

**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, November 29, 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):** Asheville City Councilmember Julie Mayfield
- Absent (Ex-Officio):** Buncombe County Commissioner Joe Belcher
- BC Finance:** Blair Chamberlain
- Advertising Agency:** Lauren Wegmann, Lynne McMillen; Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Pat Kappes, Jonna Reiff
- CVB Staff Absent:** Dianna Pierce
- Guests:** Carleton Metcalf, BCTDA Legal Counsel/Van Winkle Law Firm
Ron Basile, AVL Property Management
Bob McMurray, Black Mountain-Swannanoa Chamber of Commerce
Jane Anderson, Asheville Independent Restaurant Association
Lew Bleiweis, Tina Kinsey; Asheville Regional Airport
Leeanne Briggs, Asheville Area Chamber of Commerce
Kim Roney, Amy Kemp; Local Citizens
Jason Sandford, Ashvegas

Executive Summary of Meeting Minutes

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, to order at 9:04 a.m.
- Closed session minutes from the September 27, 2017 BCTDA meeting were approved with an 8-0 vote.
- Minutes from the October 25, 2017 BCTDA meeting were approved with an 8-0 vote.
- The October 2017 financial reports were reviewed and approved with an 8-0 vote.

- A penalty waiver request from AVL Property Management LLC was approved with an 8-0 vote and will be forwarded to the Buncombe County Commission for further and final consideration.
- In her President's Report, Ms. Brown reviewed recent industry and Explore Asheville CVB activities and metrics.
- Ms. Kappes presented an update on the Enka Ball Fields TPDF project that included a contract extension request. With an 8-0 vote, the board approved extending the project completion contract date to June 2018.
- Asheville City Councilmember Julie Mayfield gave an update on recent city-related business.
- The BCTDA entered into a closed session to consult with the board's attorney.
- The joint meeting of the BCTDA, public authority and nonprofit corporation, adjourned at 11:45 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 9:04 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

Approval of Meeting Minutes

Mr. Karvir made a motion to approve the September 27, 2017 closed session meeting minutes as presented. Ms. Ashburn seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

Mr. Froeba made a motion to approve the October 25, 2017 regular meeting minutes as presented. Mr. Lockett 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 (CVB).

Financial Reports

October 2017 Financial Reports

Ms. Chamberlain reviewed the October 2017 financial reports.

Occupancy tax revenue received in October for September sales totaled \$1,601,411. October expenditures totaled \$869,817. YTD revenue exceeded expenditures (including appropriated fund balance) by \$2,538,930 and includes four months of expenditures and three months of revenue. October expenditures for Administration: \$171,507; Professional Services/Contract: \$179,924; Staff & Facilities: \$4,167; Net Media: \$323,039; Motorcoach Sales: \$0; Meetings and Conventions: \$27,749; Convention Services: \$194; Marketing/Public Affairs: \$834; Marketing/Public Relations: \$13,020; International: \$2,911; Public Affairs: \$3,376; Event Grants Program: \$5,000.

There is currently \$590,199 in undedicated funds in the Tourism Product Development Fund (TPDF).

Mr. Karvir made a motion to approve the October 2017 financial reports as presented. Mr. Celwyn 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.

Penalty Waiver Request – AVL Property Management

Ron Basile introduced himself as a licensed real estate broker and the managing director of AVL Property Management, a luxury property rental company that has been in business for five years. He referred to the packet of information provided to the board in advance and verbally explained the circumstances surrounding the reason for requesting a penalty waiver in the amount of \$930.66. He said his company's bookkeeper mailed check #1290 on September 11 to pay for the property's August occupancy taxes, and it was lost in the mail. He said when the bookkeeper was reconciling the bank statement the following month, she discovered that the check had not cleared. She immediately contacted Buncombe County Finance (BCF) and sent a replacement report and check. The original envelope was never received by Buncombe County Finance nor returned to sender via the USPS. Mr. Basile said he also brought along a check register showing the date the check was written in order in their accounting system. He stated he never received the penalty letter from BCF, as an old address was on file. Mr. Basile said since this occurrence, his property now submits payments online, alleviating this problem in the future. The history provided from BCF showed no other late payments since the company began reporting in 2012. Mr. Basile reiterated that this is a mail issue that will not happen again and based on the property's payment history, he respectfully asked the board to consider waiving the penalty.

Mr. McKibbon suggested that since online reporting is now available, the BCTDA should take a position, as of a certain date, where the board will no longer consider waiver requests due to mail issues, unless there are technology-related problems with BCF's web site. A brief discussion took place on this topic centering on past mail and incorrect address issues. The board was in consensus with Mr. McKibbon's suggestion and Chairman Muth directed Ms. Chamberlain to have BCF mail a letter to all properties indicating that requests for penalty waivers due to mail-related issues will no longer be considered by the BCTDA after January 1, 2018.

Following the discussion, Mr. McKibbon made a motion to approve AVL Property Management's penalty waiver request in the amount of \$930.66. Ms. Ashburn and Mr. Karvir simultaneously seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The documentation is on file with the Explore Asheville Convention & Visitors Bureau. Since this is a county tax and has a two-step approval process, the CVB staff will forward the request to the Buncombe County Commissioners for further and final consideration.

President's Report

Ms. Brown encouraged board members to read the CVB Recap each month, which is a comprehensive record of the staff's initiatives and program of work. She said the music campaign has had great success this year with Chris Corl reporting that it has helped to book more quality acts at the US Cellular Center. Ms. Brown added that the BCTDA's investment of \$5.5 million has helped to reduce the facility's operating burden on the

city's budget by about \$2 million per year. The CVB staff will present an update on the music initiative at an upcoming board meeting. Ms. Brown then reviewed numbers from the Visitor Index and answered all related questions.

Ms. Brown said the BCTDA was a sponsor of yesterday's WomanUp event held at the Crowne Plaza Resort, which was coordinated by the Asheville Area Chamber of Commerce. The sponsorship gave Ms. Brown the opportunity to introduce guest speaker Dr. Christine Darden, retired NASA engineer and analyst and one of NASA's "human computers" as portrayed in the recent film *Hidden Figures*. Dr. Darden attended the Allen School, which was an African American boarding school for girls in the 1950s that was housed on the same campus that is now the Asheville Office Park, where the CVB's office is located. Founder and owner of Asheville Distilling Company, Troylyn Ball, was the keynote speaker who shared a personal inspirational story of overcoming hardship.

In response to Mr. Froeba's question asking if AirDNA analytics related to Airbnb rentals can be included in the monthly Quick List, Ms. Brown replied affirmatively.

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 report.

Enka Ball Fields TPDF Update

Ms. Kappes gave an update on the TPDF Enka Ball Fields project via a PowerPoint presentation. She said the Enka Youth Sports Organization (EYSO) was awarded a \$2,000,000 grant in 2014 to build the ball fields, and the original contracted completion date was May 2017. Due to delays, an extension was subsequently granted to allow for a November 2017 completion date, and the fields will be finished in December. Because the EYSO board elected to redesign and upgrade the concession areas, additional time is needed and the new estimated date of completion for the full project is April 2018. Ms. Kappes said Martin Lewis is requesting an extension on the contract for this reason. She said no funds have been disbursed on the project to date, although she anticipates a request for the first payment will be forthcoming in December.

Ms. Kappes said the organization is increasing efforts to recruit sporting events to the complex and the first big tournament will be held in July, with more in the pipeline.

Next, Ms. Kappes shared slides that included drone photos of the fields and architectural renderings of the concession building that were provided by Martin Lewis.

Mr. Froeba made a motion to extend the grant completion date for the Enka Ball Fields TPDF contract to June 2018. Mr. Luckett seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

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

Marketing Update

Ms. Tambellini introduced Lauren Wegmann and Lynne McMillen with the Peter Mayer Agency, who will provide an update on the Harvest Campaign and review elements of the Holiday campaign, as well.

Fall Harvest Marketing Recap

Ms. Wegmann and Ms. McMillen shared a PowerPoint presentation reviewing the Fall Harvest campaign, which included: campaign objective, flight dates, target audience, messaging, print, television, digital and radio media plans, video and banner assets, native content and print examples. They reviewed a performance summary and what was learned related to key metrics and levels of engagement by target audiences.

Ms. Tambellini clarified that the commercials and videos were developed by editing existing video assets to which the Lonely Planet designation was added. She also said that much of the native content in advertorial pieces is developed internally by the CVB's marketing team.

Holiday Campaign

Following the Fall Harvest campaign report, an overview was provided on the Holiday campaign which runs October 23 through December 22. Ms. Wegmann and Ms. McMillen reviewed the target audience, the "Let the Holiday Magic Find You in Asheville" message, media plan, objective, and samples of advertising assets that are currently being utilized with the goal of increasing visitation during the holiday season.

Ms. Tambellini shared additional insights during the presentation. She then commended CVB Web Manager Elizabeth White for creating a beautiful landing page for the holiday advertising and Content Specialist Jason Tarr for personally attending and showcasing holiday happenings in the area live across the CVB's social channels. She also shared the new "Snackable Social" content that Mr. Tarr learned about at a recent conference and implemented with a video on the NC Arboretum's Winter Lights display. Ms. Tambellini concluded the presentation by sharing recent media relations successes related to the music initiative and answered all related questions.

In response to Mr. McKibbon's question asking if there will be any promotional efforts to support the just-announced American Airlines flight from Asheville to Dallas/Ft. Worth, Ms. Tambellini replied that CVB staff also just recently heard the news. In addition to a brand-new direct flight to Texas, Ms. Tambellini said the flight opens up travel connections to other destinations in the west, as well. She and her team will definitely be looking at ways to maximize this new flight over the next few months. Ms. Kinsey said the AVL staff has been talking with American Airlines for several years and the airport has strong numbers from an air service development perspective. She said if the seats on this new flight are filled, AVL will be in a great position to add additional American Airlines flights in the future.

Chairman Muth thanked Ms. Wegmann, Ms. McMillen, and Ms. Tambellini for the presentation. He added that he is always amazed at the amount of sophistication that goes into the CVB's efforts to promote the Asheville area. He encouraged everyone to attend the monthly CVB Partner Forums to learn more about the "work behind the curtain" that directly benefits more than 1,200 local businesses.

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

Asheville City Council Update

Councilmember Mayfield reported on city-related business, noting the outcome of the recent election means Asheville City Council will have two new members sworn in soon. Additionally, subsequent to the referendum on districting being voted down, the City of Asheville sent a letter to Raleigh with the intent that this will bring that matter to a close. Councilmember Mayfield then reported on form-based code regulations on Haywood Street, which require all types of lodging properties to come before Asheville City Council for conditional zoning approval.

Chairman Muth thanked Councilmember Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher was not present at today's meeting, therefore, a Buncombe County Commission update was not given.

Miscellaneous Business

Mr. McMurray said Black Mountain will be very busy through the holidays and expressed his appreciation to the BCTDA for bringing visitors into the area.

Comments from the General Public

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

Closed Session

Chairman Muth thanked everyone for attending and said the next item on the agenda is for the BCTDA to go into closed session.

Pursuant to Section 143-318.11 (a) (3) of the North Carolina General Statutes, Mr. Froeba made a motion that the Buncombe County Tourism Development Authority enter into a closed session to consult with the board's attorney to consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action. Ms. Ashburn seconded the motion. A vote was taken and with all in favor, the motion carried 8-0 and the closed session began at 10:11 a.m.

Attorney Metcalf, BCTDA board members and Explore Asheville staff members who were present, except for Mr. Cox, stayed for the closed session. Everyone else in attendance exited the room.

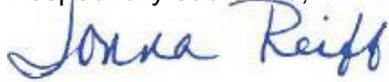
When the discussion ended, Mr. Froeba moved that the BCTDA return to open session. Mr. Celwyn seconded the motion. There was no discussion and with all in favor, the motion carried 8-0 and the closed session ended at 11:44 a.m.

Adjournment

Chairman Muth thanked everyone for attending and the meeting adjourned at 11:45 a.m.

The BCTDA will next meet on Wednesday, December 20, 2017, 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