



Tourism Product Development Fund
PROGRAM GUIDELINES

April 3, 2023

TABLE OF CONTENTS

- Introduction..... 3
 - Background..... 3
 - History of Tourism Product Development Fund 3
 - Enabling Legislation 3
 - Tourism Product Development Fund Investments 4
- 2023 Grant Cycle Timeline 5
 - Information Session..... 5
- Application Process & Submission Guidelines 6
 - Application Process..... 6
 - Submission Guidelines..... 6
 - Applicant Agreement..... 7
 - Funding Pathways..... 8
- Eligibility Criteria & Requirements..... 9
 - Eligibility Criteria..... 9
 - Required Application Documents 9
 - Use Of Funds 10
 - Policies..... 10
- Evaluation..... 11
 - Selection Criteria..... 11
- Grant Disbursement & Reporting 13
 - Disbursements 13
 - Reporting Requirements 13
- Strategic Imperatives 14
- Frequently Asked Questions 15
- About Us..... 19
 - BCTDA Board Members..... 19
 - TPDF Committee 20
 - TPDF Staff 20

INTRODUCTION

BACKGROUND

The Buncombe County Tourism Development Authority's Tourism Product Development Fund (TPDF) was created to provide financial assistance through grants, loan guarantees, or pledges of debt service to major tourism capital projects that will increase patronage of lodging properties in, and further economic development in Buncombe County. Projects receiving TPDF investment have not only created jobs and entrepreneurial opportunities for local residents, but they have also provided amenities that are enjoyed by residents and visitors alike.

The TPDF is made possible solely through lodging taxes paid by overnight visitors staying in hotels, vacation rentals, and bed and breakfasts in Buncombe County. Use of these funds is in alignment with North Carolina State legislation and guidelines.

HISTORY OF TOURISM PRODUCT DEVELOPMENT FUND

The TPDF was created by the North Carolina General Assembly in August 2001 with the passing of House Bill 105, when the occupancy tax rate in Buncombe County was increased from 3% to 4%, with the additional 1% dedicated exclusively to TPDF.

In 2015, state legislation increased the occupancy tax rate from 4% to 6% and mandated that 75% of occupancy tax revenue be invested in marketing and promotion, and 25% be invested in the Tourism Product Development Fund. That same year, the BCTDA adopted significant changes to the TPDF program, including the addition of the Strategic Priority List and the Major Works funding pathway. These new strategic tools enable the BCTDA to take a more proactive approach to filling strategic gaps in the market and encourage collaboration between staff and applicants.

For several years, local hotel leaders as well as Buncombe County Commissioners and our local delegation advocated for a change in the allocation of the occupancy tax, increasing the percentage for investment in community capital projects and decreasing the percentage for travel promotion. A bill filed in June 2022, by Senators Chuck Edwards, Warren Daniel, and Julie Mayfield and passed as HB1057 (effective July 2022) changed the occupancy tax split from 75% to be invested in travel promotion and 25% for community capital projects, to a split of two-thirds/one-third, increasing the percentage for community capital projects. The legislation allocates the one-third capital project portion of occupancy tax revenue be divided into two equal funds: (1) Tourism Product Development Fund (TPDF), and (2) Legacy Investment from Tourism (LIFT) Fund. Please see enabling legislation below and associated Decision Tree for more information. The first grant cycle of the LIFT Fund is expected to begin in late 2023.

ENABLING LEGISLATION

Legislation enabling the Tourism Product Development Fund is the following:

- H1057 (Effective July 1, 2022): <https://www.ncleg.gov/Sessions/2021/Bills/House/PDF/H1057v5.pdf>

TOURISM PRODUCT DEVELOPMENT FUND INVESTMENTS

Since the fund's inception in 2001, nearly \$60 million has been awarded to 46 community projects, including:

ABYSA – JBL Soccer Complex	Navitat Canopy Adventures
African American Heritage Trail Project	NC Arboretum - Garden Lighting & Parking Enhancements
African-American Heritage Museum	NC Glass Center in Black Mountain
Asheville Art Museum	Pack Square Park / Pack Square Park Pavilion
Asheville Community Theatre - Expansion & Renovation	Riverfront Destination Development 1.0 & 2.0
Asheville Municipal Golf Course	RiverLink - Pearson Bridge River Access
Asheville Museum of Science - Phase I & II	Smoky Mountain Adventure Center
Asheville Visitor Center	Swannanoa River Greenway
AVL UnPaved	The Bonsai Garden at the North Carolina Arboretum
Black Mountain College Museum + Arts Center	The Collider
Buncombe County Civil War Trails	The John B. Lewis Soccer Complex at Azalea Park
Center for Craft - National Craft Innovation Hub	The Wortham Center – Phase I & II
Coxe Avenue Green Street	UNCA - Karl Straus Track
Enka Ball Fields	UNCA - Sports Field Lighting
Enka Recreation Destination	WNC Farmers Market - Retail Revitalization
Grove Arcade	WNC Nature Center
Harrah's Cherokee Center - Asheville	WNC Nature Center - Gateway to Southern Appalachians
Highland Brewing Company	WNC Veterans' Memorial at Pack Square Park
Karen Cragolin Park	Woodfin Blueway & Greenway
LEAF Global Arts Center	YMI Cultural Center Improvements
Montreat College - Pulliam Stadium	

2023 GRANT CYCLE TIMELINE

Date	Milestone
March 29, 2023	Program Guidelines & Timeline Released
April 12, 2023	TPDF Phase I Application Opens
April 18, 2023, 3:30pm-5:00pm ET	TPDF Information Session
May 17, 2023, 5:00PM ET	TPDF Phase I Application Closes
June 13, 2023	TPDF Committee Meeting – Phase I Review
June 15, 2023	Phase I Applicants Notified / Phase II Application Opens
August 16, 2023, 5:00PM ET	Phase II Application Closes
Week of September 11, 2023	Project Presentations
Week of September 18, 2023	Project Site Visits by TPDF Committee
Week of September 25, 2023	TPDF Committee Meeting – Final Vote
October 25, 2023	Committee Funding Recommendations presented to BCTDA

INFORMATION SESSION

An Information Session will be held for applicants to explain the grant process. Event information can be found below.

- Date: Tuesday, April 18, 2023
- Time: 3:30pm – 5:00pm
- Location: Explore Asheville (27 College PI), Board Room

Attendance is not mandatory for applicants. A recording of the presentation will be made available online at <https://www.ashevillecvb.com/product-development/>.

APPLICATION PROCESS & SUBMISSION GUIDELINES

APPLICATION PROCESS

The enabling legislation mandates that a TPDF Committee review all applications and make funding recommendations to the Buncombe County Tourism Development Authority (BCTDA). In order for a project to be considered by the BCTDA for funding, it must successfully complete a 2-stage process with the TPDF Committee and be recommended for funding by the TPDF Committee.

Potential applicants should review both Phase I and Phase II applications at the commencement of the process to ensure that they can provide all of the information requested in both phases. It is also recommended that applicants review the standard funding contract to ensure they can comply with the terms should their project be awarded funding.

Phase I

Phase I consists of a short application form which requests important preliminary information and is designed to assess the eligibility of the application and its conformity to the goals of the fund without requiring significant effort from the applicant. Successful Phase I applicants will be invited to participate in Phase II.

- **Deadline: The deadline for submission of the Phase I application is Wednesday, May 17, 2023 at 5:00 PM ET, and applicants will be notified on Thursday, June 15, 2023.**

Phase II

Phase II consists of a more comprehensive application requesting additional information from applicants such as financials, business plans and feasibility studies among other requirements. Applicants invited to participate in Phase II are required to present projects in person to the TPDF Committee as part of the review process, as well as participate in a project site visit.

- **Deadline: The deadline for submission of the Phase II application is Wednesday, August 16, 2023 at 5:00 PM ET, and applicants will be notified of funding decisions on or before Wednesday, October 25, 2023.**

SUBMISSION GUIDELINES

All applications must be submitted via the online application system. Handwritten applications will not be accepted.

All attachments must be submitted in the following formats: Adobe Acrobat (.pdf), Microsoft Excel (.xlsx). Images must be in (.jpg) or (.png) format. Any other formats will render the submission incomplete. All attachments should be named as directed in the application.

All electronic applications must be submitted no later than 5:00 p.m./ET on the days they are due. All applications will be recorded upon receipt. Any applications received after the deadline will not be accepted. Unless requested by the TPDF Committee, any additions or deletions to an application will not be accepted after the specified deadline.

APPLICANT AGREEMENT

Applicants will be asked to acknowledge and certify the following statements as part of the application process:

- **DISCLOSURE FOR PUBLIC RECORD**

As a public authority, the Buncombe County Tourism Development Authority is subject to Chapter 132 of the North Carolina General Statutes. Therefore, any and all aspects of this application must be made available by the BCTDA to any party, public or private, upon request without exception. If you are concerned that the distribution of any of your application materials may do irreparable damage to you, your organization, or associated parties, the BCTDA highly recommends that you seek alternative funding in lieu of TPDF funds.

- **PROJECT MONITORING**

I hereby acknowledge that if I am awarded TPDF funding, I will be required to submit an annual report by January 15 of each year during the term of the agreement, with the term commencing on the effective date and continuing for four years after the completion date. Reports include marketing plans and methodologies for capturing annual and out-of-market visitation, up-to-date room night projections, and copies of survey instruments used for data among other requirements.

- **BCTDA MARKETING**

I hereby acknowledge that certain information from my application, such as the project description, timeline, and leadership, may be used by the BCTDA at its sole discretion for the promotion and marketing of the TPDF program and the region as a tourism destination.

- **TERMS OF AGREEMENT**

I hereby acknowledge that I have reviewed and understand the terms of the contract agreement.

- **COMPLETED APPLICATION**

I hereby acknowledge that I have completed this application in good faith and have done so in full compliance with the law. I have made no attempt to falsify or misconstrue facts or data anywhere in this application. The information contained in this application is complete and accurate to the best of my knowledge.

FUNDING PATHWAYS

There are a number of ways that the BCTDA can work with applicants interested in TPDF funding:

- **Grant, Loan Guarantee, or Debt Service:** TPDF applicants may submit funding requests during the standard grant cycle for a grant, loan guarantee, or debt service. The TPDF Committee must review and evaluate project applications during the cycle and make recommendations to the BCTDA for funding.
- **Strategic Priority List:** During the standard grant cycle, the TPDF Committee may wish to recommend funding for a project but not yet have the funds available. As per legislation, the BCTDA cannot make a binding commitment to fund projects using future year revenues. In this case, the TPDF Committee may recommend the BCTDA place a project on the Strategic Priority List, to be considered when funding is available. Selected projects would receive priority for funding in future years. While the applicant will be required to provide an update to the BCTDA ensuring there have been no substantive changes to the project as presented, the applicant will not be required to resubmit a full application in a future grant cycle.
- **Major Works Pathway:** This approach enables a funding pathway outside the annual TPDF funding cycle for significant projects representing a minimum \$5 million capital investment and requiring multi-year funding. Outside the grant cycle, applicants may present a project to the BCTDA for funding consideration of projects meeting this description. All potential major projects must conform to TPDF requirements and are subject to evaluation by the TPDF Committee. Applicants interested in pursuing the Major Works Pathway are encouraged to consult with CVB staff in early stages of project planning.

ELIGIBILITY CRITERIA & REQUIREMENTS

Applications are assessed based on the following eligibility criteria and requirements. Requirements with an asterisk (*) are mandated by state legislation.

ELIGIBILITY CRITERIA

Applicant Eligibility

- Applicant must be a federally recognized non-profit organization or government entity. *
- If the applicant is a non-profit organization, the organization must have been in operation for at least 2 years at the time of application.

Project Eligibility

- Project must be principally located in Buncombe County.*
- Project must be a major tourism capital project that furthers economic development of Buncombe County.*
- Project must demonstrate ability to increase patronage of lodging facilities in Buncombe County by attracting tourists, business travelers, or both.*
- Project must not solely benefit a single lodging owner, lodging property, or be situated on a lodging property.
- At time of application, applicant must have legal control of the property through recorded deed or long-term lease agreement. If property is owned by a municipal partner, such as the City or County, a non-profit organization may provide a letter of support or other agreement with the municipal partner.
- Applicant must show how a minimum of a 1-to-1 funding match to the requested grant amount (excluding in-kind goods and services) will be achieved.

REQUIRED APPLICATION DOCUMENTS

Applicants must provide the following required documents as attachments to their application:

- **Project Information:**
 - Proof of legal control of the property, through recorded deed or long-term lease agreement. (See FAQs for more information)
 - Project Budget
 - Room Night Calculator
 - Project Marketing Plan
 - Drawings, photos, or renderings related to project, if available
 - Project feasibility study, if available
- **Financial Information:**
 - Statement of Activities or Income Statement showing current year-to-date actual revenues and expenses compared to year-to-date budget and a year-end projection.

- Prior year Statement of Financial Activity showing previous year's total actual revenues and expenses compared to approved fiscal year budget.
- Statement of Financial Position or Balance Sheet showing current position and beginning year position.
- Financial Schedule or Project Pro Forma for first 3 years of operation
- **Organizational Information:**
 - Proof of non-profit organization status through a filed IRS Form 990
 - List of Board of Directors and their affiliations
 - List of key staff of organization and project, including a description of their role and responsibilities with the project
- **Supplemental Information:**
 - Letters of recommendation (up to 3) regarding your organization's ability to lead this project to success.
 - Additional supporting documentation

USE OF FUNDS

- Funding must be for capital investments only ("brick and mortar" projects - design not included).
- Operational expenses will not be considered for funding.
- Design fees already expended will be considered as counting towards the 1-to-1 funding match.

POLICIES

- The TPDF Committee may utilize a waiver of any non-legislatively mandated eligibility criteria to advance a project if it represents a significant impact upon lodging demand and Buncombe County economic sustainability. All projects must meet all eligibility criteria and requirements stated in legislation.
- Projects which either directly increase overnight lodging stays by themselves or support a larger initiative that will increase room nights will be evaluated equally.
- TPDF funds cannot be the first funds committed to a project.
- BCTDA reserves the right to cancel the grant application cycle at any time and for any reason.
- BCTDA reserves the right to award or deny grant funding to any project for any reason consistent with the intent of the legislation.
- Recognizing that its resources are limited, BCTDA may grant funding that is less than that requested by the applicant.
- BCTDA will not make payment directly to any vendor or individual. Payment will only be made to the applicant organization as reimbursement.
- If the grantee is unable to fund and/or complete the project, BCTDA may revoke all or part of the grant. The grantee may be forced to return some or all funding plus interest if the recipient is found to have used the funding inappropriately, if the project was not completed, or if the project scope or design was changed without approval of BCTDA.
- All applications are subject to the requirements regarding "public records" found in Chapter 132 of the North Carolina General Statutes. Submitted applications will be disclosed upon request.
- The applicant assumes the burden of all their expenses associated with this application.

EVALUATION

SELECTION CRITERIA

Applications will be evaluated according to the following criteria:

1. Viability of Project and Organization

- **Financial Stability of the Requesting Organization**
Each applicant organization will be evaluated for financial sustainability, and their perceived ability to raise additional funds as needed to bring the project to completion.
- **Strength of Business Planning**
If applicable, the proposed business plan for the project will be evaluated on its accuracy, completeness, and likelihood to support a successful and sustainable operation once the project has opened.
- **Strength of Sales and Marketing Plan/Investment**
If applicable, sales and marketing plans for projects will be evaluated upon the likelihood they will succeed in drawing visitation to the destination.
- **Timeliness of the Project**
Projects which are “shovel ready” may rate more highly than those which are still two or more years from beginning construction.
- **1-to-1 Funding Match Exceeded**
While it is a requirement for applying organizations to have secured a funding match equal to the amount for which they are applying from the TPDF, projects that exceed the 1-to-1 requirement may receive particular consideration.

2. Destination Differentiator

- **Strength of Brand Alignment**
Projects will be evaluated on whether they are consistent with the Asheville destination brand and provide additional support for the brand promise.
- **Uniqueness and Innovation of Project**
Attractions and activities which are new to the region or not available to visitors living in key feeder markets for the destination may be valued more highly than those which duplicate offerings already available to visitors.
- **Ability to Promote and Support the Local Creative Sector**
Projects which promote and support the community’s creators and makers, and which enhance the destination will receive greater consideration.

3. Project Impact

- **Ratio of Overnight Lodging Generated to Funding Requested**
The amount of TPDF funding requested will be analyzed versus the potential return of new overnight lodging demand in Buncombe County to be generated by the project.
- **Generator of New and Incremental Room Nights**
The room night impact of a proposed project will be assessed on whether the project is drawing new visitors to the area, or simply pulling from existing visitors in Buncombe County while not increasing the number of new lodging room nights.
- **Scope of Market to be Served**
Projects that target audiences capable of filling area lodging are valued, but projects that draw new and untapped niche markets to Buncombe County may also be worthy of consideration.
- **Scope of Impact Upon Lodging**
The impact of a project upon Buncombe County lodging will be considered not only in terms of demand generated, but also in terms of the geographic impact. Projects capable of generating lodging demand in more than one area of the county may rate more favorably.
- **Ability to Serve as a Contributing Asset**
Projects which support an important generator of destination room nights, or which could stimulate additional activity, but which may not generate significant room nights by themselves will be considered. Applicants should demonstrate the potential for additional community benefit if their project is built.
- **Project as a True Motivator of Visits**
Projects will be evaluated based upon their ability to motivate new room nights, proven through sound analysis and data.

4. Alignment with BCTDA's Strategic Imperatives

- **Deliver Balanced Recovery and Sustainable Growth**
Projects will be evaluated based upon whether they lead to balanced and sustainable growth through distribution of visitors geographically across the county or seasonally throughout the year or days of the week.
- **Encourage Safe and Responsible Travel**
Projects which encourage care and respect for natural, cultural, and human resources, or support the sustainability of outdoor recreation, will be given greater consideration.
- **Supports Engagement with and Appeal to More Diverse Audiences**
The committee will assess the ability of a project to diversify audiences and support of place making, community connections, and business opportunities throughout the county.

GRANT DISBURSEMENT & REPORTING

Grant agreements will be developed for each awarded project in the weeks following the awardee announcement. A standard agreement will be made available for reference to Phase II applicants and should be reviewed prior to submission of the application.

DISBURSEMENTS

Unless stated otherwise in the contract, grant awards are disbursed in three equal payments as follows:

- the first disbursement will be made when the construction of the project is one-third complete
- the second disbursement will be made when the project is two-thirds complete
- and the third disbursement shall be made upon the date of completion

Each disbursement shall be: (1) a reimbursement based upon expenses actually expended; (2) is limited to the grant amount as stated in the contract; and (3) in no circumstances may the total amount disbursed exceed one half of the actual total project costs.

There is an option to receive one or two disbursements based on specific project needs; however, single disbursements will only be processed after construction is 100% complete.

REPORTING REQUIREMENTS

Annual Reports

An annual report must be submitted by the organization to the BCTDA by January 15 of each year during the term of the agreement, with the term commencing on the effective date and continuing for four years after the project completion date. Reports include marketing plans and methodologies for capturing annual and out-of-market visitation, up-to-date room night projections, and copies of survey instruments used for data among other requirements.

Disbursement Report

To request a disbursement, grantees must submit a Disbursement Report providing required supporting documentation as outlined in the standard funding contract. The following documents are required to be submitted with disbursement reports:

- Certification Letter
- Construction Contract
- Proof of Payments
- Contractor's Budget
- Contractor's Project Timeline
- Professional Design Plans & Specifications
- Performance & Payment Bonds (if applicable)
- Evidence of Other Funds
- Loan Documents
- Financial Statements
- Permits
- Certificate of Occupancy

STRATEGIC IMPERATIVES

The Buncombe County Tourism Development Authority is charting a new course for tourism aligned with broader community priorities. This includes the adoption of strategic imperatives that are informing and guiding the direction of Explore Asheville’s program of work and community investments going forward.

1. Delivering Balanced Recovery & Sustainable Growth

Balance resident and visitor needs, recognizing the necessary role that sustainable, long-term growth of travel has in achieving a healthy, collective economy. Focus on the quality of each visit to our community – balancing growth across the seasons, business and leisure travel, and throughout Asheville and Buncombe County.

2. Encouraging Safe & Responsible Travel

Engage residents and visitors with shared values to care for and respect natural, cultural and human resources vital in delivering quality guest experiences. Collaborate with community organizations, local businesses, and environmentally focused partners to support the sustainability and growth of our outdoor economy.

3. Engaging & Inviting More Diverse Audiences

Extend a genuine invitation to Black travelers and other diverse audiences including LGBTQ visitors – connecting them with local neighborhoods, businesses, and entrepreneurs – creating more opportunities for all to win. Support product development, place making and community connections, enabling new experiences and business opportunities throughout our community.

4. Promoting & Supporting Asheville’s Creative Spirit

Share stories of creators and makers who help differentiate our destination through food and drink, visual and performing arts, experiences and more. Support product development, place making and community connections, enabling new experiences and business opportunities throughout our community.

FREQUENTLY ASKED QUESTIONS

GENERAL

Why was the TPDF developed?

When the tourism sector determined that the Asheville area was at risk of losing visitors to competitive destinations, local business leaders devised a mechanism that could serve as an incentive for community projects that could increase overnight visitation. Just as they had in the early 1980s, the lodging industry in Buncombe County turned inward to find a solution. The TPDF is the result of lodging properties choosing to earmark a portion of the existing self-imposed tax on their lodging facilities for funding tourism product that will serve to generate significant additional room nights, thereby impacting the local economy. The fund is not intended to be a project's primary source of funding.

Who pays the tax?

The occupancy tax is paid by visitors to the area who are staying overnight in lodging properties, including hotels, B&Bs, short-term rentals, etc. In addition to the 6% occupancy tax, visitors also pay a sales tax of 7%, resulting in visitors paying a total of 13% on their accommodations.

How many projects have received funding thus far?

Since the fund's inception in 2001, nearly \$60 million has been awarded to 46 community projects that are not only generating room nights, but are also great assets to the community. Approximately 74% of the funds disbursed have gone to Buncombe County and City of Asheville-owned or affiliated projects, including the John B. Lewis Soccer Fields, Pack Square Park, a portion of the Wayfinding program, the U.S. Cellular Center (now known as Harrah's Cherokee Center – Asheville), riverfront redevelopment (the River Arts District), and most recently the Woodfin Greenway and Blueway, and the Enka Recreation Destination. Review the list of funded projects [here](#).

What are some examples of successfully implemented projects in the past and how is their impact measured?

The Buncombe County Tourism Development Authority asks that each successful applicant that receives grant funding provide a report in subsequent years, both on the progress that they are making on construction and development of a project, and then also its impact for the first four years after completion. The full list of funded projects can be found online at <https://www.ashevillecvb.com/product-development/>. The variety of projects that have been supported include everything from a veterans' memorial at Pack Square Park, to renovations at Harrah's Cherokee Center in downtown Asheville, to French Broad River access, to improvements in the River Arts District. The fund has also supported the development or enhancement of soccer fields, baseball fields, the Woodfin Blueway and Greenway, the Asheville Art Museum, and the YMI Cultural Center in downtown Asheville, just to name a few. The projects funded have extensive use/visitation from visitors and residents alike.

Does the TPDF fund multi-year projects?

Yes, the TPDF does fund multi-year projects. The BCTDA cannot guarantee an applicant grant funding in future years and can only commit to grant funding it has available in hand at the time of the

application. Typically, projects receiving TPDF funding in more than one cycle have been funded via subsequent requests rather than a single multi-year request. If a project includes multiple phases, the BCTDA asks that the applicant detail those phases in its application but formally request funding for each phase at a time when the applicant needs that funding.

For projects that require funding in multiple phases, the BCTDA has established the Strategic Priority List pathway. During the standard grant cycle, the TPDF Committee may wish to recommend funding for a project but not yet have the funds available. In this case, the TPDF Committee may recommend the BCTDA place a project on the Strategic Priority List, to be considered when funding is available. Selected projects would receive priority for funding in future years. While the applicant will be required to provide an update to the BCTDA ensuring there have been no substantive changes to the project as presented, the applicant will not be required to resubmit a full application in a future grant cycle.

When are projects required to be completed?

The expectation for completion of a funded project varies from project to project and will be detailed in the contract with the applicant. A project that is still many years away from completion may not receive as favorable consideration by the TPDF committee compared to projects that are farther along in the planning process.

ELIGIBILITY

Is it true that both nonprofit and for-profit businesses can apply for funds?

When first created, the tourism industry purposefully crafted the legislation without consideration of tax status of the applicant. The aim was to create an incentive pool to help projects that would serve as a destination driver or provide a reason for an extended stay or repeat visit. Projects are judged based on their ability to create substantial new and incremental overnight stays in Buncombe County, thus creating a significant overall economic impact on the community. In June 2015, the General Assembly passed HB347 which included modifications to the Buncombe County Tourism Product Development Fund. Under those changes, for-profit entities were no longer eligible for TPDF funding.

What is a “major tourism capital project”?

A project is considered a major tourism capital project when the application demonstrates the project’s ability to create substantial new and incremental overnight stays in Buncombe County, thus creating a significant overall positive economic impact on the community. An example of a project that would meet the above definition is a project that creates a new attraction, or enhances or expands an existing attraction, that is ticketed and marketed in a way that will increase overnight visitors to Buncombe County.

What does it mean to have legal control of the property?

Legal control of the property means that the applicant has the right to operate within a specific space on a continuous basis, including the legal permission to perform the work necessary for the project for which the grant is requested, either through a recorded deed or long-term lease on the property. If property is owned by a municipal partner, such as a City or County, a non-profit organization may provide a letter of support or other agreement between the applicant and the municipal partner, in lieu

of a recorded deed or long-term lease, that demonstrates the applicant's ability to operate within a specific space on a continuous basis on the municipal partner's property.

What is required to adequately demonstrate the availability of 1:1 matching funding?

In prior years, the TPDF committee has requested documents such as letters from banks stating that the organization qualifies for a specific loan amount, or a demonstration of funds already raised and committed through philanthropic fundraising. Applicants have also provided commitment letters from a potential funder stating that the applicant will receive funding dependent upon an award of funding from the BCTDA.

APPLICATION PROCESS

Is an applicant able to handwrite or mail an application, instead of using the online platform?

All applications must be submitted via the online application system. Handwritten applications will not be accepted.

Is the available funding split 50/50 between the Phase I and Phase II applications?

There is one funding cycle that has two phases of application for projects. It is one single funding request and a single pool of available funding. The Phase I application is basic and foundational. It requires some basic information about the project, details about the requesting organization, and the amount being requested by the organization. If a project application is deemed appropriate by the TPDF Committee in Phase I, it will advance to the Phase II application process.

Do you assist in matching partners for a project?

The applicant must bring at least 50% of funding of the project to the application, and the applicant organization must demonstrate in Phase II the source(s) of matching funds. The Buncombe County Tourism Development Authority is unable to match partners for a project. The payment of the grant will be made to a non-profit organization or municipal partner, and it will be the recipient for those funds. That organization will be responsible for the project and liable for any use of the grant dollars.

Once Phase I is complete, will a list of applicants approved for Phase II be made publicly available?

In prior years that information has been reported by local media. This is a public process and applicants should understand that Explore Asheville and the Buncombe County Tourism Development Authority are subject to open records laws of the state of North Carolina. If the applicant has information about either a project or the organization that it does not wish to be made public via a submitted application, it may want to consider funding options other than the TPDF.

USE OF FUNDS

Does land acquisition meet the definition of capital investment?

It does not meet the definition. The TPDF is intended to support bricks and mortar development once that property has been acquired.

REVIEW & EVALUATION

Who decides what project(s) receives TPDF dollars?

The enabling legislation mandates that a TPDF committee review all funding applications. The TPDF Committee thoroughly reviews all applications through a 2-phase approval process and conducts interviews and site visits as needed. The committee then makes funding recommendations to the Buncombe County Tourism Development Authority (BCTDA). In order for a project to receive a recommendation to the Authority for funding, the project must receive approval of the majority of members of the TPDF committee present and able to vote. Once a proposal receives an affirmative vote for funding, the Committee will agree by a majority vote on the amount of funding to recommend to the Authority. Three-fourths of BCTDA voting board members (7 of 9 members) must affirm the funding recommendations made by the committee.

How are projects chosen for funding?

Each project is reviewed on its own merit and much scrutiny is given to the methodology and assessments of room nights. Projects are judged on their ability to generate new room nights as well as to impact the overall economy, similar to the way that businesses are assessed for potential economic development incentives. The TPDF Committee also requests information on financials from each project to ensure the financial viability of a project as best it can.

When will applicants hear if their application was selected to receive an award?

The application process for the TPDF is a six (6) month process from the time Phase I application opens to the time applicants are notified of an award. Phase I applications will open on April 12, 2023, and final funding recommendations will be presented to the BCTDA on October 25, 2023. Applicants will be notified of funding decisions on or before Wednesday, October 25, 2023.

AWARD & DISBURSEMENT

How are funds disbursed once a project is awarded funding?

Disbursement of the monies takes place after various steps in the construction process have occurred. Contractual language in the specific grant agreement outlines a series of provisions and covenants tied to the disbursement of the funds as well as remedies in the event of a breach. When it becomes clear a project won't move forward, under certain contracts, the award can be rescinded.

Where do the funds sit before disbursement?

Funds stay in escrow in a BCTDA account until disbursement.

ABOUT US

Established by legislation in 1983, the Buncombe County Tourism Development Authority is a public authority charged with marketing Buncombe County as a tourism destination and administering its tourism product development fund.

The legislation gives the BCTDA ultimate authority over the awarding of the tourism product development funds, following recommendations from a TPDF Committee. The TPDF Committee is charged with ensuring TPDF dollars are used to enhance the community through product development leading to significant new and repeat room nights in Buncombe County and providing recommendations to the BCTDA board.

BCTDA BOARD MEMBERS

The Buncombe County Tourism Development Authority is a board of eleven volunteers appointed to oversee the use of occupancy tax revenues as directed by North Carolina law. Four members are appointed by Asheville City Council, four by the Buncombe County Commission, and one by the Asheville Area Chamber of Commerce. Six members represent accommodations who collect the tax and three are from non-lodging, tourism-related businesses. A Buncombe County Commissioner and an Asheville City Council Member serve as non-voting, ex-officio board members. The current members of the BCTDA are:

Kathleen Mosher, *Board Chair*

Biltmore
Chamber Appointed

Matthew Lehman, *Treasurer of the Nonprofit*

The Grand Bohemian Asheville
City Appointed

Andrew Celwyn

Herbiary
City Appointed

Michael Lusick

FIRC Group, Inc.
City Appointed

Scott Patel

Pure Hospitality
County Appointed

Commissioner Terri Wells

Buncombe County Commission
Ex-Officio Member

Brenda Durden, *Vice Chair*

Asheville Hotel Group
County Appointed

Elizabeth Putnam

Mosaic Community Lifestyle Realty
County Appointed

Larry Crosby

The Foundry Hotel
City Appointed

HP Patel

BCA Hotels
County Appointed

Vice Mayor Sandra Kilgore

Asheville City Council
Ex-Officio Member

TPDF COMMITTEE

As per the legislation, the TPDF Committee is appointed by the BCTDA, and need not be comprised solely of members of the Authority. A majority of positions must be held by lodging representatives. Committee members can serve one partial and two full terms.

Jim Muth, *Chair*

Muth Management, Inc. Consulting
Tourism Appointment

Jay Curwen

Nantahala Outdoor Center
Tourism Appointment

Brenda Durden

Asheville Hotel Group
BCTDA Liaison & Lodging Appointment

Gary Froeba

The Omni Grove Park Inn
Lodging Appointment

Scott Kerchner

Element Asheville Downtown
Lodging Appointment

Ken Stamps, *Vice Chair*

Navitat Canopy Adventures & Adventure Pisgah
Lodging Appointment

Fielding Lowe

Park National Bank
Finance Appointment

David McCartney

Hotel Arras
Lodging Appointment

Stephanie Moore

Center for Craft
Tourism Appointment

TPDF STAFF

The Explore Asheville Convention & Visitors Bureau (CVB) provides support for the TPDF process on behalf of the BCTDA. If you have any questions, please contact Tiffany Thacker, Director of Grants.

Tiffany Thacker

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