

## BUNCOMBE COUNTY TDA: FAST FACTS & FAQs

### What is the Buncombe County Tourism Development Authority?

- The Buncombe County TDA is a public authority with the public purpose of strengthening the local economy by promoting Asheville and Buncombe County to inspire people to visit and spend money with local businesses.
- The BCTDA's investment in tourism promotion:
  - Creates a customer base that sustains local businesses year-round.
  - Provides funding for community assets enjoyed by residents.
  - Generates awareness/reputation for Asheville that supports all economic development goals.

### How do visitors contribute to the area's economic vitality?

- *Visitor spending*
  - In 2019, visitors spent \$2.2 billion at local businesses in Buncombe County putting cash in the registers of local residents and business owners.
  - Visitor spending at local businesses in 2019 combined with the good and services local businesses then purchased from *other* local businesses generated \$3.3 billion in total economic impact.
  - Visitor spending in Buncombe County increased 167% between 2000 and 2018, compared to 110% statewide. In 2019, visitors spent \$2.2 billion – over \$400 million more than in 2015.
- *Job creation*
  - Businesses that provided a visitor experience in 2019 employed nearly 19,000 people. In total, visitors support almost 28,000 jobs, or about 15% of employment in Buncombe County:
    - 6,270 restaurant workers
    - 4,861 workers in lodging
    - Nearly 11,000 jobs in other categories including business and personal services, finance, insurance, real estate, education, healthcare, communications, and more.
    - 3,180 jobs in recreation and entertainment
    - 2,675 retail workers
- *Generation of local taxes*
  - Visitors generated more than \$213 million in state and local tax revenue in 2019, providing programs and services the community needs.
  - In total, the tourism community generated \$56 million in property taxes in 2019.
  - Each household in Asheville would need to be taxed an additional \$1,990 to replace the taxes generated by visitors for state and local governments in 2019.

### Do local taxpayers fund BCTDA's promotion of Asheville and Buncombe County?

- Absolutely not! Lodging businesses provide 100% of the funding to attract visitors to Buncombe County by collecting an occupancy tax from visitors, in addition to sales tax.
- Research conducted for Explore Asheville shows that every \$1 spent on advertising generates \$43 of spending at local businesses within just a few months – 75% of which is at non-lodging businesses including entertainment, recreation, attractions, retail, food and beverage, and the arts.

### What Is the Occupancy Tax?

- The occupancy tax, also known as the lodging tax, was established by state law in 1983, and the Buncombe County Tourism Development Authority was formed to invest the tax revenue in tourism promotion to attract visitors who stay overnight in commercial facilities in Buncombe County.

### **What Is the Occupancy Tax? (continued)**

- The self-imposed 6% occupancy tax is a surcharge to the 7% sales tax for a total tax of 13% on paid accommodations in Buncombe County. So, the tax is paid strictly by overnight visitors who stay in commercial hotels, bed and breakfast establishments, and vacation rentals.
- By state law, 75% of the proceeds must be used for promotion and the remainder is dedicated to the community grant program known as the Tourism Product Development Fund (TPDF).

### **What is the Tourism Product Development Fund (TPDF)?**

- 25% of the occupancy tax paid by visitors who stay overnight in commercial facilities in Buncombe County goes to the Tourism Product Development Fund (TPDF) for capital projects.
- Since the fund's inception, 39 community projects have benefited from \$44 million in grants from the Buncombe County TDA, including cultural, educational and history projects, greenways and outdoor recreation, visual and performing arts, event and gathering spaces, sports and athletic facilities, and infrastructure, wayfinding and visitor services.
- Residents as well as visitors can enjoy these community projects made possible by the value that visitors contribute to our community through the lodging tax. This model is unique to Buncombe County and has been replicated in other communities. The TPDF is one of the largest grant programs available to nonprofits for capital in Western North Carolina.
- In 2020, legislation was signed into law that allowed the Buncombe County TDA to appropriate \$5 million from unspent funds currently remaining in the Tourism Product Development Fund – that is, funds that had been collected, but not awarded – to establish a one-time COVID relief grant program called the Buncombe County Tourism Jobs Recovery Fund.
  - Local businesses and nonprofits that provide a direct visitor experience were eligible to apply for emergency grants to help with restarting their businesses as recovery from the economic impacts of the pandemic began.
  - A total of 394 Buncombe-based small businesses and nonprofits were awarded grants of \$2,000 – \$5,000 for micro-grants, and as much as \$30,000 for full grants (up to \$50,000 total for companies with multiple local sites), supporting 4,787 jobs. Six months after the full \$5 million was disbursed, 98% of grantees were still in operation.

### **What Is the Explore Asheville Convention & Visitors Bureau?**

- Explore Asheville is the name of Asheville and Buncombe County's Convention & Visitors Bureau, or CVB. Explore Asheville carries out the program of work established by the Buncombe County TDA, to include advertising, public relations, and efforts to bring groups here, such as conferences and meetings.
- Explore Asheville also provides marketing support to local businesses like attractions, galleries, museums, music venues, restaurants, breweries, lodgers, outfitters, tour operators, retail shops, and others. Currently, we serve more than 1,300 tourism partners. We also provide opportunities for networking and collaboration among our partners and offer free listings on our website, which attracts more than 5 million user sessions a year.

### **What are other ways the BCTDA supports our community?**

- A program funded by revenue earned from paid advertising on the ExploreAsheville.com website provides grants for local festivals and cultural events. Past recipients have included the Blue Ridge Pride Festival, Asheville Fringe Festival, Hola Asheville, Goombay Festival, Sourwood Festival, and others.