
Buncombe County Tourism Development Authority
Asheville Area Chamber of Commerce Boardroom

Board Meeting Minutes

Wednesday, February 22, 2017

Present (Voting): Jim Muth, Vice Chair; Leah Ashburn, Chip Craig, John Ellis, Gary Froeba, Himanshu Karvir, John Lockett, John McKibbin

Absent (Voting): Paula Wilber, Chair

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, Jonna Reiff, Pat Kappes, Dianna Pierce, Dodie Stephens

CVB Staff Absent: Tom Roberson

Guests: Dipak Patel, Plantation Motel
Kit Cramer, Asheville Area Chamber of Commerce
Bob McMurray, Black Mountain/Swannanoa Chamber of Commerce
Jane Anderson, Asheville Independent Restaurant Association
Lew Bleiweis, Asheville Regional Airport
Peter Pollay, Posana
Andrew Celwyn, Herbiary
Lacy Cross, Entegra Bank
Jason Sandford, Ashvegas
Katie Hild, WNC Magazine/Ashvegas
Rich Lee, Edward Jones

Executive Summary of Meeting Minutes

- Vice Chairman Muth called the meeting to order at 9:05 a.m.
- Minutes from the January 25, 2017 BCTDA meeting were approved with an 8-0 vote.
- The January 2017 financial reports were reviewed and approved with an 8-0 vote.

- In the first of a two-step process, a penalty waiver request from Plantation Motel was considered by the BCTDA and approved with an 8-0 vote. The request will be forwarded to the Buncombe County Commission for further and final consideration.
- In an 8-0 vote, a budget resolution in the amount of \$200,000 was approved to close out the budget for the NC Glass Center's TPDF grant, which was rescinded at the grantee's request.
- In an 8-0 vote, a budget resolution in the amount of \$16,435 was approved to transfer funds from the general tourism contingency line to three non-general tourism budget categories.
- In her Executive Director report, Ms. Brown briefly reviewed recent CVB activities and metrics, along with the BCTDA's 2017-18 meeting schedule.
- Vice Chairman Muth encouraged everyone to attend the BCTDA's upcoming annual planning retreat and March meeting, scheduled March 23-24 at Biltmore.
- Ms. Brown provided an update on the CVB's relocation plan.
- Ms. Tambellini and Ms. Stephens provided an update on the Asheville Music Initiative that was launched last year via ExploreAsheville.com/music.
- Ms. Kappes provided a TPDF update on the 21 projects currently under active contract.
- Reports from Asheville City Councilwoman Julie Mayfield and Buncombe County Commissioner Joe Belcher was heard.
- Under Miscellaneous Business, Mr. Ellis shared that two of the three upcoming sold-out performances at Diana Wortham Theatre occur on week nights.
- Under Comments from the General Public, Andrew Celwyn expressed his gratitude for launching the new AshevilleCVB.com site to include board meeting materials and other important CVB and BCTDA information.
- The meeting adjourned at 10:52 a.m.

Call of BCTDA Meeting to Order

Vice Chairman Muth 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. McKibbin made a motion to approve the January 25, 2017 regular meeting minutes as presented. Mr. Ellis 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

January 2017 Financial Reports

Ms. Durrett reviewed the January financial reports. Occupancy tax revenue received in January for December sales totaled \$1,311,238. January expenditures totaled \$779,990. YTD revenue exceeded expenditures by \$2,835,835 and includes seven months of expenditures and six months of revenue. January expenditures for Tourism Administration: \$3,807; Professional Services: \$187,778; General Tourism (excludes media buys): \$161,009; Net Media: \$153,233; Motorcoach Sales: \$1,639; Meetings and

Conventions: \$28,637; Convention Services: \$1,045; Marketing/Public Relations: \$13,982; International: \$1,110; Public Affairs: \$1,167; Event Grants Program: \$10. There is currently \$1,504,686 in undedicated dollars in the Tourism Product Development Fund (TPDF).

Revenue Summary: December operating (75%) collections equaled \$1,311,238, and TPDF (25%) collections totaled \$437,079.

Based on a recent request by Councilwoman Mayfield, Ms. Durrett noted a box has been added to the bottom of page one of the financial statements to include the projected annual TPDF revenue amount. Councilwoman Mayfield said she noticed it and thanked Ms. Durrett and Ms. Brown for this addition.

Mr. Froeba made a motion to approve the January 2017 financial reports as presented. Mr. Craig 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.

Plantation Motel Penalty Waiver Request

Ms. Brown said a penalty waiver request has been received from Mr. Dipak Patel with Plantation Motel. She then asked Ms. Durrett to provide background information related to the penalty.

Ms. Durrett said Plantation Motel's penalty, in the amount of \$44.39, was assessed by the Buncombe County Finance Department (BCF) because the envelope that contained the December 2016 occupancy tax report and check was postmarked on January 26, 2017, which fell after the January 20 deadline. She said BCF has records dating back to 1997 and this is the property's first penalty; meaning the hotel has not submitted a late payment nor incurred a penalty for at least 20 years. The letter and back-up documentation provided by Mr. Patel showed a check register indicating the check was written on January 19, at the same time as a check made out to the NCDOR for December sales tax, with Mr. Patel stating he placed both payment envelopes in the same mailbox located on the property at the same time. He provided documentation showing the NCDOR check cleared on January 24, and did not understand how the occupancy tax envelope could have been postmarked with a different date. Ms. Durrett said the BCF team has increasingly heard this same complaint from other property owners since the postal service ceased processing mail in Asheville and moved operations to Greenville, SC. Mr. Patel was present to answer any questions related to this request, however, none were posed by board members.

Mr. McKibbin made a motion to approve the request made by Mr. Patel with Plantation Motel to recommend to the Buncombe County Commission that the \$44.39 penalty assessed by the Buncombe County Finance Department be waived. Mr. Ellis seconded the motion. Discussion included Mr. Karvir asking when property owners will be able to make occupancy tax payments online, to which Ms. Durrett replied that in March, the county's IT team will begin to build a new HR and financial system that will take approximately 12 months to complete. She said creating a system to receive online occupancy tax payments will be included in that overhaul.

A vote was then taken and with all in favor, the motion carried 8-0. The CVB staff will forward all related documentation to the Buncombe County Commission for further and

final consideration of the penalty waiver. (*Note – this penalty waiver request for Plantation Motel, and another for Yesterday Spaces that was previously approved by the BCTDA, were sent to the Buncombe County Commission for final approval, which was obtained during the March 7, 2017 Commission meeting. Both properties and the Buncombe County Finance Department were informed of the Commission’s decision.*)

Next, in order to expedite this process in the future, Mr. McKibbon made a motion to authorize the BCTDA’s executive director to review and either deny or recommend to the commissioners for further consideration any future penalty waiver requests received when the amount due totals \$500 or less and it is the property’s first late payment offense. This would eliminate the need to bring every request before the BCTDA. Ms. Ashburn seconded the motion. Discussion included Ms. Durrett stating that the Buncombe County Commission simply looks for a recommendation from this body prior to reviewing waiver requests and she felt confident this practice would be acceptable to the commissioners. Commissioner Belcher nodded in agreement. It was also noted that penalties collected are directed to the county’s school system and do not benefit the BCTDA.

When the discussion ended, Vice Chairman Muth called for action. A vote was taken and with all in favor, the motion carried 8-0.

Budget Resolution – NC Glass Center/TPDF Grant

Ms. Durrett asked the board to turn to the first of two budget resolutions being considered today. She said the first one will reverse the \$200,000 TPDF grant awarded to the North Carolina Glass Center. Ms. Brown explained that a different building was purchased and, therefore, the scope of the project had significantly changed. Ms. Brown noted the owners of the NC Glass Center have been invited to apply for another TPDF grant in a future funding cycle if they so desire. The resolution being presented today will close out the budget for this grant and the funds will be returned to the unrestricted pool available for future awards.

Mr. Luckett made a motion to approve the Tourism Product Development Fund budget resolution as presented in the amount of \$200,000 to close out the NC Glass Center’s TPDF project budget. Mr. Karvir seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

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

Budget Resolution – General Tourism Contingency Line

Ms. Brown briefly reviewed the spreadsheet listing items paid out of the General Tourism Contingency line to date in the current year budget, including those that were previously approved by the board. She noted that most were transferred within the General Tourism category, however, three items totaling \$16,435 were paid out of lines that fall under other categories and a budget resolution is required to approve moving those dollars. Ms. Brown answered all related questions and asked the board to approve the resolution as provided in the board books.

Mr. Craig made a motion to approve the budget resolution in the amount of \$16,435 as presented. Mr. Ellis seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The resolution will be signed by Chairwoman Wilber and kept on file with the Buncombe County Finance Department and Asheville Convention & Visitors Bureau.

Executive Director Report

Ms. Brown said 2017 is off to a busy and exciting start and she gave a brief review of staff and industry activities thus far, including the launch of the winter campaign, the winter media tour, sales team travel, and the workforce development task force securing a \$150,000 grant.

Ms. Brown said Chad Church with Smith Travel Research and Chris Cavanaugh of Magellan Strategy Group will be presenters at the Hospitality Outlook coming up on Friday at the Diana Wortham Theatre. She said an audience of about 200 people, including public officials, industry partners and community stakeholders, is expected.

Ms. Brown said next Thursday, the Southern Conference Men's and Women's Basketball Championship Tournaments will begin at the U.S. Cellular Center. She said everyone is invited to attend a VIP kick-off reception on Friday, March 3, before the first men's game and an invitation was sent via email and is provided in the board books.

BCTDA Meeting Schedule

The FY 2017-18 BCTDA meeting schedule was provided in the board books and in advance to the board via email. With the exception of the March annual planning retreat and board meeting, all meetings will begin at 9:00 a.m. and will be held in the new CVB office building located at 31 College Place.

Wednesday, July 26, 2017
Wednesday, August 30, 2017
Wednesday, September 27, 2017
Wednesday, October 25, 2017
Wednesday, November 29, 2017
Wednesday, December 20, 2017
Wednesday, January 31, 2018
Wednesday, February 28, 2018
Thursday, March 22, 2018 – Annual Planning Retreat (location TBD)
Friday, March 23, 2018 (location TBD)
Wednesday, April 25, 2018
Wednesday, May 30, 2018
Wednesday, June 27, 2018

January Visitor Index

The January Visitor Index was not reviewed at this meeting, however, is on file with the Asheville Convention & Visitors Bureau and is posted on AshevilleCVB.com.

January CVB Staff Recap and Quick List

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

Ms. Brown briefly reviewed the January Quick List regarding January hotel statistics and answered all related questions. A brief discussion centering on January decreases and associated variables took place.

BCTDA Annual Planning Retreat

On behalf of Chairwoman Paula Wilber, Vice Chairman Muth invited everyone to attend the BCTDA's upcoming annual planning retreat and March meeting, scheduled Thursday-Friday, March 23-24, 2017, at Biltmore. He mentioned the next fiscal year's strategies are established at the retreat and encouraged everyone's attendance and active participation. He noted the first part of Thursday will consist of a session facilitated by Joe Lathrop, who worked with the board a few years back to develop the BCTDA's Strategic Plan. Mr. Lathrop will be speaking with each board member by phone in advance of the retreat and the Strategic Plan will be emailed for review prior to those calls being scheduled. Vice Chairman Muth added Thursday's morning session will be followed by presentations by CVB staff and the Peter Mayer team, and will end with a reception. On Friday, the March board meeting will take place, finishing up by early afternoon.

Vice Chairman Muth extended his gratitude for Chairwoman Wilber's gracious hospitality and generosity in hosting the retreat again this year, and said she has invited everyone to stay after the meetings to enjoy the new *Designed for Drama: Fashion from the Classics* exhibit and spring flowers at Biltmore.

Vice Chairman Muth also thanked Mr. Froeba, Mr. Karvir and Mr. Ellis for hosting BCTDA and CVB events at their venues over the course of the past year.

Transition Update

Ms. Brown gave an update on the process to relocate the CVB to new office space and highlights included:

- A lease has been executed with Martin Lewis/31 College Place LLC.
- June 23 is the target delivery date for the upfit of the building to be complete and everyone is working hard to meet that deadline.
- Buncombe County has agreed to partner with CVB staff to provide payroll and IT services. Ms. Brown said she has been very impressed with the planning meetings and efforts to date and appreciates the collaboration of everyone involved.
- Costs related to the move are still uncertain and will include IT buildout and support, office space buildout over and above the designated allowance, furniture, and other related expenses. A budget resolution will be forthcoming when figures are obtained.
- Mr. Cox is in the process of identifying moving companies to solicit quotes.
- The chamber wants all of the furniture and storage pieces to remain in the chamber building.
- The CVB team is excited that the Asheville Buncombe Regional Sports Commission and the Asheville Independent Restaurant Association staff will be sharing this new space.
- The CVB will take the entire second floor of the building, and will partner with Martin Lewis to build out meeting space on the first floor. The Asheville Symphony will also have space on the first floor to include a box office.

Vice Chairman Muth thanked Ms. Brown for the update.

Marketing Update – Music Campaign

Ms. Tambellini and Ms. Stephens shared a PowerPoint presentation summarizing the process the CVB staff followed leading up to the launch of the Music Initiative on ExploreAsheville.com last year, what has occurred since the launch, and plans for further expansion of the music site on ExploreAsheville.com/music.

Ms. Tambellini shared that the all-new site was significantly more comprehensive than what was offered previously, and includes the new Explore Asheville Radio, a music calendar, streaming videos in partnership with lamAVL, the busking scene, artist features, stories about music-oriented attractions, and lists of venues and festivals throughout the area. All aspects of the music scene are covered and the launch was followed by an advertising campaign in which the music ads performed very well. Ms. Tambellini reviewed how advertising efforts had music messaging infused throughout to include billboards, online, video, social media, music-industry magazines, and cooperative partnerships. She added Explore Asheville Radio, developed in partnership with the Asheville Commercial Music Enterprise (ACME), currently has 26 artists with songs streaming and has received 12,000 plays to date. She reviewed other efforts from the past year to include Facebook Live posts, UNC Public TV, Echo Sessions, a Backstage Asheville contest and the Steep Canyon Rangers bus wrap sponsorship.

Ms. Stephens then shared what Phase II of the music strategy will encompass, increasing foundational efforts to expand publicity on a national level. She said a contract is being finalized with Mason Jar Media, a firm with national contacts to increase awareness of Asheville's music scene with insiders and media outlets. Ms. Stephens added the goal is to bring more media representatives to Asheville to have them experience the music scene first-hand to provide authenticity to stories. Ms. Stephens stated Asheville is a unique melting pot of music that cannot be found in other places. She said a sizzle video will be produced later this year, and ExploreAsheville.com will include a new "Trending" section, which will provide an opportunity to showcase the music scene and help people create itineraries.

Ms. Brown commended Ms. Tambellini, Ms. Stephens and the marketing team for their efforts, especially in their relationships with journalists that keep Asheville top-of-mind and included in media placements and on "lists." She also commended the area's "amazing partners" for making Asheville what it is and for working with the CVB team in its promotional efforts.

During and after the presentation, Ms. Tambellini and Ms. Stephens answered all related questions.

Vice Chairman Muth said he is not only impressed by the Asheville CVB's strategies behind bringing people to town for the music, but the quality of the experiences themselves. He thanked Ms. Tambellini and Ms. Stephens for the update.

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

TPDF Project Update

Ms. Kappes shared a PowerPoint presentation highlighting the current status of projects that have been awarded grants via the Tourism Product Development Fund (TPDF). She said that since the creation of the TPDF in 2001, the BCTDA has invested \$27 million in 31 projects, 21 of which are in active contract in either planning, construction, or

reporting phases. She noted as of December 2015, all active TPDF projects submit reports on an annual basis, with updates related to timeline, marketing plans, room night generation, visitation and other metrics being due to CVB staff on January 15 of each year.

Ms. Kappes provided an overview of the current status of each project still in the reporting phase based on information gleaned from the 2017 Annual Report submissions.

The 21 projects currently under contract include:

- **Newly contracted projects from the 2016 funding cycle:** Asheville Community Theatre expansion and renovation, City of Asheville/U.S. Cellular Center ExploreAsheville.com Arena enhancements and meeting room conversion, Pullium Stadium at Montreat College, WNC Farmers Market retail revitalization project, and The Wortham Center at Pack Place. These projects will begin reporting in January 2018.
- **Projects in development/under construction include:** WNC Nature Center, John B. Lewis Soccer Complex, Riverfront Destination Development 1.0, Riverfront Destination Development 2.0, Montford Park Players/Hazel Robinson Welcome Facility & Amphitheatre renovations, Enka Center Ballfields, and the Asheville Art Museum expansion.
- **Completed projects:** Smoky Mountain Adventure Center, French Broad River access at Historic Pearson Bridge, Pack Square Park Canopy, UNCA Baseball and Soccer Fields Lighting, Navitat Canopy Adventures - Blue Ridge Experience, U.S. Cellular Center renovations, The Collider, Colburn Earth Science Museum/Asheville Museum of Science, and Highland Brewing Company.

Additional Project Updates

- The NC Glass Center (formerly Riverglass Public Glass Studio & School) has rescinded a \$200,000 award from the 2015 funding cycle, due to a change in the overall scope and direction of the project.
- The TPDF committee is awaiting a full proposal from the City of Asheville for its Major Works Pathway project for South Slope enhancements.
- The TPDF committee is scheduled to receive the Town of Woodfin/Buncombe County's full proposal for the Major Works Pathway project for the Woodfin Greenway and Blueway in April.

During and after the presentation, Ms. Kappes and Ms. Brown answered all questions posed by board members related to project status, reporting methodologies, and room night generation. Ms. Kappes said the 2017 funding cycle process will launch on Wednesday, April 5, with a public information session, and awards will be approved and announced in October. Details and application materials may be found at AshevilleCVB.com/TPDF2017.

Vice Chairman Muth thanked Ms. Kappes for the TPDF project update.

The PowerPoint presentation and all accompanying written reports will be kept on file with the Asheville Convention & Visitors Bureau.

Asheville City Council Update

Councilwoman Mayfield reported on recent city-related business, including Asheville City Council's planning retreat and a joint meeting with Buncombe County. She then touched on the recent decisions made by Council that apply to downtown development, including hotels, and the city's desire to be a partner in all major downtown projects. She added it is her goal and desire to get to a point where elected officials and the tourism industry are in alignment to work collaboratively in the best interest of the Asheville area.

Vice Chairman Muth thanked Councilwoman for the update.

Buncombe County Commission Update

Commissioner Belcher reported on county-related business, including recent meetings and retreats and the positive dynamic amongst the new board. He said major areas of focus for the Buncombe County Commission include affordable housing, Pre-K access, transportation, an economic community investment model, a jail aversion program, a Warren Wilson College expansion, the Zeugner pool replacement, and improving efficiencies in county permitting processes.

Vice Chairman Muth thanked Commissioner Belcher for his report.

Miscellaneous Business

Mr. Ellis said the Diana Wortham Theatre has three sold-out concert performances scheduled in the next week, with two of them occurring on week nights.

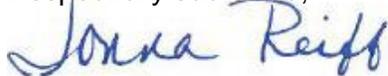
Comments from the General Public

Andrew Celwyn expressed his gratitude following the launch of the redesigned AshevilleCVB.com web site, noting having board meeting documents and program and event information so easily accessible online will benefit the members of the community who want to keep abreast of what's going on with the BCTDA and Asheville CVB.

Adjournment

Vice Chairman Muth thanked everyone for attending and the meeting adjourned at 10:52 a.m. The BCTDA will next meet on Thursday and Friday, March 23-24, 2017, beginning at 8:30 a.m., for its Annual Planning Retreat followed by the March board meeting, at Biltmore.

Respectfully submitted,



Jonna Reiff, Executive Operations Manager