



# WELCOME

# TOURISM MANAGEMENT FORUM

Explore **ASHEVILLE**



# TOURISM MANAGEMENT & INVESTMENT PLAN

Public Forum

October 23, 2019





# INTRODUCTION

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- Evolution of Tourism Product Development Fund (TPDF) Process
- Goals of the Tourism Management & Investment Plan to Develop Community Assets
- 4 Guiding Principles for Future Planning

 Download the report at [AshevilleCVB.com/TMIP](https://AshevilleCVB.com/TMIP)

# EVOLUTION OF TPDF

1983

Creation Of The  
Buncombe County  
Tourism Development  
Authority

Administer the proceeds  
from the occupancy tax

2001

Creation of the  
Tourism Product  
Development Fund

**\$44 million** has been awarded to  
**39 community projects**  
Including **\$22 million** for City of  
Asheville-owned projects\*

2015

TPDF Legislation  
is changed

Changed TPDF from 1% to 1.5%  
occupancy tax rate  
Created the major projects pathway  
Made only non-profits & government  
entities eligible for funding

2019

Tourism Management  
& Investment Plan

\*Museums, recreations/greenways,  
sports facilities, infrastructure





## TPDF NEXT GENERATION

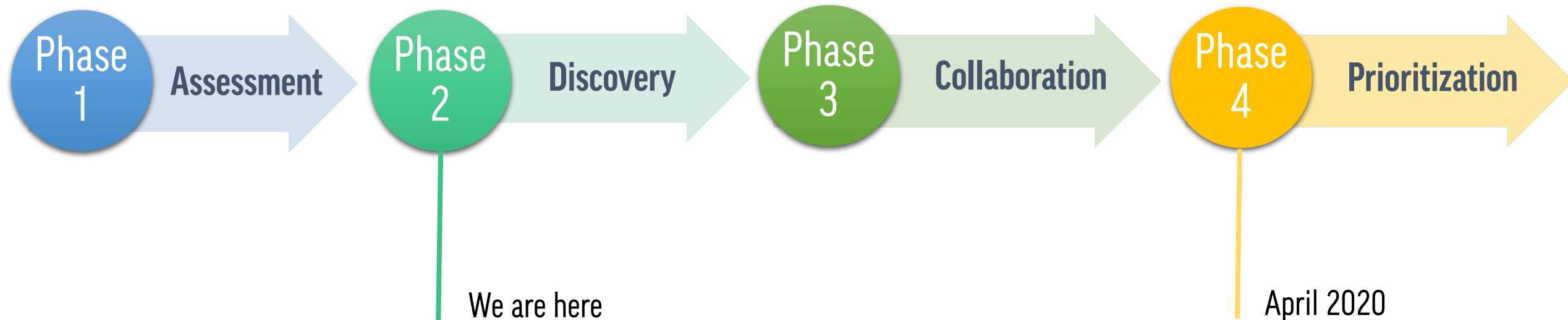
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Transition from an application-based process to community investment strategy within the General Assembly's established guidelines.

1. Community engagement to establish priorities for needs and opportunities
2. Collaboration with public entities
3. Investment strategy for 10 or more years

## TMIP GOALS:

- To bring public entities, tourism officials and the community together with data resources to develop a framework to guide the long-term investment of TPDF.
- To better manage the impacts of tourism while maintaining the character and integrity of the region.







# PHASE 1

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## PHASE ONE | ASSESSMENT

Generate and compile data into a holistic picture of the project potential and determine strategies for future projects

- Public Input
- Committee Meetings
- Collaboration with Funding Partners
- Data Collection





# NEXT STEPS FOR TMIP

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## PHASE TWO | DISCOVERY (in progress)

- Assess the needs and opportunities of future community improvement by reviewing projects for consideration for TPDF funding

## PHASE THREE | COLLABORATION

- Evaluate potential opportunities
- Develop Tourism Management and Urban Design Strategies

## PHASE FOUR | PRIORITIZATION

- Prioritize community needs and opportunities and create strategies for long-term investment of TPDF funds







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## Resident Sentiment Survey Presentation

October 2019



## Background

Goal is in-depth information about attitudes of residents toward tourism and reasons for those attitudes

- Gather information on attitudes
- Both Asheville and Buncombe County residents
- Quantify the levels and strength of various attitudes
- Measure awareness of Tourism Development Authority and Explore Asheville
- Identify issues to inform the Tourism Management and Investment Plan

# Methodology

- Based on national survey work on this topic
- Designed to evaluate both positive and negative perceptions about tourism in the community

Two different audiences included:

- Data representative of the population of the city and county – 468 surveys – accurate at +/-4.5% at a 95% confidence level
- Wide participation and input from the public – Opt-In sample of 2,200. Cannot provide an accuracy estimate as this is not a representative sample

\* Survey responses were evaluated to reduce duplicates

# Respondent Profile



Demographics	Random	Opt-In	Employed- great deal of benefit	Employed – some benefit
Married or in a committed relationship	57%	76%	44%	60%



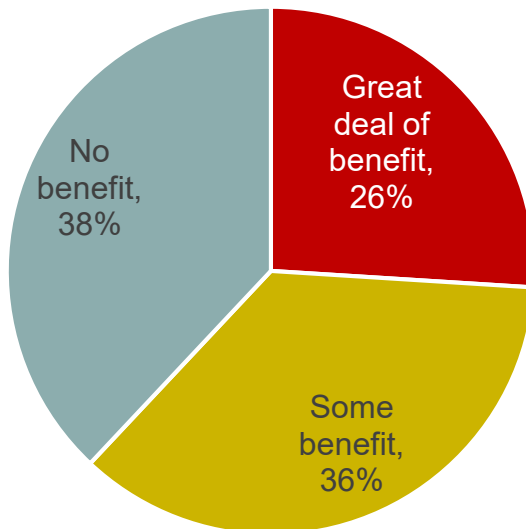
Average Age	42	53	44	45
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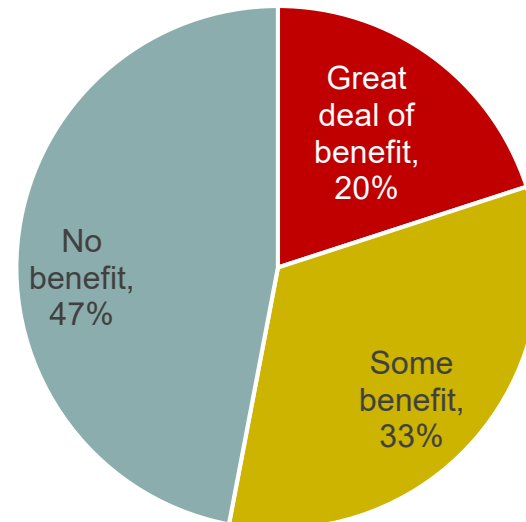
College or Graduate Degree	50%	88%	47%	56%
Less than \$50,000	50%	19%	55%	52%
\$50,000 but less than \$100,000	36%	38%	28%	35%
More than \$100,000	14%	44%	18%	14%

# Respondent Profile

Random



Opt-In

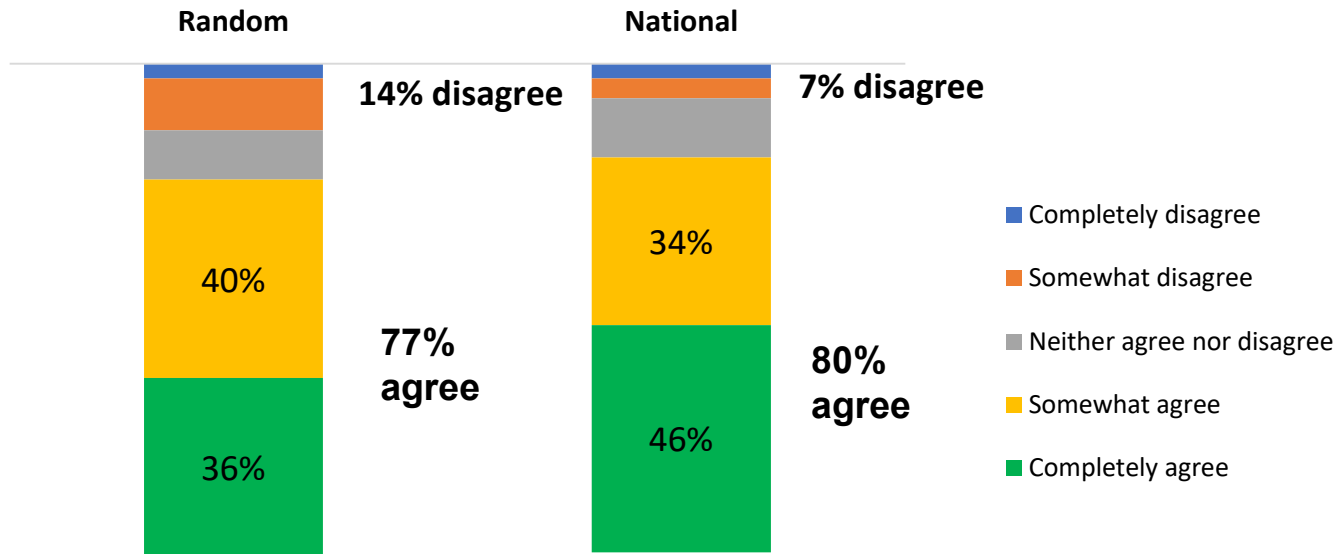


- Are you employed...?
  - At a place that receives a great deal of benefit from visitors to the area
  - At a place that receives some benefit from visitors to the area
  - A place that receives no benefit from visitors to the area



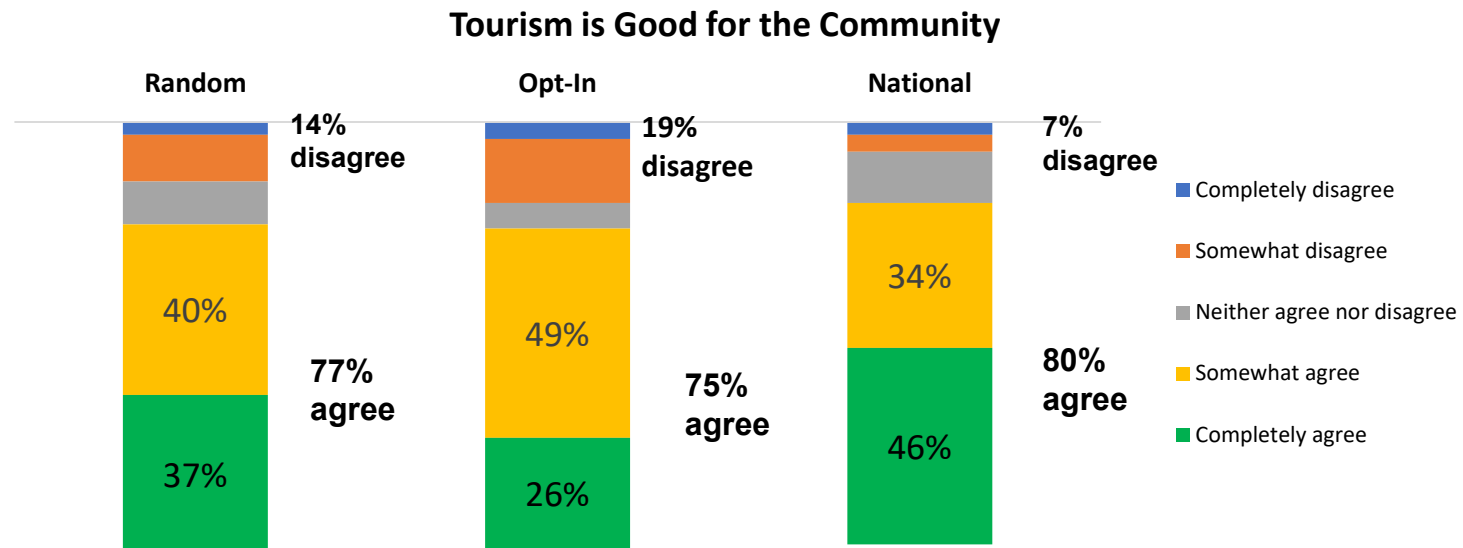
# Is Tourism Good for the Community?

## Tourism is Good for the Community



Q: Overall, how much do you agree that tourism is good for your community?

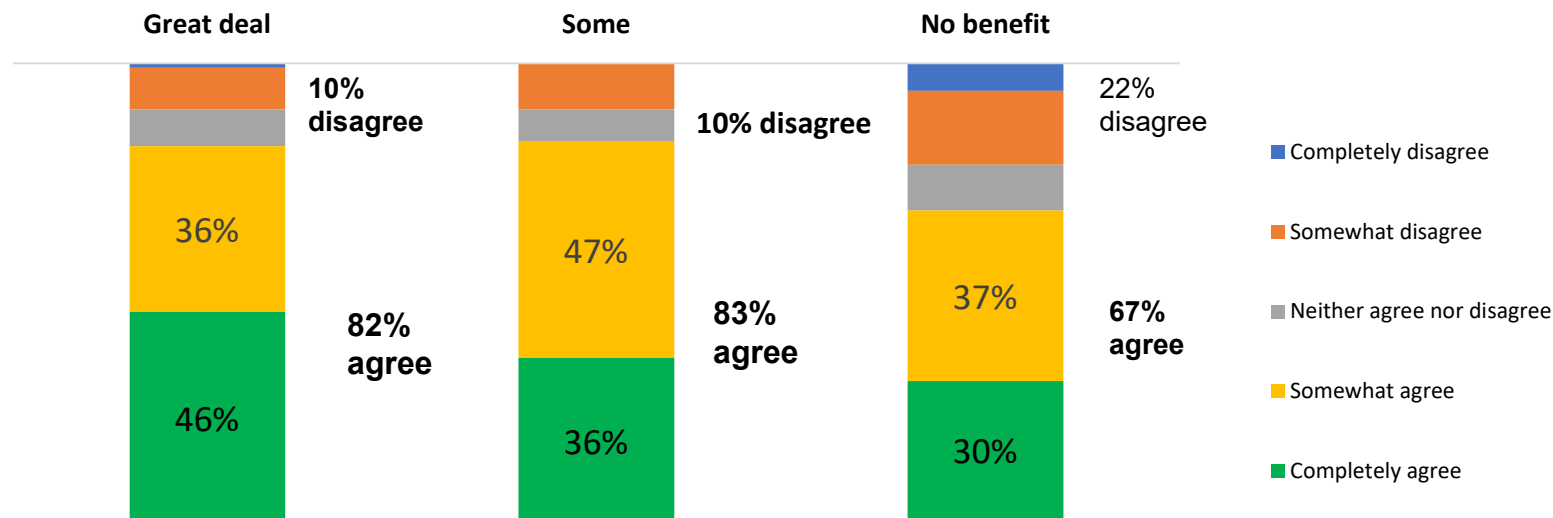
# Is Tourism Good for the Community?



Q: Overall, how much do you agree that tourism is good for your community?

# Is Tourism Good for the Community?

## Tourism is Good for the Community



- Being employed by a business that receives benefit from tourism has a positive impact

Q: Overall, how much do you agree that tourism is good for your community?



## Positive Perceptions – 80% Agree Random Sample

- ***Tourism helps small businesses*** in my community
- Money from people who visit ***supports independent businesses***
- There are ***more restaurants and a greater variety of independently owned restaurants*** because of people visiting the area
- Because of tourism in the area, Asheville has been ***able to attract more airline options and flights***
- There are ***more independently owned retail shops and a greater variety of retail shops*** because of people visiting the area
- There are ***more festivals and events*** because of people visiting the area

## Positive Perceptions – 80% Agree Opt-In Sample

- ***Tourism helps small businesses*** in my community
- Money from people who visit ***supports independent businesses***
- There are ***more restaurants and a greater variety of independently owned restaurants*** because of people visiting the area
- Because of tourism in the area, Asheville has been ***able to attract more airline options and flights***

## Negative Perceptions – 80% Agree Random Sample

- There are ***problems with parking*** because of people visiting the community
- Because we have too many people visiting the area, we have ***traffic problems***
- The ***cost of housing is too high*** in the area because of people visiting the community



## Negative Perceptions – 80% Agree Opt-In Sample

- There are ***problems with parking*** because of people visiting the community
- Because we have too many people visiting the area, we have ***traffic problems***
- ***But opt-in sample tended to attribute more negative impacts on the community to tourism***

# Residents agree that tourism builds awareness for the community Random Sample

Over 80% agree:

Tourism shows people that my community is

- A good place to relocate
- A good place to retire
- A good place to move their business or start a new business

## Opt-In sample agrees that tourism builds awareness for the community

Over 80% agree:

- Tourism shows people that my community is a good place to relocate
  - A good place to retire

70% agree

- A good place to move their business or start a new business



# A smaller majority of residents agree

## Random Sample

	Random	Opt-In
The tax revenue my community receives from people visiting has gone to build amenities that make this a better place to live	60%	36%
The tax revenue my community receives from people visiting has gone to support important community services	54%	27%

## But a smaller majority also agree that...

My tax dollars are being spent to provide services to visitors rather than spending them on things that are good for residents

**Random   Opt-In**

62%   75%

People visiting the area are a drain on city and county resources

52%   73%

## A minority of people agree..

The tax revenue my community receives from people visiting reduces the amount of taxes I pay

**Random   Opt-In**

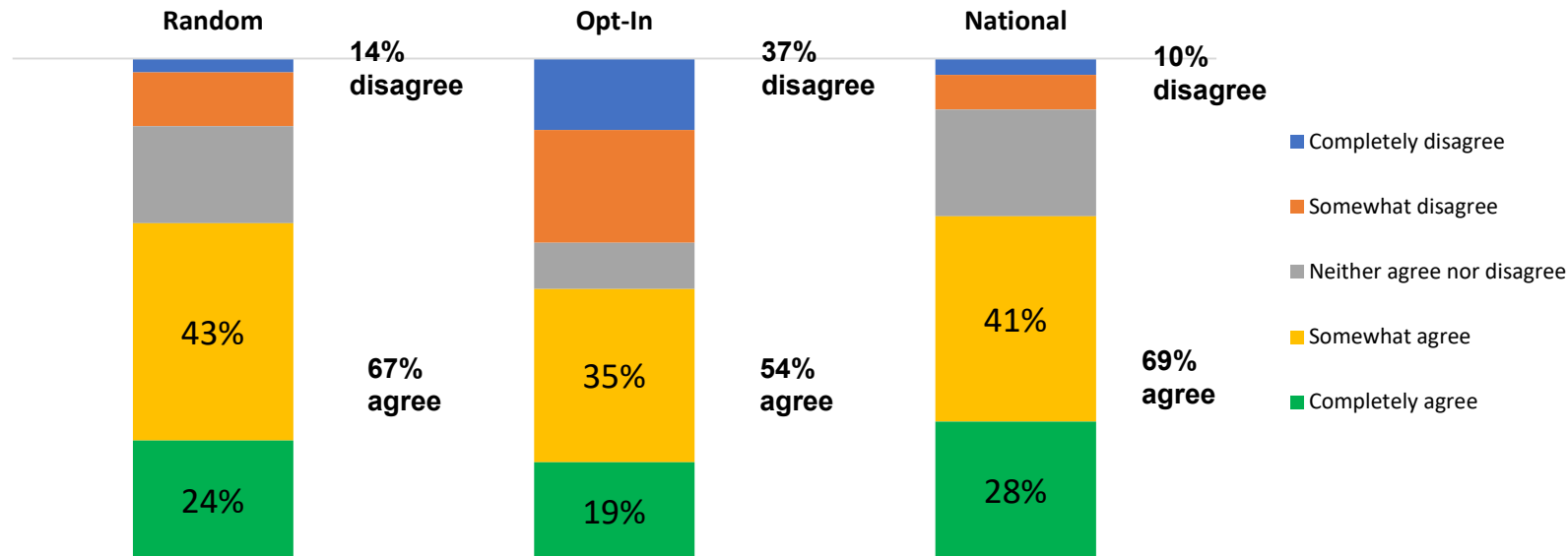
41%   17%

## Current Situation

- Majority of residents believe that tourism is good for the community
- They agree that there are many benefits that tourism brings to the community
- But they also attribute some of the problems in the community to the impact of tourism
- How do they feel about tourism promotion efforts?
- What do they know about what the Tourism Development Authority and Explore Asheville?

# Is Tax-Funded Tourism Promotion Good for the Community?

## Tax-Funded Tourism Promotion is Good for the Community

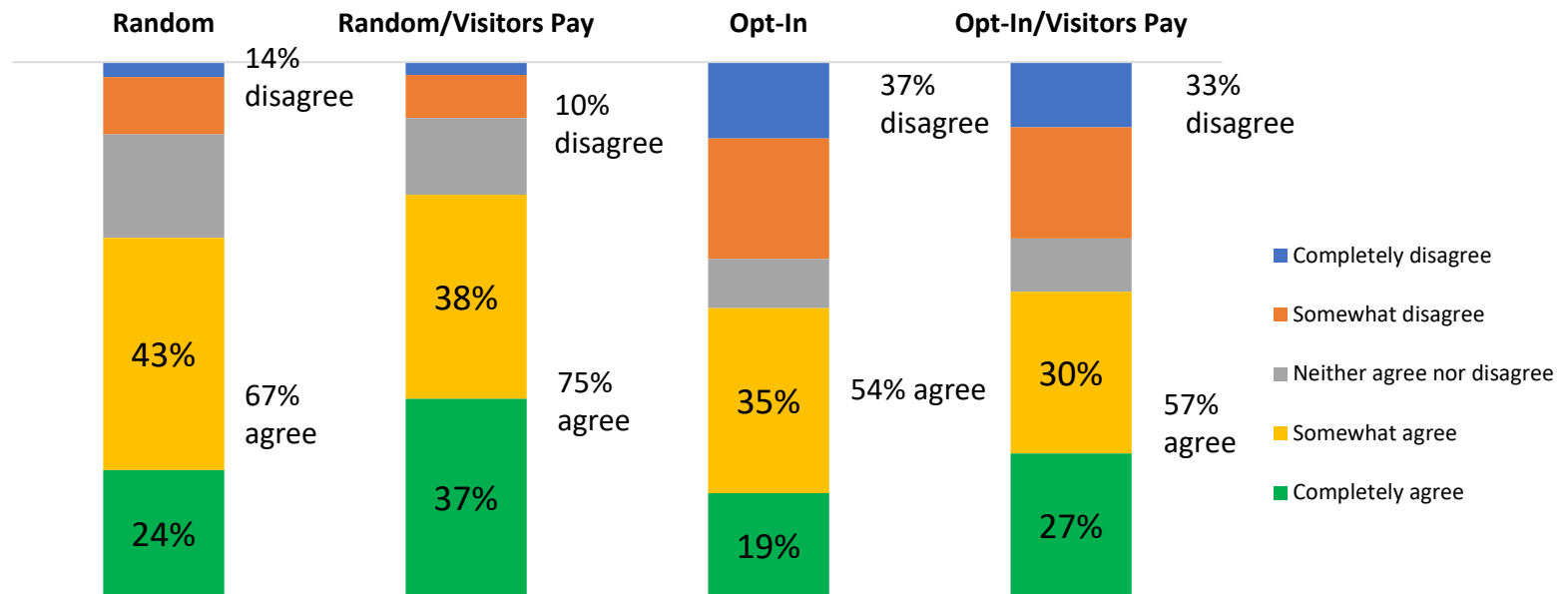


Nearly every state and many cities and other communities promote themselves to attract visitors and their spending to the area. Overall, how much do you agree that tax-funded tourism promotion is good for your **community**?



# Knowing the money is paid by visitors, is Tax-Funded Tourism Promotion Good for the Community?

**Tax-Funded Tourism Promotion is Good for the Community**



In Buncombe County the money to promote tourism comes from a lodging tax paid by overnight visitors, so it is generally paid by the people visiting the **community**. Knowing the money is paid by the visitors, how much do you agree that tax-funded tourism promotion is good for your **community**?

# Most residents agree that the role of Explore Asheville includes:

Role of Explore Asheville	Random	Opt-In
Attracting people to visit and spend money with local businesses	60%	67%
Attracting vacation travelers	59%	64%
Attracting people to visit and generate tax revenue	57%	59%
Operating welcome/visitor centers	54%	60%
Marketing the community as a tourism destination	53%	67%

As you understand it, what are the primary responsibilities of your community tourism office?

# Fewer residents see the role of Explore Asheville to include:

Role of Explore Asheville	Random	Opt-In
Attracting people to visit and support jobs	46%	41%
Attracting international travelers	36%	36%
Bringing conventions to the community	32%	42%
Bringing national events to the community	32%	35%
Attracting businesses to start in/relocate to the community	31%	25%
Educating tourism businesspeople in the community	28%	32%
Providing research and intelligence to community's travel industry	27%	39%

As you understand it, what are the primary responsibilities of your community tourism office?

# Few residents agree that the role of Explore Asheville includes:

Role of Explore Asheville	Random	Opt-In
Providing funds for development of new community facilities and services that serve both residents and visitors	25%	39%
Addressing infrastructure issues in the community related to tourism	24%	42%
Providing free co-operative advertising/marketing opportunities to tourism businesses	24%	30%
Attracting film companies to make films in the community	24%	25%
Providing free marketing to connect local businesses to customers	22%	27%
Financially supporting non-profit events and attractions in the community	22%	26%
Community beautification efforts	21%	29%
Regulating the hospitality industry	21%	18%
Paying for things like police and safety services	16%	18%

As you understand it, what are the primary responsibilities of your community tourism office?



# Most are not aware of past use of occupancy tax dollars for capital projects

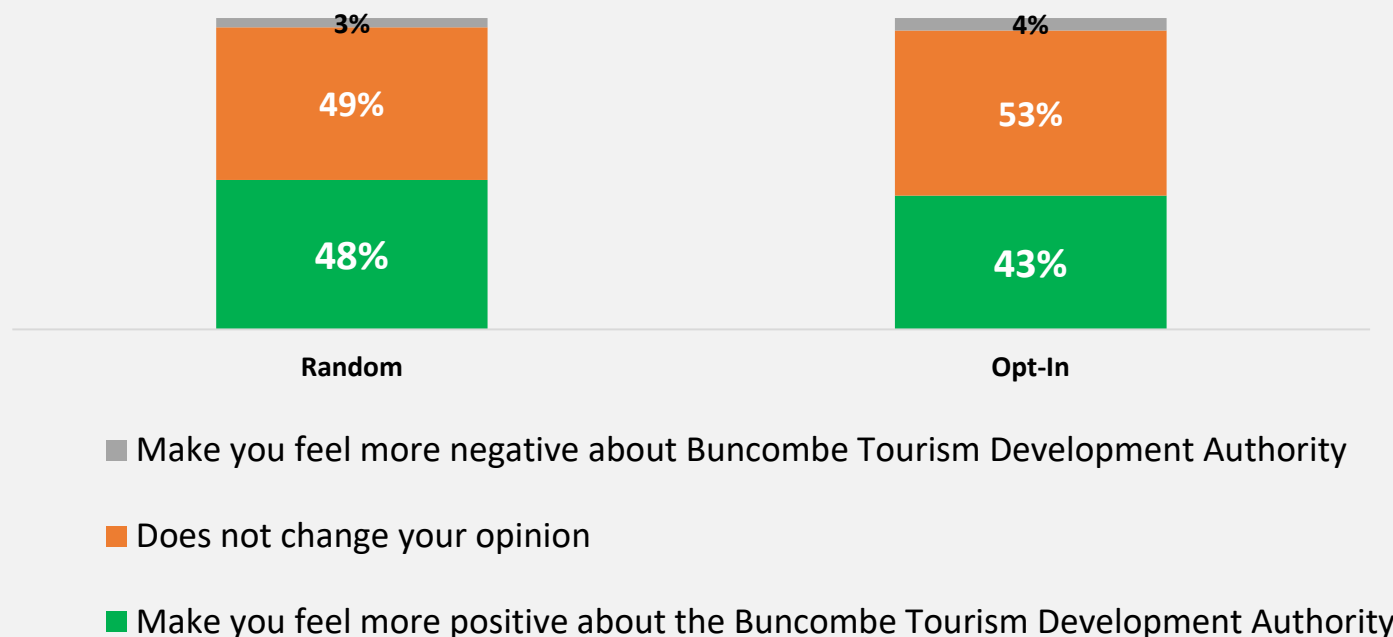
	Random	Opt-In
None of these	41%	31%
US Cellular Center	32%	45%
NC Arboretum	29%	33%
Pack Square Park	27%	36%
Asheville Art Museum	26%	43%
Asheville Riverfront Redevelopment	25%	43%
Asheville Community Theater	20%	24%
WNC Farmers Market	19%	17%
Diana Wortham Theatre	18%	36%
LEAF Global Arts Center	13%	25%
YMI Cultural Center	10%	24%
Black Mountain College Museum and Arts Center	10%	21%
African American Heritage Museum and Trail	9%	16%
Woodfin Greenway & Blueway	7%	25%
Center for Craft	6%	19%
Enka Recreation Destination	6%	14%

The Buncombe County Tourism Development Authority currently provides part of its funding for projects in the **community**. Since 2009 BCTDA has awarded \$44 million to fund 39 capital projects, and here are some of the more recently funded efforts.

Please indicate which of these you knew received financial support from the Tourism Product Development Fund.

# Knowledge has positive impact

Impact of Knowledge of Investments



Does knowing about this funding...?

# Most residents agree with the positive impact of promoting tourism

	Random	Opt-In
The money my community invests in tourism promotion fuels the local economy	82%	71%
I think it is a good use of lodging tax money to promote tourism	75%	48%
Visitors will continue to come to my community even if we stopped all tourism advertising	73%	75%
It's important to promote tourism so that Asheville and Buncombe County don't lose out to other competitive destinations	70%	50%
The taxes visitors pay cover the cost for any marketing done by my community	66%	66%
My community's tourism office spends money responsibly	66%	37%

## While not a majority, some residents agree with statements that support less tourism promotion

	Random	Opt-In
When the community spends money to promote tourism, it is only helping businesses that should be doing their own marketing	46%	47%
Using tax dollars to promote tourism is wasteful	45%	57%
My community should stop spending money to promote tourism and bring visitors to the area	39%	54%

# TOURISM MANAGEMENT & INVESTMENT PLAN



## Top Tier of Issues for Inclusion:

Issue	Random
Parking	61%
Housing affordability	59%
City cleanliness	50%
Homelessness/transients/panhandling	46%
Better sidewalks/making city more walkable	44%
Impact of tourism on neighborhoods	44%
Supporting local small businesses	43%
Transportation – buses, trolley, shuttles, etc.	42%
Public safety and policing issues	41%

Buncombe County Tourism Development Authority (the local tourism promotion agency) is currently developing a tourism management and investment plan to guide future efforts. Which of the following topics do you believe should be addressed in this plan?

## Next Tier of Issues for Inclusion:

Issue	Random
Workforce affordability	37%
Walking trails or bike paths	35%
Support for arts and culture	32%
Maintaining parks and sports venues	27%
Tourism marketing for specific slow seasons	24%
Tourism marketing for the area	23%
Developing or renovating new tourist districts/areas	21%

Buncombe County Tourism Development Authority (the local tourism promotion agency) is currently developing a tourism management and investment plan to guide future efforts. Which of the following topics do you believe should be addressed in this plan?

## Bottom Tier of Issues:

Issue	Random
Developing or renovating additional arts businesses and events	18%
Developing new sports facilities and entertainment facilities	15%
More and different retail	14%
Signage	14%
More and different restaurants	13%
Developing or renovating additional sports venues or facilities	12%
Providing signage in the community	11%
Other	5%

Buncombe County Tourism Development Authority (the local tourism promotion agency) is currently developing a tourism management and investment plan to guide future efforts. Which of the following topics do you believe should be addressed in this plan?

# Topics to be Addressed in TMIP:

## Top Concerns among opt-in:

- Better sidewalks/walkability
- Transportation
- Parking

Issue	Random	Opt-In
Better sidewalks/making city more walkable	44%	66%
Transportation – buses, trolley, shuttles, etc.	42%	64%
Parking	61%	62%
Walking trails or bike paths	36%	55%
City cleanliness	50%	54%
Housing affordability	60%	53%
Impact of tourism on neighborhoods	43%	53%
Support for arts and culture	32%	51%

Buncombe County Tourism Development Authority (the local tourism promotion agency) is currently developing a tourism management and investment plan to guide future efforts. Which of the following topics do you believe should be addressed in this plan?

## Current Situation

- Majority of residents believe that tourism is good for the community
- They agree that there are many benefits that tourism brings to the community
- But they also attribute some of the problems in the community to the impact of tourism
- Knowledge of the TDA and Explore Asheville is fairly limited, and few are familiar with the facilities supported by the occupancy tax
- Increasing awareness has a positive impact
- There are a wide variety of issues that residents would like to see addressed in the TMIP







## GUIDING PRINCIPLES

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1. Protect & Celebrate Authenticity
2. Harness the Benefits / Manage the Growth
3. Embrace Collaboration & Partnership
4. Encourage & Create Connectivity



# 1

## PROTECT & CELEBRATE AUTHENTICITY

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- Food & Beverage – Makers & Establishments
- Retail – Merchants & Studios
- Arts & Culture
- Natural Environment



## FOOD & BEVERAGE MAKERS & ESTABLISHMENTS

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### BUNCOMBE COUNTY

1 restaurant for every

**394** residents

### WAKE COUNTY

1 restaurant for every

**560** residents

Visitors help support local food entrepreneurs and beverage makers in Buncombe County.







## TOTAL RETAIL SALES

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\$3,166,669,658

**DEMAND**

\$3,969,033,897

**SUPPLY**

\$802,364,239

**RETAIL SURPLUS**

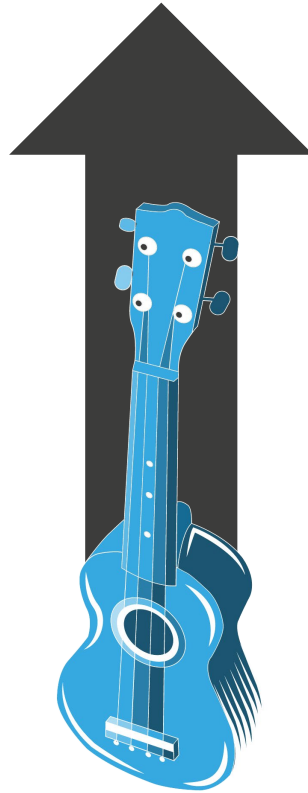
Visitors help make up this surplus, supporting the entrepreneurial ecosystem and generating revenue in Buncombe County.





## ARTS & CULTURE

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- Buncombe County has a strong diversity of local performers. Visitor spending helps performers to pursue their passions.
- **Residents of Buncombe County** attend classic music/opera and country music performances at **higher rates than the national average** and are more likely to play a musical instrument, paint and draw, or do woodworking.





## NATURAL ENVIRONMENT

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Part of Buncombe County's identity is a “**green community**” with a unique outdoor environment.

Residents participate in outdoor activities at **higher than average rates** and spend more on sports/recreation equipment.



Residents are concerned about environmental sustainability and some would like to see more green projects supported such as:

- Tree Preservation, Green Spaces, River/Stream Conservation, Trails/Greenways Expansion and Maintenance, Community Gardens



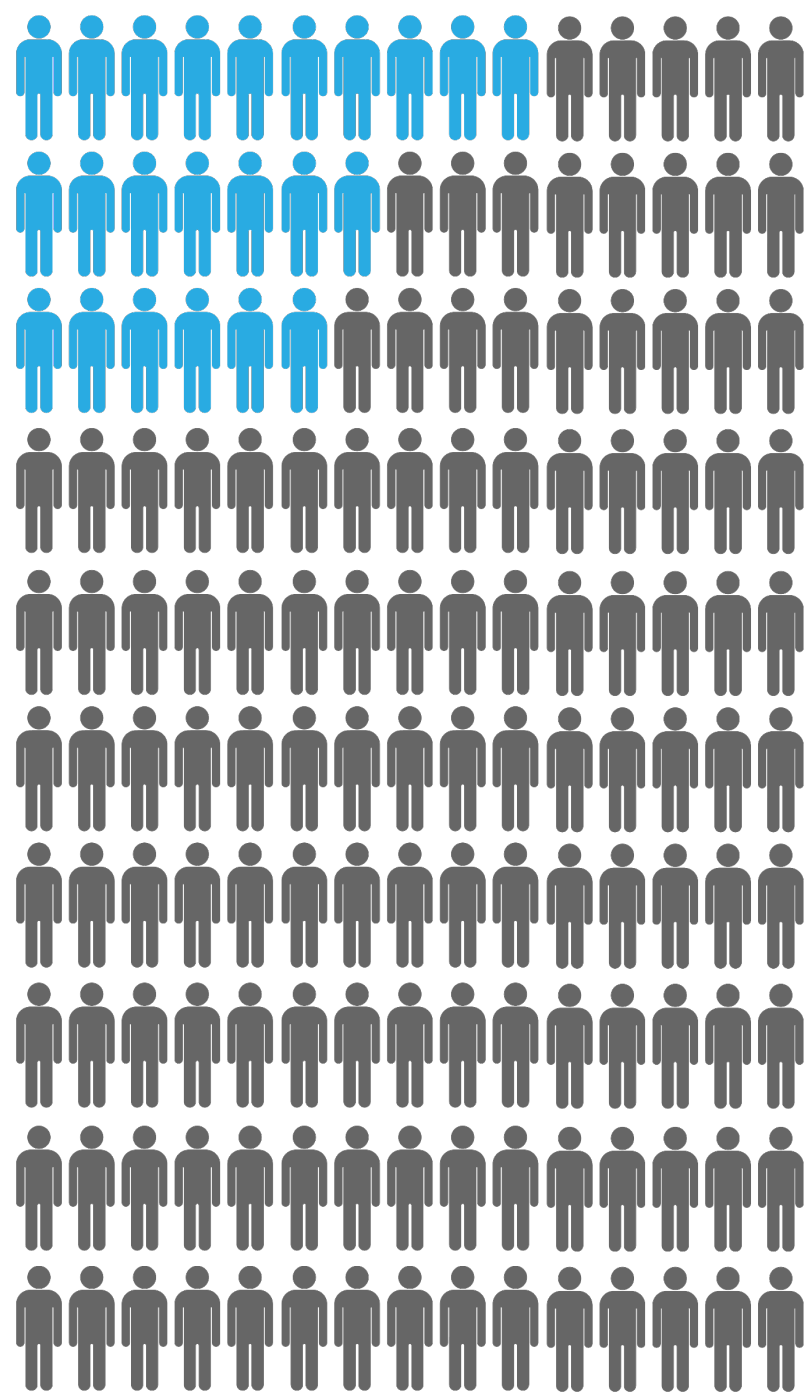
# 2

## HARNESS THE BENEFITS / MANAGE THE GROWTH

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- Employment
- Spending
- Food/Retail Sales
- Traffic & Parking
- Streetscapes & Sidewalks
- Lodging Growth

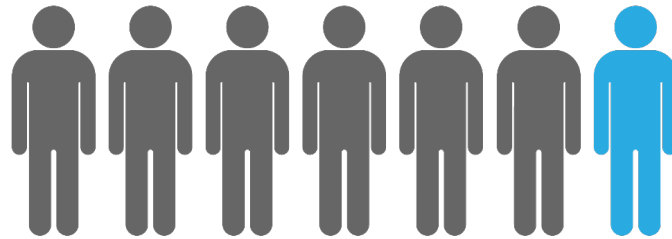




## TOURISM EMPLOYMENT

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Visitor spending supports  
**27,476 JOBS OR 15% OF EMPLOYMENT**  
in Buncombe County.



**THAT'S 1 IN 7 JOBS.**



## WAGE GROWTH

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- 5,000 visitor-supported jobs created in 5 years
- Hospitality & healthcare are the only sectors in the Buncombe County area that pay higher than the state average.
- Wages in Buncombe County hotels are 19% higher than the state average.





Food &  
Beverage  
**\$544 million**



Lodging  
**\$453 million**

## VISITOR SPENDING

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Retail  
**\$437 million**



Recreation &  
Entertainment  
**\$275 million**



Transportation  
**\$230 million**

## FOOD & RETAIL SALES

\$311,832,438

**DEMAND**

\$501,912,203

**SUPPLY**

\$190,097,765

**RETAIL SURPLUS**

Visitors help support restaurants & eating places, allowing the additional \$190 million in restaurant revenue to stay in Buncombe County.





## POPULATION & VISITOR GROWTH TRENDS

Residential population in Buncombe County has grown since 2010 and is projected to continue growing.

**2010** | 238,318

**2018** | 266,257

**2023** | 284,153

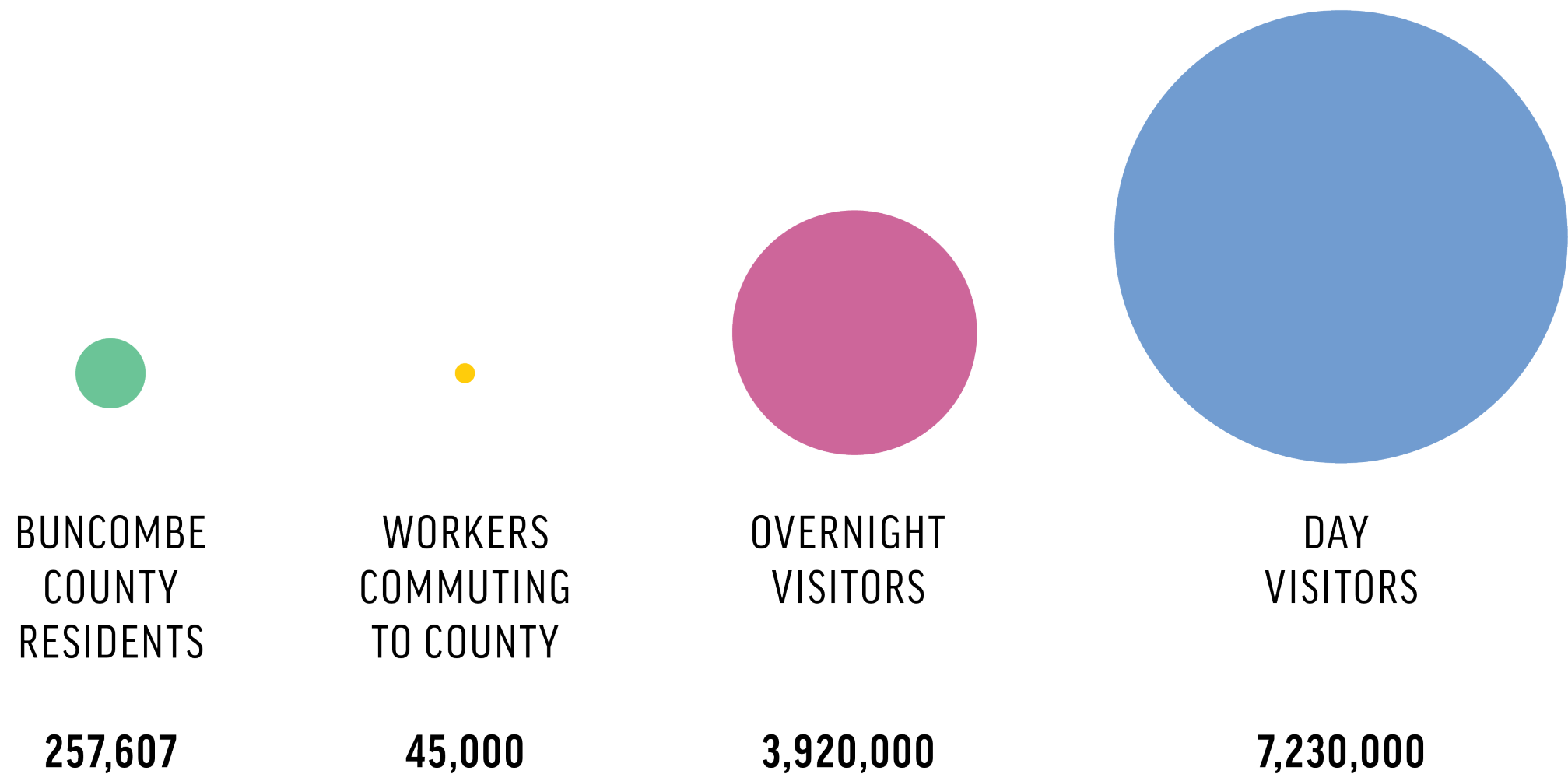
Overnight visitors to Buncombe County have increased:

**2013** | 3.2 million

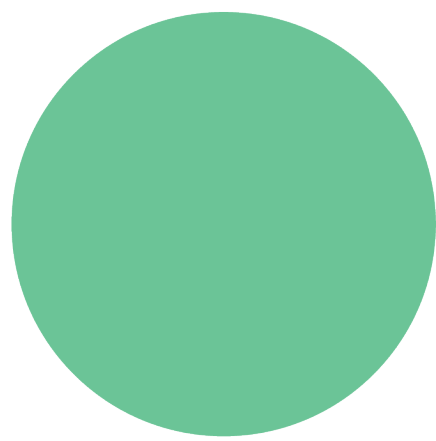
**2017** | 3.9 million



# 2017 BUNCOMBE COUNTY POPULATION



# AVERAGE BUNCOMBE COUNTY DAILY POPULATION



BUNCOMBE  
COUNTY  
RESIDENTS

76%

(257,607 x 365 DAYS)



WORKERS  
COMMUTING  
TO COUNTY

9%

(45,000 x 260 DAYS)



OVERNIGHT  
VISITORS

9%

(3,920,000 x 3 DAYS)



DAY  
VISITORS

6%

(7,230,000 x 1 DAY)

## TRAFFIC IMPACTS

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- **Vehicular traffic has generally grown faster** on interstate highways and some suburban streets in Buncombe County than Downtown Asheville traffic in recent years.
- Some Downtown streets have actually seen a **decline in vehicular traffic.**
- Growth in vehicular traffic **has not been consistent** across the area.



Community input showed strong support for improved bicycle and pedestrian access.



COMMUNITY INPUT





## PARKING



**72% OF RESIDENTS**

believe there are parking and  
traffic issues because of people  
visiting Buncombe County.



About **12,000** parking spaces in Downtown Asheville  
700 metered spaces | 2,300 in publicly owned decks

A more **comprehensive  
approach** to parking  
management would be a tool  
for alleviating the perceived  
conflict parking creates.



COMMUNITY INPUT





## STREETSCAPES & SIDEWALKS

- Both residents and visitors expressed the desire for improved sidewalks, making the community more walkable, and expanding walking trails or bike paths.
- Asheville is already using creative placemaking to connect residents and visitors to locations outside of Downtown such as South Slope and the River Arts District.







## LODGING TRENDS

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Lodging occupancy has grown year-round, but the strongest growth has occurred during the winter.

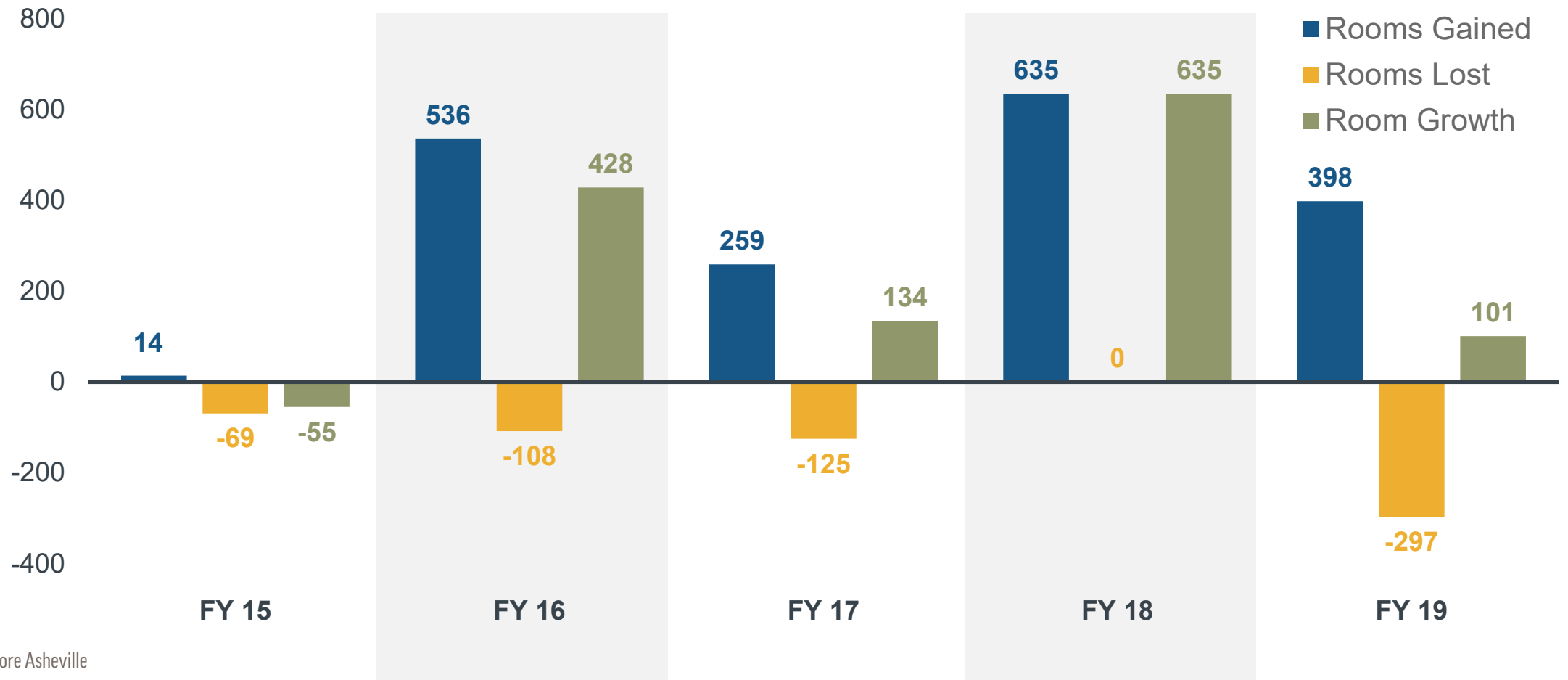
Year-round weekday occupancy has grown along with weekend stays.

Year round occupancy helps sustain businesses & workers.



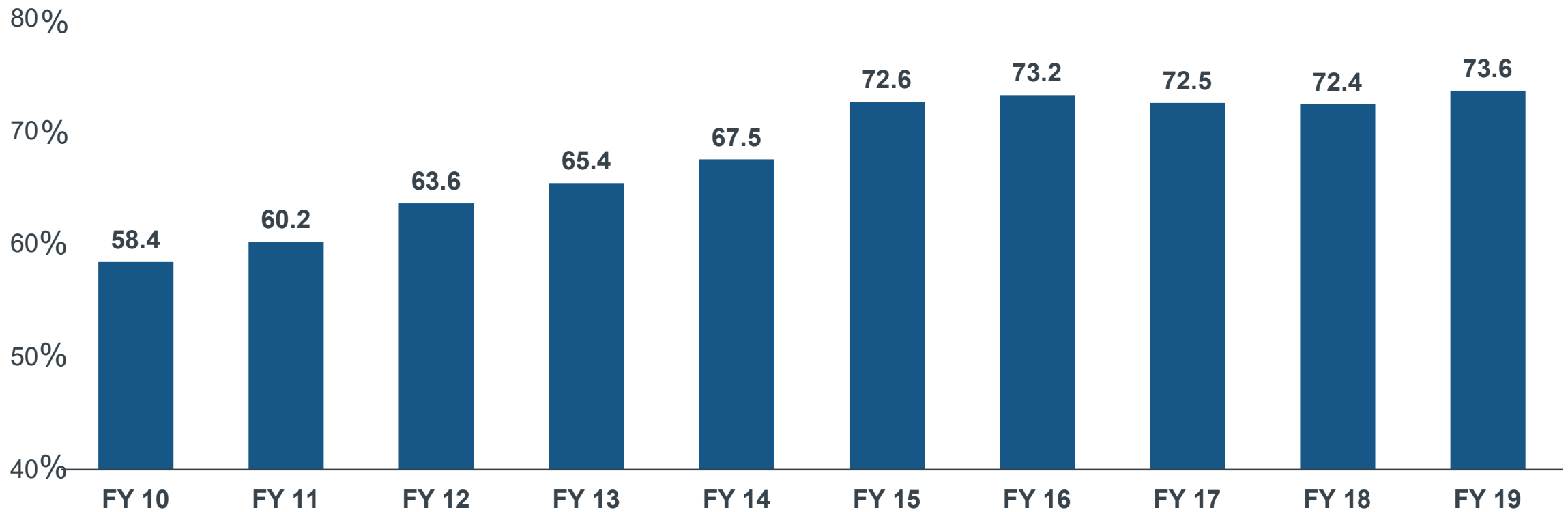
# HOTEL ROOM GROWTH

Hotel supply has increased about 16% over 5 years, with a net increase of 1,243 rooms.



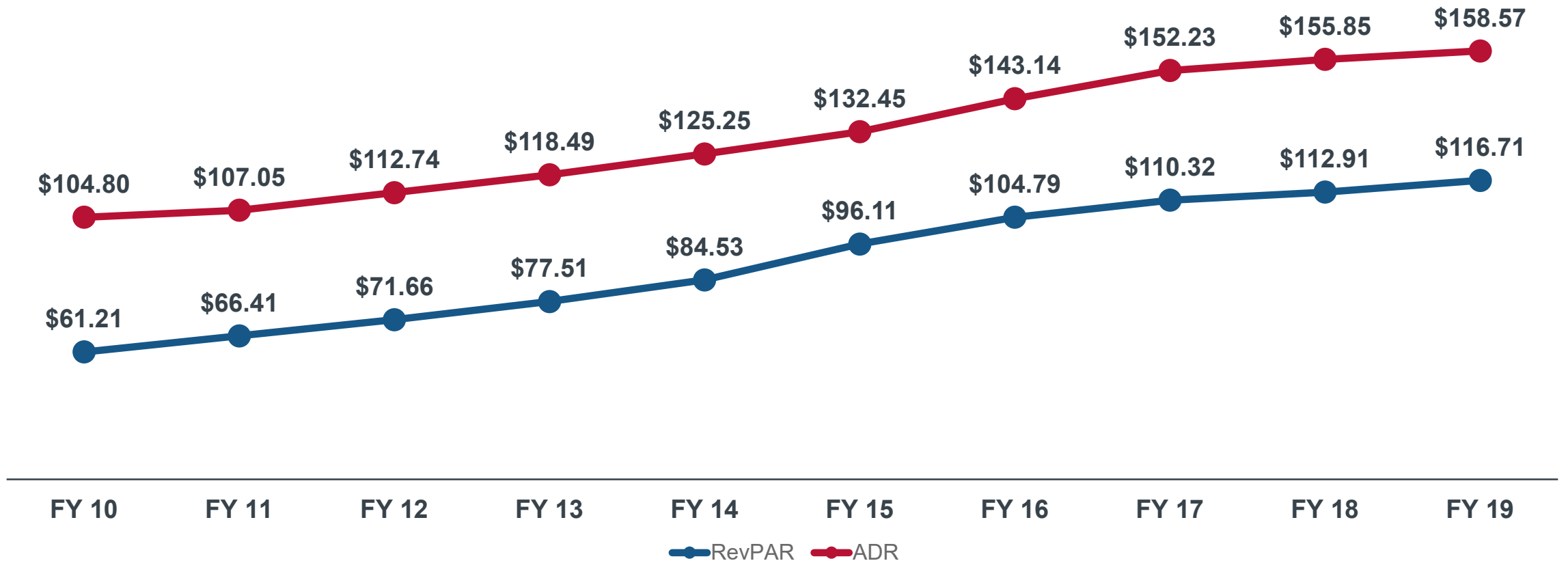
# OCCUPANCY

FY 19 supply increased 3.1% and was absorbed.  
Occupancy increased 1.6%.



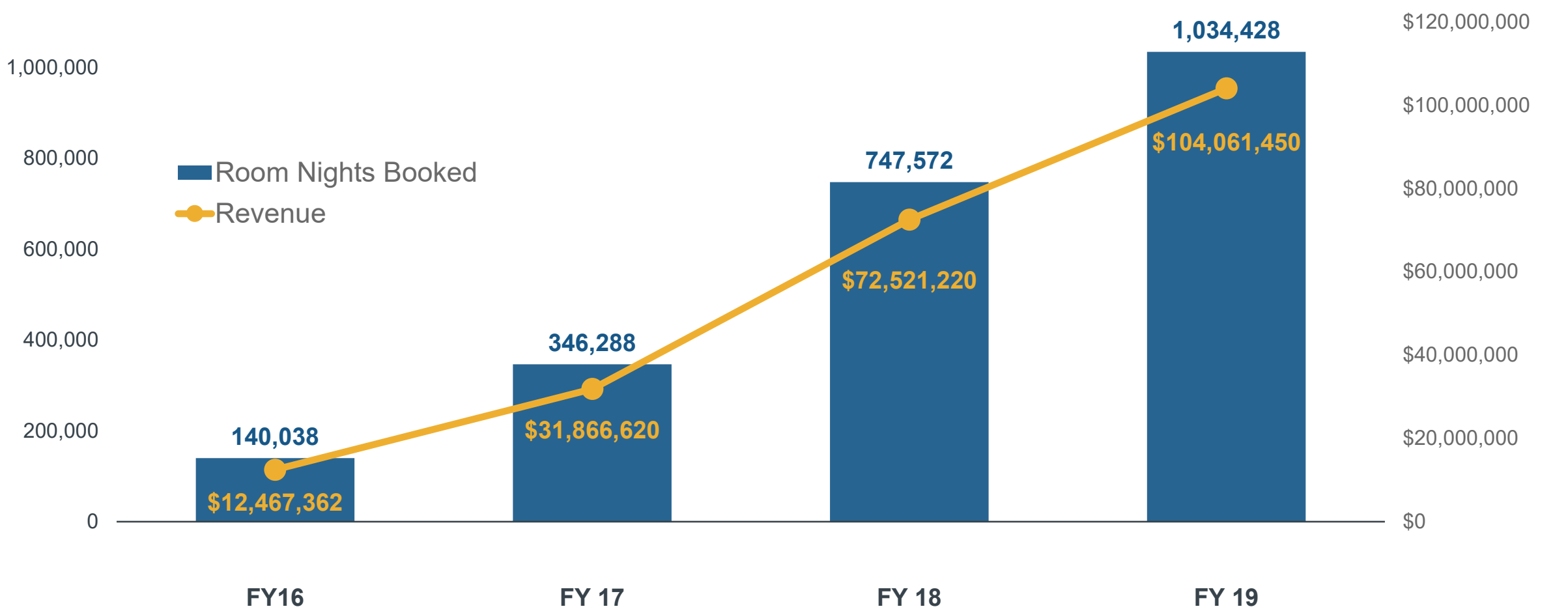
# REVPAR & ADR

RevPAR and ADR increased, but at a slower rate.



# SHORT TERM RENTALS

Room nights booked increased 38%



Source: AirDNA

# 3

## EMBRACE COLLABORATION & PARTNERSHIP

- Tourism Product Development Funding is an avenue for collaboration
- City, Private / Public Non-Profit, and County Projects





## TOURISM PRODUCT DEVELOPMENT FUND

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- Buncombe County's **occupancy tax is a 6%** surcharge on sales that applies to all commercial lodging.
- **25% of the occupancy tax revenue** is currently allocated to Product Development for capital projects (TPDF).
- In fiscal year 2019, **\$6.4 million** was generated for TPDF.





## CITY, PRIVATE/PUBLIC NON-PROFIT, & COUNTY PROJECTS

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The City of Asheville has identified capital projects totaling \$390 million (not all are tourism-related)

- **\$60M in current capital improvement plan**
- **\$330M in additional requests**

**Buncombe County and other entities also have projects for consideration** include greenway construction and sports facilities.





## COMMUNITY SENTIMENT

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When asked to prioritize projects that should be addressed by TMIP, the top areas listed include:

- Housing Affordability
- Parking
- Public Safety & Policing Issues
- Transportation – Buses, Trolley, Shuttle, etc.
- Sidewalks & Infrastructure



A photograph of two cyclists riding elliptical bikes on a city street. The cyclist on the left is a woman wearing a blue tank top, black shorts, and a white helmet. The cyclist on the right is a man with a beard, wearing a black and yellow jersey with 'ARNI' visible, black shorts, and a black helmet. They are both riding green and black elliptical bikes. In the background, there are trees, a white tent, and other people.

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## ENCOURAGE & CREATE CONNECTIVITY

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- Connectivity within Downtown & surrounding areas
- Regional connectivity



## HEAT MAP

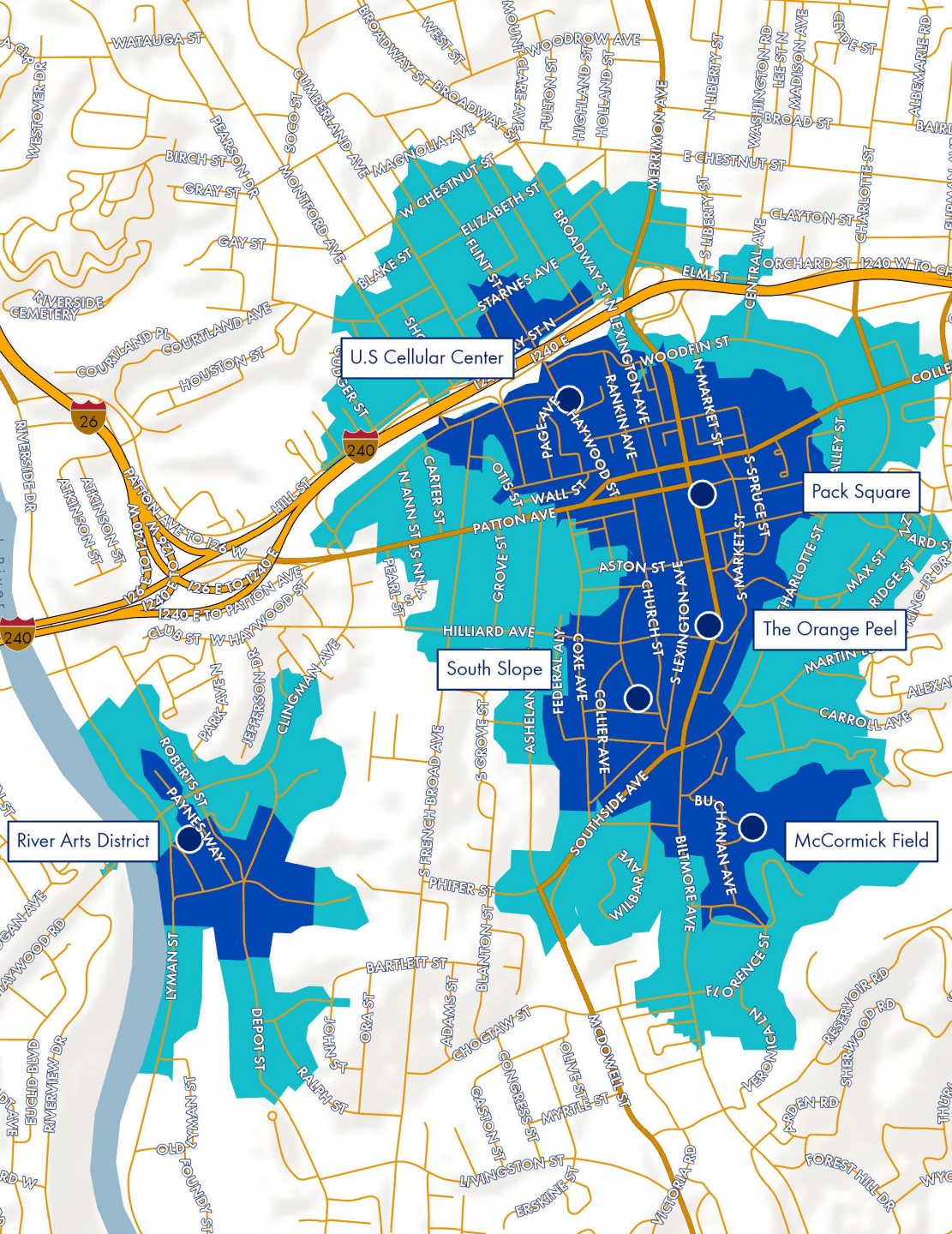
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- Where do **overnight visitors** spend their time?
- How can we **connect them** to other places in Buncombe County?



## WALKING MAP

- Many downtown facilities are within a short walking distance.
- Wayfinding and creative placemaking can help disperse visitors and residents alleviating congestion & parking conflict.







## GREENWAYS

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- Greenways serve as a connection between **Asheville** and other communities in **Buncombe County**.
- Buncombe County's Greenway Master Plan was created in **2012** and contains a planned **102 miles**, **31 of which are in Asheville**.





## GUIDING PRINCIPLES

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2. Harness the Benefits / Manage the Growth
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## PHASE THREE | COLLABORATION

- Evaluate potential opportunities
- Develop Tourism Management and Urban Design Strategies

## PHASE FOUR | PRIORITIZATION

- Prioritize community needs and opportunities and create strategies for long-term investment of TPDF funds

# PANEL DISCUSSION



**Mike Konzen**

PGAV

**Kevan Frazier**

Asheville by Foot  
Historian & Author  
Well-Played Board Game Café  
Western Carolina University

**Stephanie Pace Brown**

Explore Asheville CVB

**Himanshu Karvir**

Virtelle Hospitality, LLC

**Ed Manning**

Moderator  
Leadership Asheville



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