

STATEMENTS

on

**ASHEVILLE BUNCOMBE HOTEL ASSOCIATION'S
PROPOSED CHANGES TO THE OCCUPANCY TAX**

from

BCTDA CHAIR GARY FROEBA

and

EXPLORE ASHEVILLE PRESIDENT & CEO STEPHANIE BROWN

February 26, 2020

GARY FROEBA

Chair, Buncombe County Tourism Development Authority

As the Chair of the Buncombe County Tourism Development Authority (BCTDA), I support the changes to the occupancy tax legislation that are proposed by the members of the Asheville Buncombe Hotel Association. I believe that the proposed changes are responsive to community and business needs and will provide exciting opportunities as we move forward together.

The occupancy tax singles out hotels and other lodging properties and is paid by our guests, the people who stay overnight in Buncombe County. It is invested for the betterment of our community and all of us who live here – it supports our local businesses, provides jobs, and generates tax revenue.

The BCTDA is a public authority with a public purpose. We are people who live here, work here, and have families here. We are appointed by the City and County to administer the proceeds of the tax under the requirements of state law.

I am proud of the work we do and the benefits of tourism that are essential to the economic vitality of Buncombe County. We also acknowledge that the growth of the region comes with many different challenges.

The amendments to the occupancy tax, if approved by the General Assembly, will provide new opportunities to apply the tax revenue to meeting some of those needs, and manage the impacts of tourism in a way that sustains and enhances quality of life for the people of Buncombe County.

STEPHANIE BROWN, *President & CEO, Explore Asheville Convention & Visitors Bureau*

The Buncombe County Tourism Development Authority is a public entity created for the public purpose of attracting a customer base for our local businesses, providing jobs for the people who live here, and generating tax revenue that provides for core services and community investments. The BCTD and, by extension Explore Asheville, is not a political body.

Members of the BCTDA administer the proceeds of the occupancy tax. Our job at Explore Asheville is to create and carry out the marketing and sales programs as approved by the BCTDA and to manage the Tourism Product Development Fund, also as approved by the BCTDA.

If the legislature approves the recommendations of the Asheville Buncombe Hotel Association, I personally think these changes will open up some exciting possibilities for our community that are responsive to both business and community needs.

The change in the split and expanding the use and flexibility of the Tourism Product Development Fund would provide even more funding for projects needed and valued by the community. It would be good timing for this increase in funding as we continue the Tourism Management and Investment Plan, which is focused on addressing problems associated with growth and tourism.

The TPDF is the largest source of revenue for these kinds of projects in Western North Carolina, having provided \$44 million to 39 projects, including recreation facilities, cultural venues, greenways, and public infrastructure.

The expansion in its use to support expenses such as maintenance could free up monies in the city and county budgets to cover needs and services that do not fit the criteria for use of the TPDF.

The portion of the tax dedicated to marketing provides an important return on investment to the community by supporting the customer base for local business., providing jobs and generating tax revenue.

We take seriously our responsibility to enhance the economic vitality of the region, while ensuring that we manage tourism in a manner that sustains and enhances quality of life in Asheville and Buncombe County.

The change in the split would still allow us the resources to effectively continue to enhance the economic vitality of this region by promoting Asheville and Buncombe County in a way that inspires people to visit here who will spend money at local businesses, creating jobs and generating tax revenue.

On a personal note, I applaud the initiative of the Asheville Buncombe Hotel Association for recognizing and responding to community needs and leading this process.