

**Buncombe County Tourism Development Authority,
A Joint Meeting of the Public Authority and Nonprofit Corporation**

Explore Asheville Convention & Visitors Bureau – 27 College Place, Asheville

Excerpts from Board Meeting Minutes

Wednesday, November 29, 2017

- Present (Voting):** Jim Muth, Chair; Gary Froeba, Vice Chair; Leah Ashburn, Andrew Celwyn, Chip Craig, Himanshu Karvir, John Luckett, John McKibbon
- Absent (Voting):** Paula Wilber
- Present (Ex-Officio):** Asheville City Councilmember Julie Mayfield
- Absent (Ex-Officio):** Buncombe County Commissioner Joe Belcher
- BC Finance:** Blair Chamberlain
- Advertising Agency:** Lauren Wegmann, Lynne McMillen; Peter Mayer Agency
- CVB Staff:** Stephanie Brown, Marla Tambellini, Glenn Cox, Pat Kappes, Jonna Reiff
- CVB Staff Absent:** Dianna Pierce
- Guests:** Carleton Metcalf, BCTDA Legal Counsel/Van Winkle Law Firm
Ron Basile, AVL Property Management
Bob McMurray, Black Mountain-Swannanoa Chamber of Commerce
Jane Anderson, Asheville Independent Restaurant Association
Lew Bleiweis, Tina Kinsey; Asheville Regional Airport
Leeanne Briggs, Asheville Area Chamber of Commerce
Kim Roney, Amy Kemp; Local Citizens
Jason Sandford, Ashvegas

Penalty Waiver Request – AVL Property Management

Ron Basile introduced himself as a licensed real estate broker and the managing director of AVL Property Management, a luxury property rental company that has been in business for five years. He referred to the packet of information provided to the board in advance and verbally explained the circumstances surrounding the reason for requesting a penalty waiver in the amount of \$930.66. He said his company's bookkeeper mailed check #1290 on September 11 to pay for the property's August occupancy taxes, and it was lost in the mail. He said when the bookkeeper was reconciling the bank statement the following month, she discovered that the check had

not cleared. She immediately contacted Buncombe County Finance (BCF) and sent a replacement report and check. The original envelope was never received by Buncombe County Finance nor returned to sender via the USPS. Mr. Basile said he also brought along a check register showing the date the check was written in order in their accounting system. He stated he never received the penalty letter from BCF, as an old address was on file. Mr. Basile said since this occurrence, his property now submits payments online, alleviating this problem in the future. The history provided from BCF showed no other late payments since the company began reporting in 2012. Mr. Basile reiterated that this is a mail issue that will not happen again and based on the property's payment history, he respectfully asked the board to consider waiving the penalty.

Mr. McKibbon suggested that since online reporting is now available, the BCTDA should take a position, as of a certain date, where the board will no longer consider waiver requests due to mail issues, unless there are technology-related problems with BCF's web site. A brief discussion took place on this topic centering on past mail and incorrect address issues. The board was in consensus with Mr. McKibbon's suggestion and Chairman Muth directed Ms. Chamberlain to have BCF mail a letter to all properties indicating that requests for penalty waivers due to mail-related issues will no longer be considered by the BCTDA after January 1, 2018.

Following the discussion, Mr. McKibbon made a motion to approve AVL Property Management's penalty waiver request in the amount of \$930.66. Ms. Ashburn and Mr. Karvir simultaneously seconded the motion. There was no discussion and with all in favor, the motion carried 8-0.

The documentation is on file with the Explore Asheville Convention & Visitors Bureau. Since this is a county tax and has a two-step approval process, the CVB staff will forward the request to the Buncombe County Commissioners for further and final consideration.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jonna Reiff".

Jonna Reiff, Executive Operations Manager



Ron Basile
AVL Property Management LLC
149 S Lexington Ave, Asheville, NC 28801
828-776-6202 ron@avlvr.com

11/16/2017

Buncombe County Tourism Development Authority
ATTN: Jonna Reiff
27 College Place
Asheville, NC 28801

Dear Buncombe County Tourism Development Authority,

Please waive the failure to file and failure to pay tax when due penalties that were incurred for August 2017 in the amount of \$930.66, see attached form.

The bookkeeper prepared the August 2017 remittance form and wrote check #1290, for \$6,204.41. It was mailed on 9/11/2017 to Buncombe County Finance Dept., PO Box 7526, Asheville, NC 28802. USPS picks up the mail daily from the office. On 10/9/2017 when the bookkeeper was reconciling the bank account she realized that the check had not cleared our bank account. She called Buncombe County Finance Department and they were unable to locate the check. On 10/10/2017 the replacement check and copy of original form were mailed, see attached form.

The attached letters from Buncombe County Finance were not mailed to our current address and we did not receive them in time to pay the tax sooner. We have been paying occupancy tax since 2012 and the only time we have paid late was in 2014 when the bookkeeper forgot to place a stamp on the envelope. That time we received the unstamped letter back in the

mail. We have not received the payment we mailed in September back from the post office. We are now set up to pay online so there are no lost checks in the mail. I appreciate your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ron Basile', with a long horizontal stroke extending to the right.

Ron Basile
AVL Property Management LLC





Finance Department
200 College Street, 4th Floor - Asheville, NC 28801

October 17, 2017

Ron Basile
AVL Property Management
47 Patton Avenue
Asheville, NC 28801
Account 295

The County has received an occupancy tax remittance for August 2017 with a postmark of October 10th, 2017. Per NC General Statute, both the payment and remittance form are required to be postmarked or hand delivered to the Finance Department by the 20th of the month following the sales. Your account has incurred the following penalties per NCGS 105-236(a)(3)-(4):

| | |
|-----------------------------------|-----------------|
| Failure to file (5%) | \$310.22 |
| Failure to pay tax when due (10%) | <u>\$620.44</u> |
| Total penalties due | \$930.66 |

Please remit the total due to the Buncombe County Finance Department. Penalties are assessed per the NC General Statutes and the Finance Department has no authority to waive any penalties. If you would like to request a waiver of the penalty, please contact the Buncombe County Tourism Development Authority at (828) 258-6111 for information on the waiver request process.

If you have any questions or concerns, please contact the Finance Department at (828) 250-4130 or gl@buncombecounty.org.

Thank you,

Buncombe County Finance Department



Finance Department

*Finance Director
Tim Flora*

October 03, 2017

AVL Property Management
47 Patton Avenue
Asheville, NC 28801

Dear Sir or Madam:

In reviewing our records, we show that we have not received a Buncombe County Room Occupancy Tax Report (payment & penalty due) for the following sales month(s):

August 2017 (due 2017-09-20): Prior Year Sales of \$51,782.68

If you are closed or have no sales for a month, we still must have a Buncombe County Room Occupancy Tax Report that is noted with the appropriate circumstance.

Please check your records, and advise us on the status of the listed month(s). If you were closed or had no sales, please send us notice of such circumstances.

Please note the Buncombe County Finance Department does not have the authority to waive any occupancy tax penalties. To begin the two-step approval process, all requests for waiver must be submitted in writing to the Buncombe County Tourism Development Authority (BCTDA). If approved by the BCTDA at a regular board meeting, the request will then be presented to the Buncombe County Board of Commissioners by the BCTDA for final review and approval. You may contact the BCTDA at 828.258.6111 for more information or to begin the waiver request process.

If you have any questions or concerns, please contact the Finance Department at (828) 250-4130.

Sincerely,

Buncombe County Finance Department



Buncombe County Occupancy Tax Monthly Remittance Form

Mailed 9/11/17 Reprint mailed 10/10/17

This form is to be remitted and taxes paid by the 20th of each month following the month in which the tax accrues to avoid penalties. Payments and forms can be delivered in person to the Finance Department at 200 College St, 4th floor, or mailed to the Finance Department at PO Box 7526, Asheville, NC 28802. *Any other form of delivery will not be considered appropriate and could result in penalties*

| | |
|---|---|
| Report for the month of: <u>August 2017</u> Account #: <u>295</u> Business/Owner Name: <u>AVL Property Management</u> Property Name/Location: _____ Mailing Address: <u>149 S Lexington Ave</u> <u>Asheville, NC 28801</u> Final remittance for property <input type="checkbox"/> Date closed: _____ Signature: <u>[Signature]</u> Date: <u>9/11/2017</u> Print Name: <u>Ron Basile</u> Phone #: <u>828-776-6202</u> | <input type="checkbox"/> No sales subject to Occupancy Tax this period (1) Gross sales for the month: <u>\$ 103,406.90</u> (2) Less sales that a 3rd party has collected/remitted occupancy tax on: _____ (3) Total gross receipts subject to Occupancy tax ((1) - (2)): <u>\$ 103,406.90</u> (4) Occupancy tax rate: _____ <u>6%</u> (5) Occupancy tax due: <u>\$ 6,204.41</u> (6) Applicable adjustments (penalties, credits, etc): _____ (7) Total remitted: <u>\$ 6,204.41</u> |
|---|---|

The Buncombe County Occupancy Tax is currently 6% of the gross receipts derived from the rental of any room, lodging or similar place within the County subject to sales tax under NCGS 105-164.4 (a)(3).

Applicable penalties are defined by NCGS 105-236(a)(3) - (4).

- 1) Failure to file the return on the date it is due will result in a penalty equal to 5% of the amount of the tax if the failure is for no more than one month, with an additional 5% for each additional month, or fraction thereof, during which the failure continues, not exceeding 25% in aggregate.
- 2) Failure to pay tax when due, without intent to evade the tax, will result in a penalty equal to 10% of the tax.

Remittance should be made by check or money order payable to Buncombe County Finance.

Please see the instructions on the next page for assistance in completing the sales/tax portion of this form.

√ #1300 to replace check #1290 mailed 9/11/17
 Called Finance Dept on 10/9 & they could not find check
 I realized on 10/9 when reconciling the account that the check
 #1290 for \$6,204.41 had not cleared.

From: Krystal Frizzell
To: [Jonna Reiff](#)
Cc: [Jennifer W. Durrett](#); [Rachel E. Norton](#)
Subject: RE: FW: Request to Waive Penalty
Date: Monday, November 20, 2017 4:20:36 PM
Attachments: [image003.png](#)

Jonna,

The only item I see on file for 2014 is an underpayment for an amended remittance which was paid at the time the form was re-submitted. There is also the only underpayment we have on file for them.

Let me know if you have any other questions.

Thank you,
Krystal

From: Jonna Reiff [<mailto:jreiff@exploreasheville.com>]
Sent: Monday, November 20, 2017 4:03 PM
To: Krystal Frizzell <Krystal.Frizzell@buncombecounty.org>
Cc: Jennifer W. Durrett <jennifer.durrett@buncombecounty.org>; Rachel E. Norton <Rachel.Norton@buncombecounty.org>
Subject: RE: FW: Request to Waive Penalty

Thanks, Krystal. Question, though – in the letter, they indicated the property had a late payment in 2014 (I pasted that section below). Do you not show that in your records? Thanks!

The attached letters from Buncombe County Finance were not mailed to our current address and we did not receive them in time to pay the tax sooner. We have been paying occupancy tax since 2012 and the only time we have paid late was in 2014 when the bookkeeper forgot to place a stamp on the envelope. That time we received the unstamped letter back in the

mail. We have not received the payment we mailed in September back from the post office.

From: Krystal Frizzell [<mailto:Krystal.Frizzell@buncombecounty.org>]

Sent: Monday, November 20, 2017 2:54 PM
To: Jonna Reiff <jreiff@exploreasheville.com>
Cc: Jennifer W. Durrett <jennifer.durrett@buncombecounty.org>; Rachel E. Norton <Rachel.Norton@buncombecounty.org>
Subject: FW: FW: Request to Waive Penalty

Jonna,

This is the only late payment/penalty we have on record for AVL Property Management. They did contact us regarding payment not being received for August and included the message on the attached remittance form.

Let me know if you have further questions.

Thank you,
Krystal

Krystal Frizzell
Buncombe County Finance Department
200 College Street | Asheville, NC 28802
828.250.4143

----- Forwarded message -----

From: Jonna Reiff <jreiff@exploreasheville.com>
Date: Nov 20, 2017 12:16 PM
Subject: FW: Request to Waive Penalty
To: "Jennifer W. Durrett" <jennifer.durrett@buncombecounty.org>
Cc: Stephanie Brown <sbrown@exploreasheville.com>

Hi Jennifer,

AVL Property Management has requested a penalty waiver and I have attached the letter and back-up documentation. Can you please provide me with their history of any late payments/penalties? Also, please give us any insight you might have on this specific occurrence. Thank you!

Jonna Reiff
Executive Operations Manager

Explore ASHEVILLE

Explore Asheville Convention & Visitors Bureau
27 College Place | Asheville, NC 28801
P: 828.258.6111
jreiff@ExploreAsheville.com

ExploreAsheville.com

Correspondence to and from this email address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Melanie O'Farrell [<mailto:melanie@avlvr.com>]

Jonna Reiff

From: Krystal Frizzell <Krystal.Frizzell@buncombecounty.org>
Sent: Monday, November 20, 2017 3:38 PM
To: Jonna Reiff
Cc: Jennifer W. Durrett
Subject: FW: FW: FW: Request to Waive Penalty

Jonna,

To clarify we do not show any late payments/penalties on file since they began remitting in July of 2012.

Thank you,
Krystal

On Nov 20, 2017 2:53 PM, Krystal Frizzell <Krystal.Frizzell@buncombecounty.org> wrote:
Jonna,

This is the only late payment/penalty we have on record for AVL Property Management. They did contact us regarding payment not being received for August and included the message on the attached remittance form.

Let me know if you have further questions.

Thank you,
Krystal

Krystal Frizzell
Buncombe County Finance Department
200 College Street | Asheville, NC 28802
828.250.4143

----- Forwarded message -----

From: Jonna Reiff <jreiff@exploreasheville.com>
Date: Nov 20, 2017 12:16 PM
Subject: FW: Request to Waive Penalty
To: "Jennifer W. Durrett" <jennifer.durrett@buncombecounty.org>
Cc: Stephanie Brown <sbrown@exploreasheville.com>

Hi Jennifer,

AVL Property Management has requested a penalty waiver and I have attached the letter and back-up documentation. Can you please provide me with their history of any late payments/penalties? Also, please give us any insight you might have on this specific occurrence. Thank you!

Jonna Reiff
Executive Operations Manager

From: [Jonna Reiff](#)
To: ["Melanie O'Farrell"; ron@avlvr.com](#)
Cc: [Stephanie Brown; Jennifer W. Durrett](#)
Subject: RE: Request to Waive Penalty
Date: Monday, November 20, 2017 5:07:00 PM
Attachments: [AVL Property Management on Agenda Ltr 11.20.17.pdf](#)
[image002.png](#)

Good afternoon, Ms. O'Farrell and Mr. Basile:

Attached please find the letter from Explore Asheville CVB (EACVB) President & CEO Stephanie Brown acknowledging receipt of your penalty waiver request. The letter also includes information related to the board meeting next Wednesday when it will be reviewed by the Buncombe County Tourism Development Authority (BCTDA).

I understand from Ms. O'Farrell that Mr. Basile will be attending the meeting. So that you know what to expect, when you come into the Explore Asheville Boardroom at 27 College Place (a little before 9:00 a.m.), please sign in and let me or another staff member know that you've arrived and then have a seat in the audience. Shortly after the meeting is called to order and the past month's minutes and financial statements have been approved, your request will be on the agenda.

The board will have received the documentation that you sent to us in advance, along with some additional information related to your payment history from Buncombe County Finance (BCF). You will be given a couple minutes to stand, introduce yourself, and verbally present the reasons for your request.

If the board has any questions, they may direct them to you or to BCF or EACVB staff. Then the BCTDA Chairman will call for action and if a motion is made to approve the waiver, seconded, and receives a majority vote, it will be passed onto the Buncombe County Commissioners for further and final review. If no motion is made, OR if a motion to deny is made, seconded, and receives a majority vote, then the request stops there and does not move onto the County.

After that, you are more than welcome to stay for the rest of the meeting or exit the room.

Please let us know if you have any questions. We look forward to seeing you at the meeting on Wednesday, November 29, at 9:00 a.m. at 27 College Place.

Thank you,

-Jonna

Jonna Reiff
Executive Operations Manager

Explore ASHEVILLE

Explore Asheville Convention & Visitors Bureau
27 College Place | Asheville, NC 28801
P: 828.258.6111

November 20, 2017

Mr. Ron Basile
AVL Property Management LLC
149 S. Lexington Avenue
Asheville, NC 28801

RE: Petition to Waive Occupancy Tax Penalty

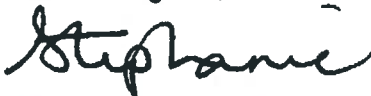
Dear Mr. Basile:

The Explore Asheville Convention & Visitors Bureau (EACVB) staff is in receipt of your letter requesting a waiver of an occupancy tax penalty recently assessed by the Buncombe County Finance Department for AVL Property Management, LLC. The penalty was incurred due to the company's August 2017 occupancy tax report and remittance check envelope being postmarked after the due date of September 20, 2017.

In the first of a two-step approval process, your request will be presented to the Buncombe County Tourism Development Authority (BCTDA) at its next regular board meeting, which convenes on Wednesday, November 29, 2017, at 9:00 a.m., in the boardroom of the Explore Asheville Convention & Visitors Bureau, located at 27 College Place, Asheville, NC 28801. I encourage either you or a representative from AVL Property Management personally attend the meeting to present the circumstances related to this waiver request and answer any questions. If you haven't already done so, please let Jonna Reiff, executive operations manager for the BCTDA/EACVB, know if you or a representative will be in attendance. Ms. Reiff's direct line is 828.258.6111 and her e-mail address is jreiff@ExploreAsheville.com.

Thank you in advance for your response. Please feel free to contact me at sbrown@ExploreAsheville.com or 828.258.6104 if you have any questions in this matter.

With best regards,



Stephanie Brown, President & CEO
Explore Asheville Convention & Visitors Bureau
For the Buncombe County Tourism Development Authority

cc: BCTDA Board
Jennifer Durrett, BC Finance Department

SB:jr

January 2, 2018

Sent via email to ron@avlvr.com and melanie@avlvr.com

Mr. Ron Basile
AVL Property Management, LLC
149 S. Lexington Avenue
Asheville, NC 28801

RE: Petition to Waive Occupancy Tax Penalty


Dear Mr. Basile:

Thank you for attending the November 29, 2017 meeting of the Buncombe County Tourism Development Authority (BCTDA) to present the reason your property is requesting a waiver of the occupancy tax penalty assessed by the Buncombe County Finance Department.

As you are aware, your request was reviewed by the BCTDA at the meeting and it was recommended for AVL Property Management, LLC to receive the waiver. In the second of a two-step approval process, the request must now be presented for further consideration and final approval to the Buncombe County Board of Commissioners at its **Tuesday, January 9, 2018** meeting, beginning at **5:00 p.m.**, in Commission Chambers located at 200 College Street, Suite 326, in downtown Asheville. We will provide the necessary documentation to the county on your behalf in advance and will inform you of the Commission's decision after the meeting. Please also note that Buncombe County Commission meetings are open to the public and you are welcome and encouraged to attend.

If you have any questions in the interim, please contact Jonna Reiff at 828.258.6111 or jreiff@ExploreAsheville.com. Thank you.

With best regards,



Stephanie Brown, Executive Director
Buncombe County Tourism Development Authority

cc: Jennifer Durrett, Candace Rhymer; Buncombe County Finance Department
Buncombe County Commissioner and BCTDA member Joe Belcher

SB:jr