
Buncombe County Tourism Development Authority
Asheville Area Chamber of Commerce Boardroom

Board Meeting Minutes

Wednesday, December 21, 2016

- Present (Voting):** Paula Wilber, Chair; Jim Muth, Vice Chair; Leah Ashburn, Chip Craig, John Ellis, Gary Froeba, Himanshu Karvir, John Lockett
- Absent (Voting):** John McKibbon
- 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, Marla Tambellini, Glenn Cox, Pat Kappes, Dianna Pierce, Jonna Reiff, Rachel Baumgardner
- CVB Staff Absent:** Tom Roberson
- Guests:** Ron Storto, Biltmore Farms LLC, Past BCTDA Chair, ABRSC
Mayor Jerry VeHaun, Ben Dannemiller, Jason Young; Town of Woodfin
Buncombe County Commission Chair Brownie Newman
David Tuch, Equinox
Rick Lutovsky, Woodfin/Wave Project
Demp Bradford, Asheville Buncombe Regional Sports Commission
Jane Anderson, Asheville Independent Restaurant Association
Michael Hickerson, AC Hotel
Jay Curwen, Nantahala Outdoor Center
Garrett Artz, RiverLink
Wilson Sims, Linda Giltz, Sims and Steele Consulting
Josh O'Conner, Karla Funari; Buncombe County Recreation Services
David Nutter, Greenway Committee
Timothy Sadler, Spiritex
Emily Patrick, Asheville Citizen-Times

Executive Summary of Meeting Minutes

- Chairwoman Wilber called the meeting to order at 9:05 a.m.
- Minutes from the November 22, 2016 BCTDA meeting were approved with an 8-0 vote.
- The November 2016 financial reports were reviewed and approved with an 8-0 vote.
- A TPDF budget ordinance to establish budgets for the five community projects approved in October, in the amount of \$3,930,000, was approved with a 7-0 vote, with one board member abstaining.
- Under her Executive Director report, Ms. Brown announced Asheville was named Lonely Planet's #1 U.S. Destination for 2017 and reviewed recent CVB activities and metrics.
- The Town of Woodfin and its collaborative partners gave a formal presentation and request to submit a project to the TPDF committee for an off-cycle review of its Greenway, Blueway, Park and Whitewater Wave project via the TPDF's Major Works Pathway tool. This was approved by the BCTDA with an 8-0 vote.
- Ms. Tambellini provided an overview of the winter advertising campaign recently approved and developed to drive visitation in the months of January – March.
- Mr. Froeba and Ms. Brown updated the board on recent developments regarding establishing the CVB as an independent non-profit organization, including legal logistics and efforts to find office space for relocation since the CVB needs to vacate its current space by June 30, 2017. In a unanimous 8-0 vote, the BCTDA authorized the Fiduciary Task Force to review relocation options and Mr. Froeba, as task force chair, to execute a property lease and approve related expenditures.
- Reports from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher were heard.
- Ms. Cramer and Mr. McMurray shared items under Miscellaneous Business.
- Timothy Sadler shared information under Comments from the General Public.
- The meeting adjourned at 11:08 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 9:05 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

Approval of Meeting Minutes

Mr. Ellis made a motion to approve the November 22, 2016 regular meeting minutes as presented. Mr. Muth seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

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

Financial Reports

November 2016 Financial Reports

Ms. Durrett reviewed the November financial reports. Occupancy tax revenue received in November for October sales totaled \$1,960,709. November expenditures totaled \$1,586,620. YTD revenue exceeded expenditures by \$1,418,455 and includes five months of expenditures and four months of revenue. October expenditures for Tourism Administration: \$7,400; Professional Services: \$187,778; General Tourism (excludes media buys): \$99,444; Net Media: \$1,232,526; Motorcoach Sales: \$1,130; Meetings and Conventions: \$44,987; Convention Services: \$1,071; Marketing/Public Relations: \$9,135; International: \$2,315; Public Affairs: \$835; Event Grants Program: \$0. There is currently \$4,556,886 in undedicated dollars in the Tourism Product Development Fund (TPDF).

Revenue Summary: October 4.5 percent (operating) collections equaled \$1,960,709, and 1.5 percent (TPDF) collections totaled \$653,570.

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

Mr. Craig made a motion to approve the November 2016 financial reports as presented. Mr. Ellis 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 Asheville Convention & Visitors Bureau.

TPDF Project Ordinance

Ms. Durrett asked the board to turn to the Product Development Fund Budget Ordinance that was provided. She said approval is being requested to establish budgets for the five TPDF projects that were approved for funding in the 2016 cycle.

Mr. Luckett made a motion to approve the ordinance as presented in the amount of \$3,930,000, establishing TPDF budgets for Asheville Community Theatre (\$1,000,000), the City of Asheville/U.S. Cellular Center – Phase IV (\$1,500,000), Montreat College (\$350,000), NC Department of Agriculture/WNC Farmers Market (\$380,000), and Pack Place Performing Arts – The Wortham Center (\$700,000), from the TPDF Appropriated Fund Balance. Mr. Karvir seconded the motion. There was no discussion and with all in favor and Mr. Ellis abstaining, the motion carried 7-0.

Executive Director Report

Ms. Brown announced that on December 6, Lonely Planet named [Asheville as its #1 U.S. Destination](#). She added staff worked with Lonely Planet for a few months to help bolster this significant designation and plan for integration with marketing strategies.

November Visitor Index

Ms. Brown asked board members to turn to the November Visitor Index. She briefly read from an email received from John McKibbin outlining Asheville's metric successes included in the most recent Smith Travel Research report. He noted new hotel supply is being absorbed and key metrics are showing growth and largely surpass those of other

markets in the comparative set. Ms. Brown then reviewed select numbers from the Index and answered all related questions.

Chairwoman Wilber thanked Ms. Brown and said the numbers, specifically hotel sales being up nearly 19 percent over the prior October, have certainly been influenced by the increased media and public relations efforts.

The November Visitor Index is on file with the Asheville Convention & Visitors Bureau and is posted on AshevilleCVB.com.

November CVB Staff Recap and Quick List

The November CVB Staff Recap and Quick List were not reviewed at this meeting, however, were provided to the board and are on file with the Asheville Convention & Visitors Bureau.

Group Sales Media Plan

Ms. Brown said that in addition to the consumer advertising efforts, the Group Sales & Services team works to drive group business, focusing specifically on mid-week. In response to a request at last month's meeting, Ms. Brown said an outline of the department's key sales initiatives is included in the board books, along with the Group Advertising, Media, Sponsorship & Communications Schedule and examples of meetings-specific print ads and incentive plan promotional materials and postcards. Ms. Brown provided a brief overview of these documents and the team's trade show schedule and efforts in the association, corporate and financial sectors and answered all related questions.

Chairwoman Wilber thanked Ms. Brown for providing this synopsis of the work being executed by Ms. Pierce's group sales team.

Other Updates

Ms. Brown concluded her report by asking board members to review the Southern Conference sponsorship guide that was included in the board books. She encouraged everyone to consider supporting SoCon with sponsorships and via ticket sales as it is important to meet revenue and ticket sales goals.

Town of Woodfin – TPDF Major Works Pathway Request

Jerry VeHaun, Mayor of the Town of Woodfin, thanked the BCTDA for the opportunity to present a project utilizing the Tourism Product Development Fund's Major Works Pathway tool. He complimented the board on the great work it does and said a Greenway and Blueway will improve the quality of life for the people of Woodfin and the surrounding area, while also growing tourism. Mayor VeHaun said the citizens of Woodfin have passed a bond referendum to help fund the greenway, blueway and park, and the Town is committed to the project coming in on budget and on time. He noted what is being presented today is a collaborative partnership with the Town of Woodfin and Buncombe County government and, hopefully, will also include the BCTDA.

A presentation was shared by Buncombe Commission Chair Brownie Newman, Marc Hunt, Jason Young, David Tuch and Rick Lutovsky, providing an overview of the plans and fundraising efforts for the Blueway, Greenway, and other elements. The project

includes approximately five miles of new greenway along Beaverdam Creek and the French Broad River that will ultimately be linked to Asheville's emerging greenway system extending throughout the River Arts District, multiple new boating access sites into the French Broad River, a new Silverline Park on the river in Woodfin's river district, and a new Whitewater Wave feature in-stream near the park.

The presentation covered the project's history, design, timeline, and anticipated costs. It was also noted that additional business opportunities would likely develop to possibly include kayak/boat/bicycle rental businesses, restaurants, and other community and tourism-related entities. Statistics and case studies related to river usage and increased visitation in other areas with similar greenway/blueway and wave offerings were shared.

Total project costs are estimated between \$10.8 and \$12.8 million, which includes \$2 million in a contingency/reserve fund. Fundraising efforts to date amount to \$5.4 million, including the Town of Woodfin's approval of a \$4.5 million General Obligation Bond. Of the \$5.4 to \$7.4 million still to be raised, the group is requesting \$1.5 to \$2 million from the TPDF.

A brief discussion took place with presenters answering questions related to greenway connectivity, grade, construction, additional fundraising plans, partnering with NCDOT, bike lanes, and French Broad River water levels. In response to Ms. Ashburn's question regarding the changing conditions and cleanliness of the river, Ms. Mayfield provided insight on weekly water quality monitoring done by MountainTru and how data is tracked related to bacteria levels in certain spots. She said the good news is the river is cleaner than it has ever been and this project will likely prompt additional regional clean-up efforts.

When the discussion ended, Ms. Brown said the TPDF's Major Works Pathway is a tool adopted by the BCTDA in 2015 to enable a funding mechanism outside of the annual funding cycle for significant projects representing \$5 million or more in capital investment and requiring multi-year funding. She said it is beneficial for projects that have multiple entities involved that don't easily conform to a regular funding cycle. Because of the complexity of such projects, this Pathway necessitates that the committee convenes off-cycle to evaluate the project using the same criteria, intent of the legislation, rigor and risk mitigation as any other applicant. Ms. Brown said the board's option now is to decide on whether or not to refer the project to the TPDF committee for that full review.

Chairwoman Wilber thanked the members of the presenting group and the project supporters in attendance for bringing this project to the BCTDA. She then called for action.

Ms. Ashburn made a motion to refer the Town of Woodfin's Greenway, Blueway, Park and Whitewater Wave project to the Tourism Product Development Fund committee for full review via the Major Works Pathway Tool. Mr. Karvir seconded the motion. There was no further discussion and with all in favor, the motion carried 8-0.

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

Marketing Update

Ms. Tambellini shared a PowerPoint presentation highlighting efforts related to the winter advertising strategy that was approved by the BCTDA at last month's meeting. She reviewed the plan's objectives, budget, media plan and strategies, and showed

examples of banner ads, the Peak Perks landing page, digital advertising creative, and the television commercial developed specifically for this campaign.

Next, Ms. Tambellini shared highlights of the Buxton and Arrivalist research initiatives that provided the data strategically used to target potential visitors who are most likely to visit Asheville. The Buxton data defines the best potential visitor, identifies where those visitors are found, and pinpoints the value of those visitors. Ms. Tambellini reviewed the methodologies used to drill down the data and then shared preferences of the target audience to include media outlets, vacation activities, television channels, websites, and shopping options.

Ms. Tambellini then focused on the Arrivalist data that helps to mine responses to improve performance using data targeting, multi-screen media and geo location data. She provided an Arrivalist technology overview that shows how users are followed from an initial view of Arrivalist pixelated ads or content to the point when that user arrives in market. She gave an overview of the data that has been received to date.

Ms. Tambellini concluded her report by stating a new vendor has been secured for the Official Asheville Travel Guide and an in-market guide will also be produced. She then answered all related questions.

Chairwoman Wilber thanked Ms. Tambellini for the report. The PowerPoint presentation is on file with the Asheville Convention & Visitors Bureau.

Fiduciary Task Force Update

Status of Incorporation

Mr. Froeba said the Fiduciary Task Force did not meet in November, however, will meet the first week in January. He noted one of the first steps in establishing the Asheville CVB as an independent organization is to file Articles of Incorporation with the State. He said the BCTDA's attorney is currently preparing the paperwork. Mr. Froeba also said that Mr. Rufus Dollar, a CPA, has been hired to prepare the application to secure tax-exempt status. He and the attorney are coordinating their work and will provide the documents for review to the task force prior to being presented to the board at the January BCTDA meeting. A memo providing more detail about the process was provided in the board books.

CVB Office Space

Mr. Froeba said that on December 7, the BCTDA was informed by the Chamber that Lenoir-Rhyne University would be purchasing the remainder of the second floor of the Chamber building and that the CVB would need to vacate the building by June 30, 2017, in order for the Chamber departments to move into the current CVB space. Mr. Froeba said it is understood that both the University and the CVB need more space, and the option for Lenoir-Rhyne to purchase more of the building is a good financial decision for the Chamber.

Mr. Froeba said that despite the change in physical location, members of the Fiduciary Task Force are certain that the two organizations will continue to work together for the mutual benefit of the community. He said once notified, the CVB team immediately began working to establish criteria and evaluate relocation options and he asked Ms. Brown to provide a status report.

Ms. Brown gave an overview of the amount of space the CVB currently occupies, including common and shared areas. She added in the past two fiscal years, the BCTDA has provided enhancements to the CVB space in the building to accommodate six additional staff members, resulting in two new cubicles and designing and furnishing two separate shared office spaces.

Ms. Brown said the CVB has high levels of public engagement with the tourism partners it serves. It also assists meeting planners, event organizers, couples planning weddings, and other constituent groups. For these reasons, staff felt it was best to maintain a central location with parking to facilitate its role with the public and is currently seeking available options within the Central Business District. She estimates approximately 6,500 square feet will be necessary to accommodate the CVB, although some functions would need to be held off site due to space limitations. Ms. Brown reviewed the current contract with the chamber and what is included. She noted six months is a very aggressive time frame in which to relocate a staff of this size. To assist in the search, Ms. Brown said a real estate broker has been retained on a non-exclusive basis and staff will be prepared to present a comprehensive report to the Fiduciary Task Force in early January. Based on the information gathered to date, staff estimates that the maximum rent and common area maintenance expense in a new location will not exceed \$225,000 annually, which is in line with what has been paid to the chamber for rent and shared services. Ongoing annual expenses will also include parking and some administrative support estimated at approximately \$50,000 per year. Ms. Brown concluded her report by stating the cost to up-fit and furnish the new office will be presented with location options to the Fiduciary Task Force.

Mr. Froeba said it's clear we are working on a very tight schedule to successfully move the CVB in June. He added it would be beneficial for the BCTDA to authorize the Fiduciary Task Force to evaluate options and enter into a lease agreement so to not hinder progress by waiting for the January meeting.

Mr. Ellis made a motion to authorize the Fiduciary Task Force to evaluate the options for the relocation of the CVB to suitable office space, and to authorize Gary Froeba, as chair of the task force, to execute a lease agreement not to exceed a rent expense of \$225,000 annually, plus up-fit and moving expenses as deemed reasonable and necessary by the Fiduciary Task Force. Mr. Craig seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

Ms. Brown then responded to questions posed by board members. She noted the CVB staff currently has 25 positions and the goal is to locate and configure a new space that will also allow for future expansion.

Chairwoman Wilber thanked Mr. Froeba, Ms. Brown and the members of the Fiduciary Task Force for their quick and diligent efforts.

Asheville City Council Update

Councilwoman Mayfield apologized for being late to the meeting. She then reported and answered questions on city-related business, including thanking Ms. Cramer for her help on getting the three bonds passed in November, the city's comprehensive planning process, the Haywood Street property, I-26 connector engineering and design initiatives, short-term rentals, the city's new equity office and anti-hate resolution, energy task force, the city's upcoming planning retreat and downtown development proposals.

Councilwoman Mayfield said Ms. Ashburn, Oscar Wong, author Ron Rash, Chris Cooper, herself and others from the community will be part of an NPR live event to be streamed on February 7 from the Diana Wortham Theatre. NPR's Michel Morris will host the evening of conversation, storytelling and performance, to talk about the benefits and tensions that emerge when an area becomes a popular place to live. Following the event, clips will air on Ms. Morris' "All Things Considered" program on future dates.

Chairwoman Wilber thanked Councilwoman Mayfield for the update.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including Christmas lights at Lake Julian, providing equity to citizens, his reappointment to the BCTDA, the Commissioners' retreat scheduled in mid-February, the county's new parking deck, and he shared a photo showing the progress on the Enka ball fields project.

Chairwoman Wilber thanked Commissioner Belcher for his report.

Miscellaneous Business

Ms. Cramer said the Chamber has been monitoring the current legislative session and that the annual legislative luncheon will take place in early January.

Mr. McMurray thanked Ms. Tambellini and the CVB team for their assistance in helping Black Mountain win the TripAdvisor readers' choice award for Prettiest Small Town Vacation in America.

Comments from the General Public

Timothy Sadler said Slidr, a new, on-demand free electric shuttle service is now available in the Central Business District, South Slope and in Biltmore Village. He said service hours will be expanded in early January and an app will be developed which, if successful, could help ease downtown traffic woes.

Mr. Sadler mentioned a new documentary on Asheville's busking scene, produced by RedBull TV, is now available online. It can be found [by clicking here](#).

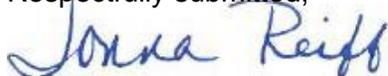
Mr. Sadler said a local entrepreneur, Bryan Hudson, owns an augmented and virtual reality development company and has purchased equipment to capture virtual content. He said this could be a great way of attracting millennials.

Chairwoman Wilber thanked Mr. Sadler for his comments.

Adjournment

Chairwoman Wilber thanked everyone for attending and extended her best wishes for the happiest of holidays. The meeting adjourned at 11:08 a.m. The BCTDA will next meet on Wednesday, January 25, 2017, at 1:30 p.m., at Hyatt Place.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager