr. Lockett and members of the committee for their efforts. She added all of the projects are great for the community and will be enjoyed by residents and visitors alike.

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

### **Group Sales & Services Update**

Ms. Pierce shared a PowerPoint presentation updating the board on Group Sales & Services departmental activities and metrics since the start of the fiscal year on July 1, 2016. She focused on four areas to include: staff resources, client contact, national-level sponsorships, and communications.

Ms. Pierce shared that three new employees have recently joined the team: National Sales Manager Carla McGlynn, Senior Sales Manager Molly Nelson, and Group Sales & Services Coordinator Joseph Weber. She shared their backgrounds and areas of focus and provided a market deployment map for the sales managers. Ms. Pierce also shared that the team is using two new tools called EmpowerMINT and DMAI's Event Impact Calculator as resources to provide data and determine the value of meetings. Ms. Pierce then shared insights related to client contact initiatives related to 48-Hour Meeting Planner Experiences, independent site visits, the hosting of Spotlight on the Southeast, and trade events scheduled or attended through November 15. She then provided details related to national-level sponsorships such as the ASAE Foundation's "Chuck Fazio HeadShot LOUNGE" and IMEX America 2016's MPI Hosted Buyer Breakfast.

Next, Ms. Pierce focused on communications and reviewed new marketing materials developed for the meetings market including postcards, mailers, templates, and a full-page print ad designed to highlight the "Have More Fun on Us" incentive program.



During and after the presentation, Ms. Pierce answered all related questions. Chairwoman Wilber thanked Ms. Pierce for her efforts and the great report.

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

### **Asheville City Council Update**

Councilwoman Mayfield reported on city-related business, including: requesting everyone to vote for the Asheville Bonds referendums and thanking Ms. Cramer for her strong support; the development of a collaborative pilot project with the Asheville Buskers' Collective to designate space in two high-traffic downtown areas designed to increase public safety, and downtown development proposals. During her update, Councilwoman answered all related questions.

Chairwoman Wilber thanked Councilwoman Mayfield for the report.

### **Buncombe County Commission Update**

Commissioner Belcher reported on county-related business, including property revaluation methodologies, the unanimous approval of \$44 million in school capital funding, and the election season, noting over 42,000 people in the county have participated in early voting as of yesterday. He encouraged everyone to vote and said in January, the Buncombe County Commission will meet to further develop Buncombe County's capital plan.

Chairwoman Wilber thanked Commissioner Belcher for the update.

### **Miscellaneous Business**

Ms. Cramer encouraged everyone to vote yes on the City of Asheville's three bond referendums on the ballot. She also said there are a few tickets remaining for the chamber's first WomanUp Conference with keynote speaker Pamela Ryckman, author of the *Stiletto Network*, on November 10 at the new Mission Health Conference Center on the campus of A-B Tech.

Councilwoman Mayfield said MountainTrue is bringing Mavis Staples to the Orange Peel on November 13 to support efforts to protect the French Broad River.

Mr. McMurray said he is excited about the TPDF grant awarded to Montreat College, and thanked the BCTDA for its support. He added that Black Mountain's annual rocking chair silent auction will take place on November 4 at the Monte Vista Hotel.

Mr. Froeba said the Omni Grove Park Inn's 24<sup>th</sup> Annual National Gingerbread House Competition begins on Monday, November 21, and half of the parking fees collected are given to local charities, which have garnered \$250,000 in the past three years.

Chairwoman Wilber said Christmas at Biltmore begins on Friday, November 4.

Ms. Brown said the City of Asheville is partnering with the North Carolina Arboretum to put up a small Winter Lights display in Pack Square Park.

Ms. Ashburn said on November 10, Highland Brewing Company will release the 20<sup>th</sup> Anniversary Cold Mountain Winter Ale and Imperial Cold Mountain. Celebratory events will take place November 10-11.

Mr. McKibbin said the Asheville Humane Society's *Taste of Compassion* fundraiser will take place on November 5.

Mr. Karvir asked if the CVB could compile a sharable list of upcoming events that can be provided to hotel guests and visitors. Ms. Brown said she liked the idea and that staff will work to review the feasibility of this request.

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

Jane Anderson, executive director of the Asheville Independent Restaurant Association, announced AIR is having its annual *Taste of Asheville* event on Thursday, November 17, at The Venue. She noted the Asheville Busker's Collective is partnering with 35-40 of AIR's restaurants for this event entitled "Taste and Tunes," which will showcase some of our area's best entertainment and culinary talents.

Ruth Summers, executive director of the Grove Arcade, encouraged everyone to stop by the arcade's Winter Wonderland, which kicks-off with a free opening-night event on November 18.

Chris Corl, general manager of the U.S. Cellular Center, thanked the TPDF committee and BCTDA board for awarding the venue another grant. He provided some background on what the additional \$1.5 million will mean for future meetings and events, noting the enhancements will bring a lot of additional shows to the area.

### **Adjournment**

Chairwoman Wilber thanked everyone for attending and the meeting adjourned at 10:53 a.m. She reviewed upcoming events and congratulated and thanked the TPDF committee members on a job well done. The BCTDA will next meet on Tuesday, November 22, 2016, at 9:00 a.m., in the Boardroom of the Asheville Area Chamber of Commerce.

Respectfully submitted,

Jonna Reiff  
Executive Operations Manager