

# Explore Asheville

## Buncombe County Tourism Development Authority

Update for Buncombe County Board of Commissioners

June 2022



# About Us

## Presenter

Vic Isley

President & CEO  
Explore Asheville

Buncombe County Tourism Development  
Authority

## Purpose

The Buncombe County Tourism Development Authority is the public authority created in 1983 by an act of the North Carolina Legislature to oversee the collection and investment of occupancy taxes paid by travelers who stay overnight in commercial lodging establishments, such as hotels and motels, bed and breakfast operations, and vacation rentals.



# Meet The BCTDA



**Ms. Kathleen Mosher**  
Chair  
The Biltmore Company



**Ms. Brenda Durden**  
Vice Chair  
Asheville Hotel Group



**Ms. Leah Ashburn**  
Highland Brewing Company



**Mr. Andrew Celwyn**  
Herbiary



**Mr. Larry Crosby**  
The Foundry Hotel



**Mr. Matthew Lehman**  
Grand Bohemian Hotel



**Mr. Michael Lusick**  
FIRC Group



**Mr. HP Patel**  
BCA Hotels LLC



**Mr. Scott Patel**  
Pure Hospitality



**Councilmember  
Sandra Kilgore**  
Asheville City Council  
Ex-Officio



**Commissioner  
Robert Pressley**  
Buncombe County Commission  
Ex-Officio





# RESIDENT PERSPECTIVES ON TOURISM

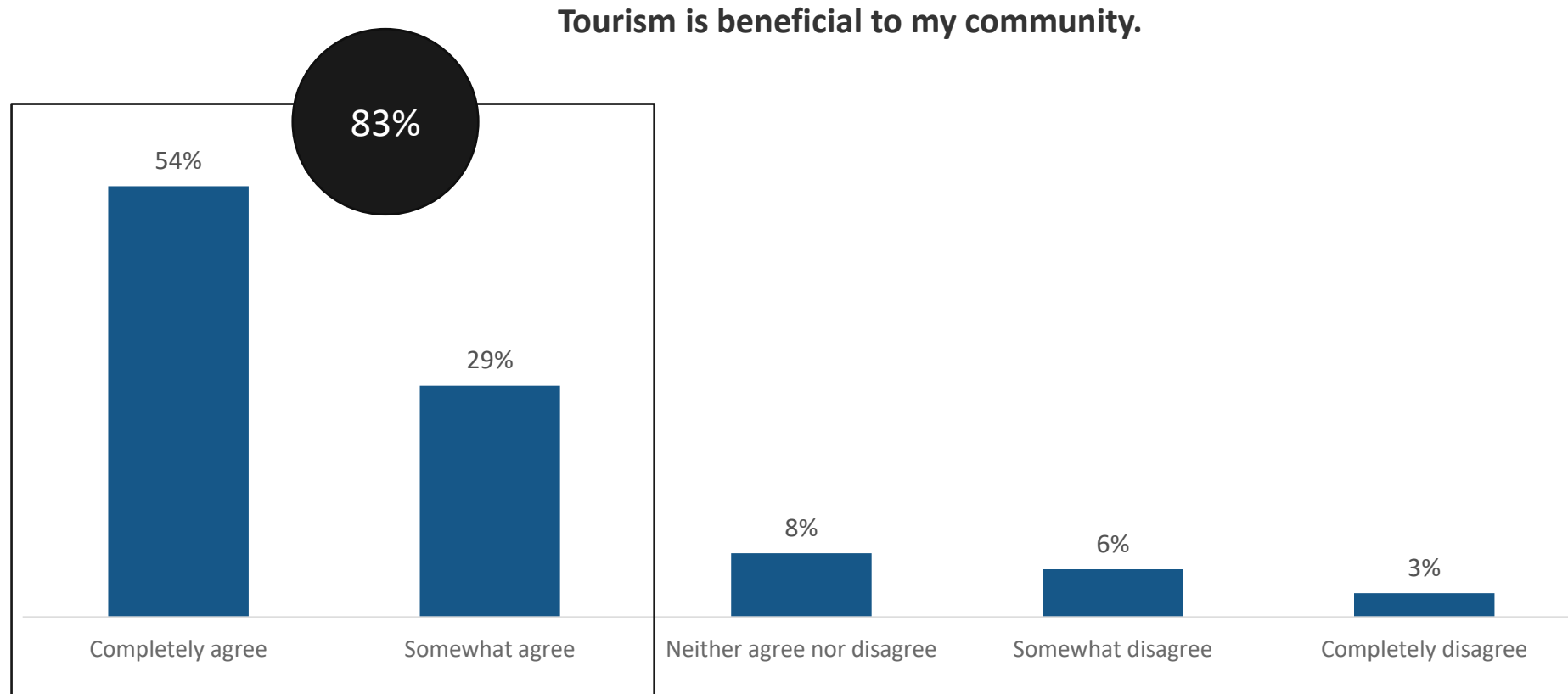
Explore **ASHEVILLE**

# METHODOLOGY

- MMGY Travel Intelligence built upon a 2019 Buncombe County study that surveyed residents about their awareness and perceptions of destination tourism and its impact on the community.
- Several online panel companies were engaged to reach a random sample of residents of Buncombe County (Asheville and the surrounding areas).
- The survey was live from January 19 through February 15, 2022
- A total of 382 surveys were completed, similar to the recent poll for measuring support of County residents for the potential bond referendum.
- This sample size yields an error range of +/- 5% at the 95% level of confidence.

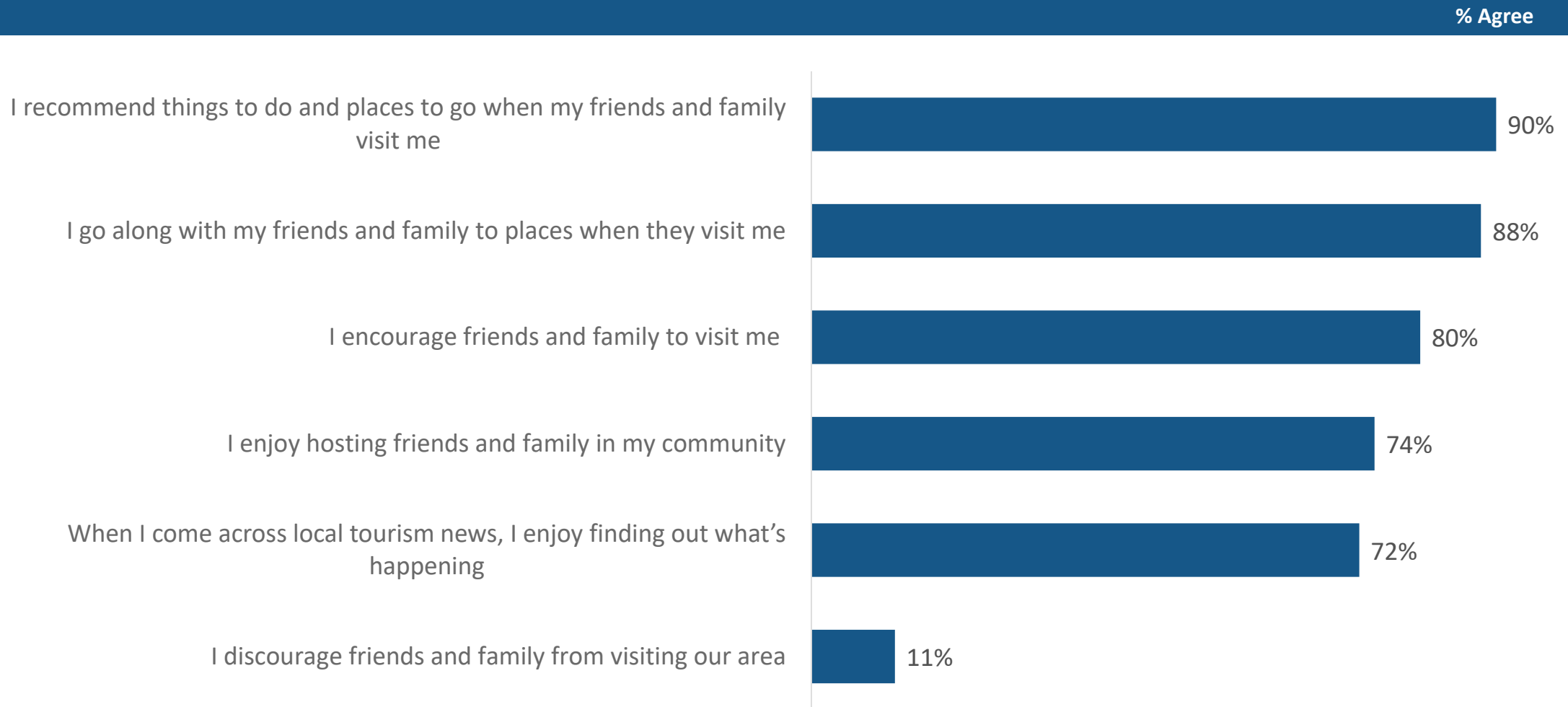
Key Insight <sup>no.</sup> 1: While residents agree that tourism poses some challenges, they clearly believe that tourism also provides immense value to the community, and the majority (69%), agree that the positives outweigh the negatives.

- An overwhelming majority, (83%), agree that tourism is beneficial to their community.



Q. To what extent do you agree or disagree with the statement: Tourism is beneficial to my community.

## 4 in 5 residents indicate they encourage friends and family to visit.



Q. To what extent do you agree or disagree with the following statements?



## Colorado: What Happens When States Stop Marketing



After the state of Washington took the drastic step of eliminating all tourism promotion efforts, Al White, the current head of the Colorado Tourism Office had a simple message: "Our lesson to [the state of] Washington is that it's been 18 years since we went dark in 1993, and we still haven't gotten back to the national market share we had."<sup>4</sup>

Colorado offers a vivid example of how even the most dramatic, well-known destinations—and travel brands—can suffer when they fail to promote themselves. According to a 2009 report, *The Rise and Fall of Colorado Tourism*, when Colorado shut down its travel promotion program in 1993 by cutting the state's promotion budget from \$12 million to zero almost overnight, the consequences were immediate and dramatic:<sup>5</sup>

- Within one year, Colorado slipped from first place to 17th place in the summer resort category;<sup>6</sup>
- By 1997, Colorado's overall share of the U.S. leisure travel market plummeted by 30 percent;<sup>7</sup>
- Visitor spending fell dramatically, creating an immediate loss in total revenues of \$1.4 billion, which increased to \$2.4 billion annually by the late 1990s;<sup>8</sup>
- As a consequence, state and local tax receipts dropped by \$134 million between 1993 and 1997.<sup>9</sup>

Even Colorado has gotten back in the game. In 2000, the state opened the Colorado Tourism Office with a \$5 million annual budget. In 2006, citing demonstrated return on investment to the state treasury of more than 12:1, Governor Bill Owens increased funding to \$19 million.<sup>10</sup>

Colorado's experience proves that even a state blessed with an abundance of natural attractions and one of the nation's strongest travel brands will quickly lose visitors—and tax revenues—without a vigorous travel promotion effort. On the other hand, states and cities that commit resources to travel promotion, even during difficult budget times, are realizing the economic benefits of the power of promotion.



### What Colorado lost when it eliminated its tourism marketing program

**30% loss** market share in overnight leisure trips

**\$1.4 billion lost** traveler spending within one year of closing

**\$2.4 billion lost** traveler spending per year within four years of closing

**↓ 17th** From 1<sup>st</sup> to 17<sup>th</sup> in summer resort destination visitation

2011 NEGATIVE IMPACT CASE STUDY: COLORADO

U.S. TRAVEL ASSOCIATION • THE POWER OF TRAVEL PROMOTION



## What Colorado lost when it eliminated its tourism marketing program

**30% loss** market share in overnight leisure trips

**\$1.4 billion lost** traveler spending within one year of closing

**\$2.4 billion lost** traveler spending per year within four years of closing

**↓ 17th** From 1<sup>st</sup> to 17<sup>th</sup> in summer resort destination visitation



There is some concern that tourism could change the  
vibe of the community.

**78%**  
Agree

I believe growing tourism will  
change the feeling of the  
community for residents.

\* Out of all the negative statements measured in the survey, this was the one  
that received the highest agreement.



But this seems to be more of a fear than the  
current reality.

Only...

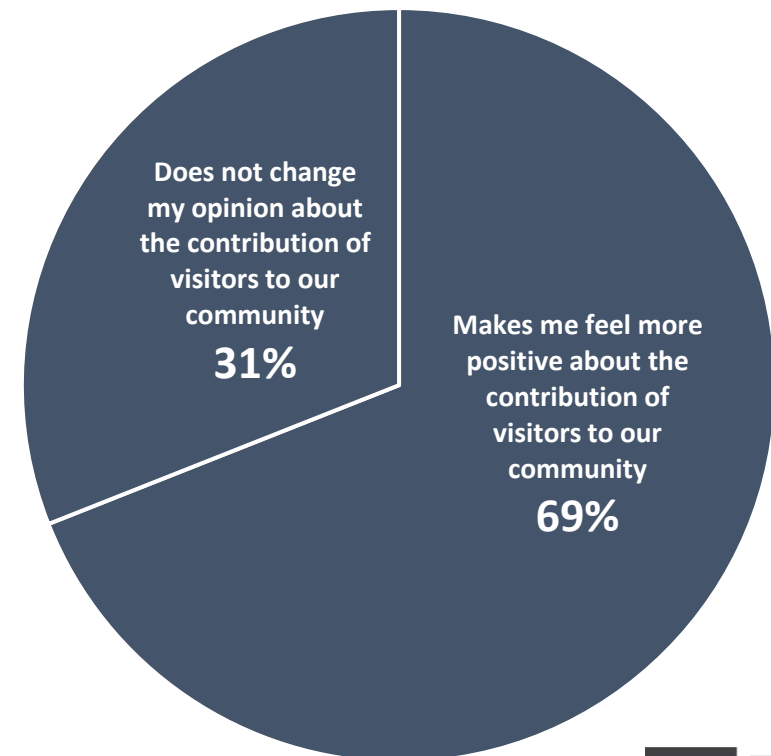
**32%**

Of Buncombe County residents  
believe visitors detract from the  
culture and character of our  
community.

## Residents report visiting community amenities supported by occupancy taxes through the Tourism Product Development Fund grant process.

Community Amenities Visited or Plan to Visit	
WNC Farmers Market	78%
NC Arboretum	74%
Grove Arcade	68%
Western North Carolina Nature Center	68%
Pack Square Park	64%
Harrah's Cherokee Center - Asheville	49%
Asheville Art Museum	48%
Asheville Riverfront Redevelopment & Greenway	47%
Asheville Community Theater	42%
Asheville Museum of Science	39%
Wortham Center	30%
Montford Park Players Theater	25%
Black Mountain College Museum and Arts Center	20%
JBL Soccer Complex at Azalea Park	20%
Enka Recreation Destination & Bob Lewis Ballpark	18%
African American Heritage Museum and Trail	16%
Center for Craft	16%
Woodfin Greenway & Blueway	16%
LEAF Global Arts Center	15%
YMI Cultural Center	13%
Buncombe County Wayfinding Signage Program	5%
None of these	3%

Q. Does knowing that taxes paid by visitors helped fund all these amenities...?



Q. Have you or a member of your household ever visited, or do you plan to visit any of the following community amenities? Select all that apply.



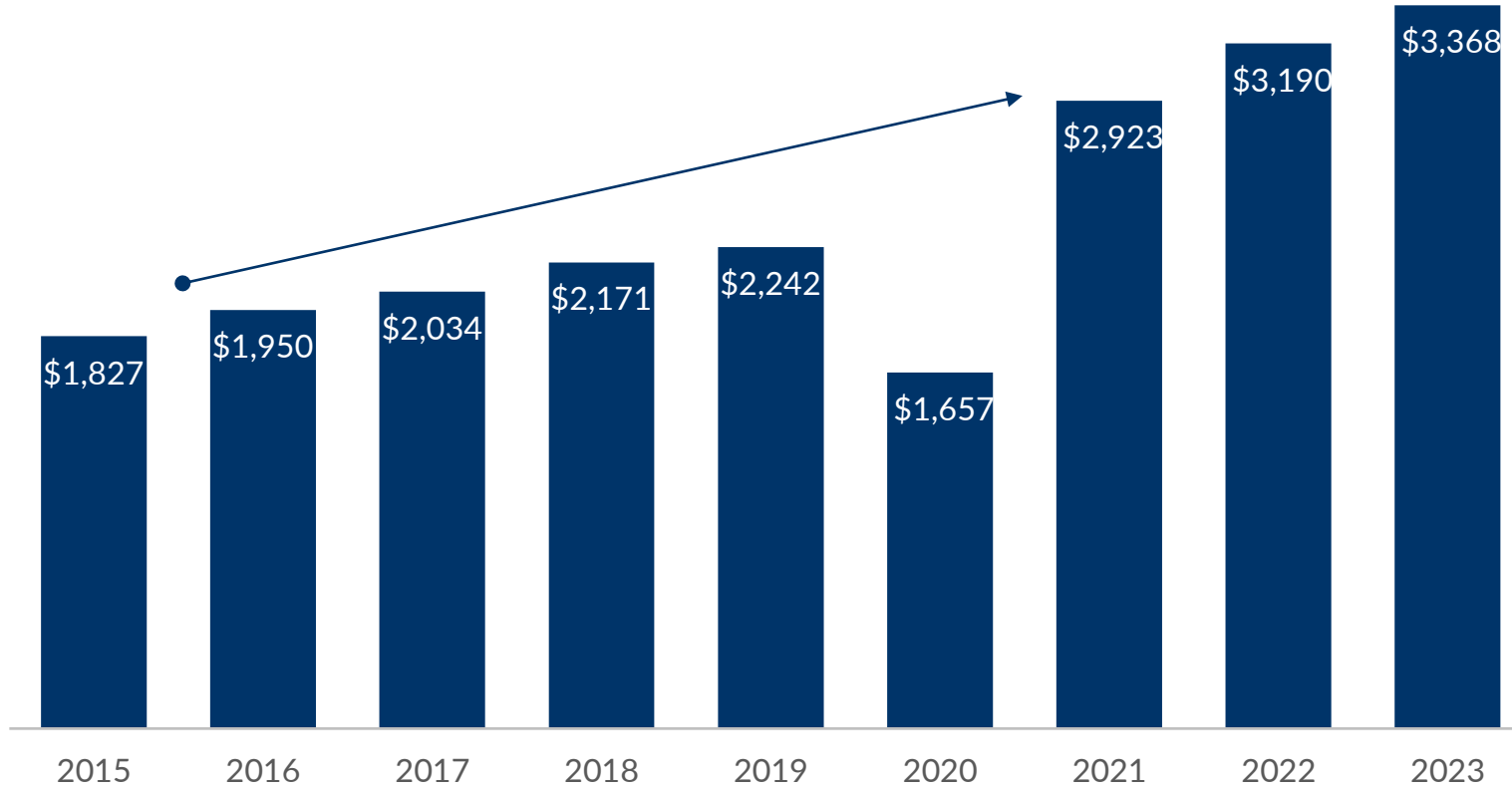


# VISITOR SPENDING & REVENUE FORECAST

Explore **ASHEVILLE**

# VISITOR SPENDING

**Asheville & Buncombe County total visitor spending**  
Amounts in millions of nominal dollars





# DISTRIBUTION OF VISITOR SPENDING



## FOOD & BEVERAGE

\$610 Million  
27%



## LODGING

\$609 Million  
27%



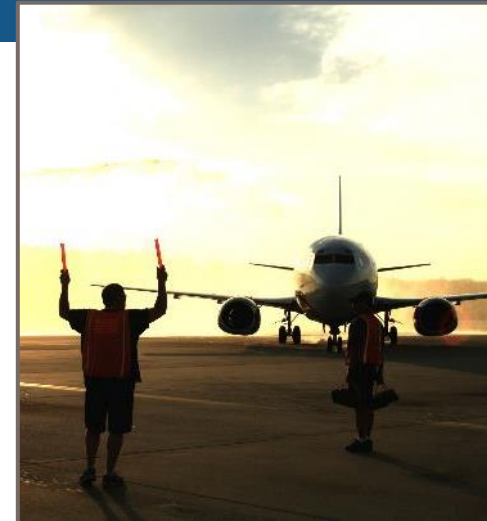
## RETAIL

\$468 Million  
21%



## RECREATION & ENTERTAINMENT

\$300 Million  
13%



## TRANSPORT

\$255 Million  
11%

# ESTIMATED VACATION RENTAL OCCUPANCY TAX GROWTH

**180%**

Vacation rental sales growth  
from FY19 to FY22

**17%**

Hotel sales growth  
from FY19 to FY22

**7%**

B&B sales growth  
from FY19 to FY22

**+\$8m**

Growth in vacation rental  
occupancy tax collections  
from FY19 to FY22

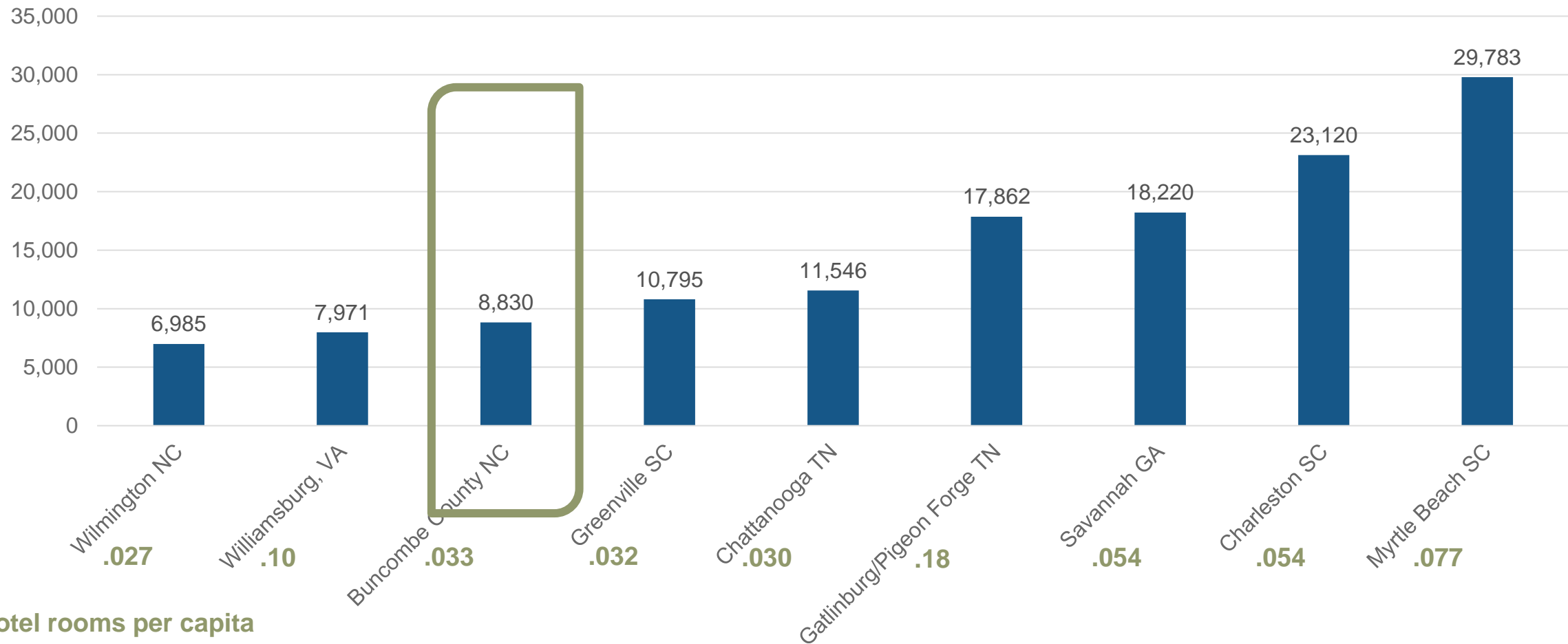
**+\$3.4m**

Growth in hotel  
occupancy tax collections  
from FY19 to FY22

**+\$60k**

Growth in B&B  
occupancy tax collections  
from FY19 to FY22

# HOTEL ROOMS AVAILABLE BY MARKET



Hotel rooms per capita

Source: STR Jan 2022

# FY23 BUDGET SCENARIOS

## BASED ON STATE APPROVED ALLOCATION LEVELS

	OPERATING FUND	TPD FUND	TOTAL
FY22 Forecast	27,325,811	9,108,604	36,434,415
FY23 (2/3 and 1/3)	27,205,360	13,600,640	40,806,000
*FY23 (2/3 and 1/3) +\$2m fund balance to operating budget	*29,205,360	13,600,640	42,806,000
FY23 (3/4 and 1/4)	30,604,500	10,201,500	40,806,000

\*Recommendation to allocate \$2 million from fund balance to FY23 operating budget, should legislation change to two-thirds/one-third split





# EXPLORE ASHEVILLE'S STRATEGIC IMPERATIVES

Explore **ASHEVILLE**

# BUNCOMBE COUNTY 2020-2025 STRATEGIC PLAN – COMMUNITY FOCUS AREAS

## VIBRANT ECONOMY

*A robust and sustainable regional economy that builds on our homegrown industries and talent and provides economic mobility for residents*

## RESIDENT WELLBEING

*Our residents are safe, healthy and engaged in their community*

## ENVIRONMENTAL & ENERGY STEWARDSHIP

*High quality air, water, farmland & renewable energy for future generations*

## EDUCATED & CAPABLE COMMUNITY

*A county where all residents thrive & demonstrate resilience throughout their lives*

## ASHEVILLE CITY COUNCIL 2020 FOCUS AREAS

- A thriving local economy
- A financially resilient city

- Quality affordable housing
- Transportation and accessibility

- A well-planned and livable community
- A clean and healthy environment

- An equitable and diverse community
- A connected and engaged community

## EXPLORE ASHEVILLE (BCTDA) STRATEGIC PILLARS



### DELIVER BALANCED RECOVERY & SUSTAINABLE GROWTH

*Balance visitor and resident needs. Focus on the quality of each visit.*



### ENCOURAGE SAFE & RESPONSIBLE TRAVEL

*Encourage the care for and respect of natural, cultural and human resources. Grow our outdoor economy.*



### ENGAGE & INVITE MORE DIVERSE AUDIENCES

*Extend a genuine invitation and make community connections for all to win.*



### PROMOTE & SUPPORT ASHEVILLE'S CREATIVE SPIRIT

*Share stories of creators and makers and support place making.*

## ASHEVILLE GREATER (CHAMBER OF COMMERCE) VISION

- Economic mobility and shared prosperity (grow the pie, block-by-block, child's first years)

- Growing up (land, transportation, housing, resources)

- A place for all people (young families, retirees, people of color)

- Leadership (shared vision, intergenerational leadership, regional, balanced scorecard)

## UNC-ASHEVILLE STRATEGIC PRIORITIES

- Increase fiscal capacity and resilience
- Deepen and broaden our public impact in the region

- Evolve and innovate curriculum

## DOGWOOD HEALTH TRUST STRATEGIC PRIORITIES

- Jobs (bolster the infrastructure for a growing economy)

- Health and wellness
- Affordable housing

- Education (early childhood, K-12, post-secondary)

## UNITED WAY OF ASHEVILLE AND BUNCOMBE COUNTY (UWABC) KEY DRIVERS FOR CHANGE

- Commitment to students, families and the Community School
- Commitment to diversity, equity and inclusion (DEI)

- New players, new leadership

## THE COMMUNITY FOUNDATION OF WESTERN NORTH CAROLINA (CFWNC) FOCUS AREAS

- People in need (supporting marginalized populations)

- Natural/cultural resources
- Food/farming (support sustainable local food)

- Early childhood development

# Explore ASHEVILLE

Convention & Visitors Bureau

## OUR STRATEGIC IMPERATIVES



Deliver Balanced Recovery & Sustainable Growth



Encourage Safe & Responsible Travel



Engage & Invite More Diverse Audiences



Promote & Support Asheville's Creative Spirit



## **Deliver 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.



# 2022 TPDF FUND CYCLE OPEN

**\$11.6m**

TPDF fund balance available  
as of this meeting

**\$10.7m**

FY22 paid media budget

**\$15m**

TPDF fund balance projected  
to be available by FY end

**\$15.3m**

FY22 total marketing budget










## **Encourage 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.



from the sidewalks to the trails  
**LOVE THIS PLACE**  
**LEAVE NO TRACE**  
#recreateresponsibly

-  Plan Ahead and Prepare
-  Stick to Trails and Sidewalks
-  Keep Wildlife Wild
-  Trash your Trash & Recycle
-  Be Careful with Fire
-  Be Considerate of Others
-  Leave it as you Find It

Learn about  
Leave No Trace  
to protect this  
beautiful place.



**ASHEVILLE**



from the city to the summits  
**PROTECT OUR WILD**  
**AND WONDERFUL SPACES**  
#recreateresponsibly



Learn about  
Leave No Trace  
to protect this  
beautiful place.



**ASHEVILLE**



# PURPOSE-DRIVEN COMPANIES



- Sales team education through Lenoir-Rhyne
- List of 250 B-Corp prospects created by the team for targeted marketing














## **Engage & Invite 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.

# \$1M Investment in Black-Owned Media & Creators

						
<p>Utilizing intent &amp; behavior based data to engage diverse audiences with travel intent</p>	<p>Diverse network of podcasters to extend messaging in a unique and intimate way</p>	<p>Aligns brand with diverse voices driving today's culture</p>	<p>Non-invasive, native ads to drive to new and existing content across diverse owned publishers</p>	<p>Drives cross platform conversions to a diverse, tech savvy audience</p>	<p>Speak to Asheville as an ideal vacation destination to explore through the lens of Black America</p>	<p>Endorsement marketing with carefully vetted influencers across a variety of social platforms</p>
<p>Display, Video, Retargeting</p>	<p>Live-read and Recorded Podcast Audio Ads</p>	<p>Live-read and Recorded Podcast Audio Ads</p>	<p>Custom Articles, Native Drivers</p>	<p>Custom Article + Sponsorship</p>	<p>Branded Articles, High-impact Canvas, Newsletter &amp; Podcast Sponsorship, Display, Video, Social Distribution</p>	<p>Branded Content, Extended Messaging</p>



# AFRICAN AMERICAN HERITAGE TRAIL







## **Promote & Support 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.





Clockwise from top left: An array of hand-crafted utensils by Spoon + Hook; a sunny day at Max Patch; chef Rakim Gaines; Capella on 9's light-flooded dining room; Anneliese Gormley of Spoon + Hook.



## Tale of Two Artists

AH HOME GROWN CHEF AND A WOODWORKING TRANSPLANT CHOOSE ASHEVILLE, NORTH CAROLINA AS THE BACKDROP FOR THEIR CREATIVE JOURNEYS

In Asheville, artistry can be found everywhere: in the vibrant crafts community, of course, but also in its evolving culinary scene, surrounding scenic beauty, walkable districts, and welcoming neighbors. The city has a magnetic pull, attracting scores of visual artists, budding performers, craft brewers, and more each year. For those who were born here, however, it's confirmation that the city is a worthy place to nurture creative dreams. Chef Rakim Gaines is among the latter. A native of Asheville, he has a family tree with branches that extend way back in Western North Carolina. "Before my great-grandfather passed away, we took a five-generation photo," he says. His love of culinary arts also runs deep—he grew up watching his mother prepare soul food for family meals. "I'd sit right beside her as she cooked," he recalls. Gaines's culinary aspirations only grew from there, and he landed his first industry job at the age of nine, volunteering at a neighborhood hibachi restaurant. Today he's executive chef at Capella on 9, a position he's held since 2018.

Capella on 9 boasts a Spanish tapas-style menu, but when Gaines isn't at work, he gravitates toward the cuisine he grew up with. "Pork chops, mac and cheese, collard greens—that's what I love most," he says. "In the end, I want to open my own soul food restaurant."

But Gaines is also inspired by Asheville's growing culinary scene. In a way, the city's evolution into a major food city happened along with Gaines's own journey. He enrolled in the culinary program at A-B Tech but became a father before he completed his degree. This new responsibility meant taking on a full-time job, and at the seafood-focused Lobster Trap on Patton Avenue, he started out shucking oysters before working his way up to sous-chef. Gaines is now one of only a handful of Black executive chefs in Asheville. "I'm trying to build up my name in this city," he says. "I started out at the bottom, and everything I've done has come from me."

When imagining the future of the culinary scene, Gaines is encouraged by his peers. "We were going in such a good direction, with Chow Chow, Taste of Asheville, and the hamburger battles," he says of the city's momentum prior to the pandemic. As restaurants get back on their feet, these food-focused events will once again showcase the region's prime ingredients and dishes—and offer creative fuel to its food industry members. "It's great for different chefs to talk to one another," Gaines says. "We may be competing at times, but it's not really like that. Competition gives us a chance to see and respect each other's creativity."

While Gaines chose to build a career in his dynamic hometown, woodworker Anneliese Gormley represents another kind of creative: one who relocated to Asheville to launch her craft business. "There's something that brings all of us to this place," says the woodworker and Spoon + Hook founder. "It feels full of the opportunity to seek your own truth." In 2008, the Lexington, Kentucky-based artist visited Asheville for the first time. It was autumn and the leaves were changing, and as she sought a pastry from downtown's former Sisters McMullen bakery, she witnessed

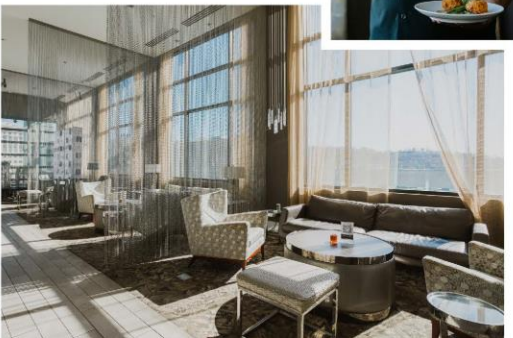
a marriage proposal. At that moment, Gormley knew she wanted to make the city her home.

Half a decade later, Gormley took up spoon carving as she healed from a difficult breakup. The woodworker was inspired by a simple wooden spoon, given to her by her grandmother, that could be traced back several generations. Rooted in sentiment, it was a craft to which she quickly felt connected. "It makes so much sense to me," she explains, though she didn't immediately identify as an artist. "At first, joining a maker community felt intimidating," she says. But she soon learned that many of Asheville's artists are grounded in heritage, and, for many, "it's not so much about being one type of artist—it's a lifestyle. And it's so open and accepting." Today her line encompasses a range of carefully carved serve-ware, as well as pieces cast with dried florals.

With Spoon + Hook (a runner-up in Garden & Gun's 2021 Made in the South Awards), Gormley marries practicality and aesthetics, though the business is also focused on sustainability. Most of the wood Gormley uses is scrap from salvage or lumber yards. "There is no piece that's too small to work with," she says. To avoid mineral oil, which is derived from petroleum, Gormley finishes her pieces with beeswax from Honey & the Hive in Weaverville and walnut oil from Asheville Nuttery. Her products are then packaged in recyclable materials. With each considered step, Gormley aims to make the sort of pieces that will become family treasures. "I always hope that someone can hold a piece and feel that it's perfectly imperfect," she says.

Despite differences in their crafts, both Gaines and Gormley draw from traditions of the past while looking to the future—a perspective that's vital to Asheville's creative community. Like so many of the city's makers, the two are adding something new to the story of this place, one spoonful at a time.

For more ways to experience the city's artistry, visit [ExploreAsheville.com](https://www.exploreasheville.com)



IN PARTNERSHIP WITH EXPLORE ASHEVILLE



### An Artist's View of Asheville

Where do hardworking creatives go to play? Western North Carolina serves up a heavenly array of opportunities to imbibe, indulge, and explore

#### Quick Bites

"I always rave about the Vault," Gaines says of Rankin Vault Cocktail Lounge. Gormley likes Contra, opened by chef Brian Campbell. "It feels like you're in Italy for a second. It's sweet, fast, and always consistent."

#### Dinner

"I'm a diehard for Nine Mile," Gormley says of the Caribbean-inspired restaurant with three Asheville locations. She's also quick to name Forestry Camp and its Appalachian-influenced menu. Gaines recommends the Bull and Beggar and the Admiral.

#### Drinks

Leo's House of Thirst has an enviable wine list (as well as a excellent zero-proof sips). "They've created such a special place," Gormley says. She also recommends Burial Beer Co., where her husband, Tim Gormley, is the head brewer and a co-owner. For drinks, Gaines enjoys the Times Bar in the historic SW Cafeteria.

#### Shopping

Gormley snags vintage pieces and locally made creations at Atomic Furnishing & Design (where she's also a vendor). She also loves Harvest Records, where, "for music fans, which hopefully is everybody, you can't go wrong." Gaines shops for culinary ingredients at Mother Ocean Seafood Market, as well as East Asheville's Foreign Affairs Oriental Market. "I'm like a kid at Toys'R Us here," he says, laughing.

#### Live Music

Gormley seeks out intimate spaces such as the Grey Eagle but also enjoys Asheville's all-weather venue Rabbit Rabbit. Gaines heads to Asheville Music Hall for its popular Funk Jam and cocktail bar Imperial for its DJ sets.

#### Outdoors

Gaines likes to hike around Graveyard Fields and takes his family to Lake Powhatan Recreation Area & Gangground for fishing. Gormley's favorite hiking spots? Max Patch, which she says "feels like church."



Garden & Gun Magazine with Visit Asheville.

Paid Partnership

With a rich creative history and a thriving community of artisans, Asheville, North Carolina, is a worthy place to turn for show stopping gifts. Check out this year's gift guide, courtesy of Visit Asheville: <https://bit.ly/3d1fWY8>



You and 23 others

3 Comments 3 Shares

Like

Comment

Share

Year-long partnership includes relocating the Made in the South awards from Charleston to Asheville in November 2022





# EXPLORE ASHEVILLE'S STRATEGIC IMPERATIVES

Explore **ASHEVILLE**