

**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, January 31, 2018

- Present (Voting):** Jim Muth, Chair; Leah Ashburn, Andrew Celwyn, Chip Craig, Himanshu Karvir, John Lockett, Paula Wilber
- Absent (Voting):** Gary Froeba, Vice Chair; John McKibbon
- Present (Ex-Officio):** Asheville City Councilmember Julie Mayfield
- Absent (Ex-Officio):** Buncombe County Commissioner Joe Belcher
- BC Finance:** Blair Chamberlain
- Advertising Agency:** No one was present from the Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Pat Kappes, Jonna Reiff, Shawn Boone, Tina Porter
- CVB Staff Absent:** Dianna Pierce
- Guests:** Ron Storto, Past BCTDA Chair/Biltmore Farms Hotels
Kit Cramer, Asheville Area Chamber of Commerce
Tina Kinsey, Lew Bleiweis; Asheville Regional Airport
Jane Anderson, Hayley Benton; Asheville Independent
Restaurant Association
Madison Davis, Asheville-Buncombe Regional Sports
Commission
Robert Foster, TPDF Committee Chair/Biltmore Farms Hotels
Lacy Cross, Entegra Bank
Jason Sandford, Ashvegas
Dillon Davis, Asheville Citizen-Times
Thomas Calder, Mountain Xpress

Executive Summary of Meeting Minutes

- Chairman Muth called the joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, to order at 9:00 a.m.
- Minutes from the December 20, 2017 BCTDA meeting were approved with a 7-0 vote.
- The December 2017 financial reports were reviewed and approved with a 7-0 vote.

- Ms. Brown gave a penalty waiver request update and reviewed a letter sent to owners of accommodations highlighting occupancy tax benefits and a new directive on waiver requests.
- Ms. Tambellini presented the 2018 Official Asheville Visitor Guides to the BCTDA and provided insight on the new publisher and guide format.
- In her President's Report, Ms. Brown shared a PowerPoint presentation highlighting 2017 lodging trends, a TPDF check presentation, sponsorships, and progress on the BCTDA's Strategic Plan. She also reviewed elements of a DestinationNEXT assessment and the BCTDA's FY 18-19 meeting schedule was provided.
- Tina Kinsey shared a PowerPoint presentation highlighting current air service development efforts and recent performance metrics related to Asheville Regional Airport.
- National Sales Manager Shawn Boone shared a Group Sales and Services departmental update.
- Under New Business, Mr. Craig reported on the BCTDA finance committee's recent meeting.
- An update from Asheville City Councilwoman Julie Mayfield was heard.
- The joint meeting of the BCTDA, Public Authority and Nonprofit Corporation, adjourned at 10:30 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 9:00 a.m. and welcomed everyone. The visitors in attendance introduced themselves.

Approval of Meeting Minutes

Mr. Craig made a motion to approve the December 20, 2017 regular meeting minutes as presented. Ms. Wilber seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

The minutes are on file with the Explore Asheville Convention & Visitors Bureau (CVB).

Financial Reports

December 2017 Financial Reports

Ms. Chamberlain reviewed the December 2017 financial reports.

Occupancy tax revenue received in December for November sales totaled \$1,474,588. December expenditures totaled \$391,320. YTD revenue exceeded expenditures (including appropriated fund balance) by \$2,818,720 and includes six months of expenditures and five months of revenue. December expenditures for Administration: \$7,006; Professional Services/Contract: \$163,707; Staff & Facilities: \$2,920; Net Media: \$68,159; Motorcoach Sales: \$2,691; Meetings and Conventions: \$24,755; Convention Services: \$818; Marketing/Public Affairs: \$834; Marketing/Public Relations: \$22,900; International: \$3,473; Public Affairs: \$1,458; Event Grants Program: \$0.

There is currently \$1,751,695 in undedicated funds in the Tourism Product Development Fund (TPDF).

Ms. Chamberlain said that out of 350 reporting lodging establishments, 170 are currently submitting occupancy tax reports and remittances online. She added Buncombe County Finance (BCF) worked with the CVB to mail a letter to all 350 establishments on Monday and included instructions outlining how to register for online access in the envelope.

Mr. Luckett made a motion to approve the December 2017 financial reports as presented. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 7-0.

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

Penalty Waiver Request Update

Ms. Brown asked the board to turn to the letter provided in the books that was recently sent to accommodations owners via email and regular mail. She noted the letter outlined the local impact of occupancy tax collection, opportunities to connect with the CVB, and the availability of submitting occupancy tax reports and remittances online to Buncombe County Finance. Based on the recent direction from the board, Ms. Brown said the letter also informed property owners that, effective with the January remittances due February 20, 2018, the BCTDA will no longer consider penalty waiver requests due to mail-related issues or delays. Ms. Brown added that processing penalty waiver requests creates a significant amount of work for CVB and BCF staff, as well as the BCTDA board and Buncombe County Commissioners, and she is grateful Buncombe County Finance implemented this online payment option last summer.

Ms. Brown reported that the penalty waiver request from AVL Property Management, in the amount of \$930.66, which was approved by the BCTDA to be passed onto the commissioners at the November meeting, was approved by the Commissioners on January 16. She added a new penalty waiver request was received from Bittersweet Partners, LLC, for \$81.46 and, based on the authority granted to her last year, she approved it to move onto the Commissioners as it was below the \$500 threshold and was the property's first late offense. Ms. Brown noted the envelope was postmarked one day late and will be considered by the Commissioners on February 6, 2018.

President's Report

Asheville Official 2018 Visitor Guide

Ms. Tambellini said she was pleased to share both versions of the hot-off-the-press *Asheville Official 2018 Visitor Guide* with everyone. She said staff worked with a new publisher, Saga City, to develop both in- and out-of-market editions utilizing a magazine-type format. She said the in-market guides don't include hotel listings and includes additional itinerary information and insight on things to do while in Asheville. Ms. Tambellini added free delivery of the guides is available from the Daniels warehouse to hotel partners who have signed up for the service.

Ms. Brown commended Ms. Tambellini and Ms. Kappes and their teams for their efforts in creating the two new guides.

Year-End Trend Report

Ms. Brown shared a PowerPoint presentation highlighting 2017 performance trends. She reviewed lodging metrics and gave comparisons to the prior calendar year. During and after the presentation, Ms. Brown answered all related questions. A brief discussion took place centering on lodging types, trends, and variables related to next year's budget.

TPDF Check Presentation at U.S. Cellular Center

Ms. Brown shared photos of representatives from the City of Asheville accepting a \$1.5 million check for the U.S. Cellular Center's TPDF grant following the installation of the new curtaining, lighting and sound system, unveiled during the River Whyless and Steep Canyon Rangers concert on January 27. Ms. Brown said the BCTDA's investment in the USCC totals \$5.6 million and, prior to the upgrades, the facility had been losing \$2 million per year and is now breaking even. She attributed that turnaround to multiple factors, especially Chris Corl's outstanding performance as general manager and the BCTDA's investment via the Tourism Product Development Fund.

Sponsorships

Ms. Brown reviewed a list of several community sponsorships that have been committed to this fiscal year-to-date, which includes: Creative Sector Summit, Summer of Glass, Organic Growers School, Xpand Fest in the South Slope, ClimateCon 2018, AMP Rocks Asheville, the Media Arts Project/photo + sphere, and the Asheville Downtown Association's Urban Speakers Series.

BCTDA Strategic Plan Update

Ms. Brown concluded her presentation by giving an update on the BCTDA's Strategic Plan, which was developed to be completed by 2020. She noted most items have been completed already, with many finishing way ahead of schedule. Ms. Brown reviewed each area of the Plan, noting which fiscal year it was to be completed/implemented in, required resources, and responsible parties. She then answered all related questions.

Other Updates – DestinationNEXT

Ms. Brown said she has worked with Chairman Muth and Vice Chairman Froeba to evaluate an opportunity that's been hugely successful for destinations in many countries. It's called DestinationNEXT and was started by Destinations International and is a futures study to look at DMOs and the work that they do, including the most important areas of focus while measuring the success of destinations. Ms. Brown said it's been done with over 100 CVBs in eight countries. She added Paul Ouimet will lead the assessment process for the BCTDA and will attend the February meeting and March annual planning retreat for this purpose. Chairman Muth shared that he was impressed with Mr. Ouimet and the BCTDA is fortunate that he is available to personally work on the assessment for Asheville.

BCTDA FY 2018-19 Meeting Schedule

The meeting schedule for FY 2018-19 was shared with the BCTDA and is set as outlined below (subject to change). Except for the March 21-22, 2019 annual planning retreat and

regular meeting, all meetings will begin at 9:00 a.m. and are held in the Boardroom of the Explore Asheville Convention & Visitors Bureau, located at 27 College Place.

Wednesday, July 25, 2018
Wednesday, August 29, 2018
Wednesday, September 26, 2018
Wednesday, October 31, 2018
Wednesday, November 28, 2018
Wednesday, December 19, 2018
Wednesday, January 30, 2019
Wednesday, February 27, 2019
Thursday, March 21, 2019 (full day)
Friday, March 22, 2019 (half day)
Wednesday, April 24, 2019
Wednesday, May 29, 2019
Wednesday, June 26, 2019

CVB Staff Recap, Visitor Index & Quick List

The CVB Staff Recap, Visitor Index and Quick List were not reviewed at this meeting, however, are posted on ExploreAshevilleCVB.com.

Chairman Muth thanked Ms. Brown for the report. The PowerPoint presentation is on file with the Explore Asheville Convention & Visitors Bureau.

Asheville Regional Airport Update

Tina Kinsey, director of marketing, PR and air service development for the Greater Asheville Regional Airport Authority, shared a PowerPoint presentation highlighting Asheville Regional Airport's current air service, origin and destination markets, air service goals, best practices, and changes in several metrics year-over-year. She shared trends and pointed out that AVL had the second highest percentage of growth in the second quarter of 2017 compared to other airports similar in size. Ms. Kinsey then reviewed the airport's challenges and opportunities. During the presentation, questions were answered by Ms. Kinsey and Lew Bleiweis, executive director of Asheville Regional Airport.

Ms. Brown commended Ms. Kinsey for her ongoing collaborative efforts and today's impressive presentation.

Chairman Muth thanked Ms. Kinsey for the update. The PowerPoint presentation is on file with the Explore Asheville Convention & Visitors Bureau.

Group Sales Update

Shawn Boone, national sales manager in the CVB's Group Sales and Services department, spoke on behalf of Ms. Pierce to provide a sales update. He reviewed sales activity and trade show participation for the past three months, along with the success of recent familiarization tours. Mr. Boone then reviewed advertising placements and concluded his report by stating Senior Sales Manager Molly Nelson relocated to Greenville, SC, this month, and former CVBer Brenda Taylor will be working on a contract basis while staff goes through the hiring process to fill the open position.

Chairman Muth thanked Mr. Boone for the update.

New Business

Mr. Craig said the BCTDA's finance committee, which consists of Mr. Lockett, John Ellis and himself, met with Ms. Brown on Monday as the first meeting in the new budget cycle. During the meeting, the committee discussed considerations related to the business objective, which will be brought to the BCTDA at a future meeting. Additionally, Mr. Craig said the committee directed Ms. Brown to contract with Chris Cavanaugh of Magellan Strategy Group to complete a review of the CVB's compensation structure.

Asheville City Council Update

Councilwoman Mayfield briefly reported on city-related business, including the recent approval of five rezoning requests, officially accepting the additional \$4.6 million from the BCTDA in TPDF funding for the River Arts project, and changes related to short-term rental regulations.

Chairman Muth thanked Councilwoman Mayfield for the update, and for her kind comments related to local ownership of hotels that she shared at a recent Asheville City Council meeting.

Buncombe County Commission Update

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

Miscellaneous Business

Ms. Cramer shared information related to recent and upcoming Chamber events and initiatives, including the Savannah inter-city visit, a survey in conjunction with the Center for Craft, Creativity and Design focusing on affordable housing for local artists, and the launch of the Chamber's redesigned web site.

Comments from the General Public

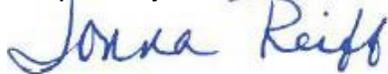
There were no comments from the general public made at this meeting.

Adjournment

Chairman Muth thanked everyone for attending and the meeting adjourned at 10:30 a.m.

The BCTDA will next meet on Wednesday, February 28, 2018, at 9:00 a.m., in the Boardroom of the Explore Asheville Convention & Visitors Bureau.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager