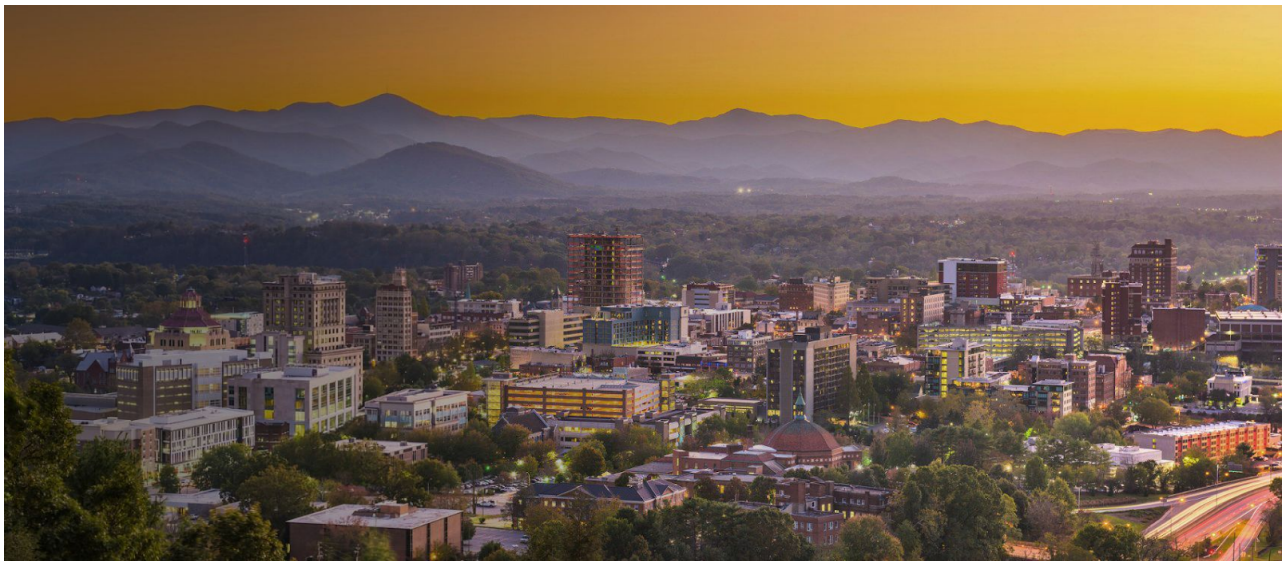
THE CITY OF ASHEVILLE

HOTEL DEVELOPMENT
Asheville, NC



BRIEFING BOOK
Urban Land Institute
Technical Assistance Program (TAP) Panel

January 9 & 30, 2020

THE CITY OF ASHEVILLE

Urban Land Institute
Technical Assistance Program (TAP) Panel

Sponsored by City of Asheville

Prepared by
City of Asheville
Department of Planning and Urban Design

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PROBLEM STATEMENT

Since 2015, 1,344 hotel rooms have opened in the City of Asheville and approximately 2,761 total hotel rooms have been approved. Community concern has been mounting over the impacts resulting from this influx, represented by projects that are currently both under construction and in the pipeline. Concerns include the geographic clustering of development downtown, the quality and design of the construction, the effects on the land use mix, the impacts to city infrastructure and services and a general feeling of unrest about the impacts of tourism on the Asheville community. Many community members believe their downtown is being taken over by visitors and tourists and no longer belongs to them.

The city currently lacks concrete policies, strategies and tools to effectively manage or regulate hotels. The lack of clear direction in the Asheville City Code and the Living Asheville Comprehensive Plan has resulted in uncertainty for developers, staff and community members, creating an adversarial relationship between residents, elected officials, the hospitality industry, staff and the development community.

Consequently, on September 24, 2019, the Asheville City Council passed a temporary moratorium on the approval of new hotel development, including "Hotel, extended stay", "Hotel, large" and "Hotel, small" as defined in Section 7-2-5 of the city's Unified Development Ordinance within the City of Asheville, which will expire no later than September 24, 2020.

To effectively respond and provide some level of certainty and ability for the Asheville City Council and staff to evaluate hotel proposals, the City of Asheville needs to enhance its land use policies, tools and strategies to better regulate this land use. Strategies and tools that could be investigated include the development of locational criteria, character areas or preferences, design standards, better communication tactics and other strategies intended to mitigate both real and perceived impacts of hotel development.

A healthy downtown development climate is critical to the city's livability and economic growth, but in order to create the necessary policies, tools and strategies the city must first understand, quantify and evaluate the impacts from the influx of hotel rooms and tourism. The planning analysis and Urban Land Institute (ULI) Technical Assistance Panel (TAP) process are critical to this understanding.

As a first step in this process, Asheville staff have prepared this report, which summarizes existing conditions, plans, demographics, and the regulatory environment as they relate to hotel development and tourism in Asheville. It includes a brief history of tourism and the evolution of the Tourism Development Authority. The report also includes an initial assessment of the impacts of hotel development on the community and compares Asheville data to other similar cities across the southeast. For a deeper dive there are numerous references and links to other studies that have assessed the impacts of tourism and visitation on Asheville and Buncombe County.

QUESTIONS TO BE ANSWERED THROUGH THE TAP PROCESS

The goal of the TAP process will be to answer the following questions.

1. What is the appropriate balance of hotels relative to other uses in Downtown Asheville and in the city overall?

2. How can Asheville leverage hotel development to meet city goals, such as affordable housing, public infrastructure and facilities, a thriving local economy, and a well-planned and equitable community ?

3. Should the City consider special requirements for hotel development in certain areas and if so, where and what might those requirements be?

4. How can the city work with hoteliers, tourism-related partners, the hospitality industry and other stakeholders to reduce negative impacts and better integrate hotels into the community?

ASHEVILLE GEOGRAPHY AND LAND USE

Situated in the midst of the Southern Appalachian Mountains of Western North Carolina, at the confluence of the French Broad and Swannanoa Rivers, the stunning natural beauty of Asheville has long been a draw for travelers and tourists. Encompassing an area of 45.3 square miles, the city is centrally located in Buncombe County, and serves as the county seat.

The mountain terrain is a defining feature of the city with elevations ranging from 1,900 to 2,900 feet above sea level. The topographic character of the city includes wide and often abrupt variations due to ravines created by drainage courses which lead from the higher elevations to the rivers, which constrain development opportunities and lead to higher development costs.

Asheville is served by I-26, which is the primary interstate through the city and I-40, the primary east west highway. I-24O encircles the downtown area to the north and links back to I-40 on the west side of town.

From a land use perspective, Asheville is generally divided into five distinctive geographic areas as described below. See the Current Land Use map for more detail on each of these areas.

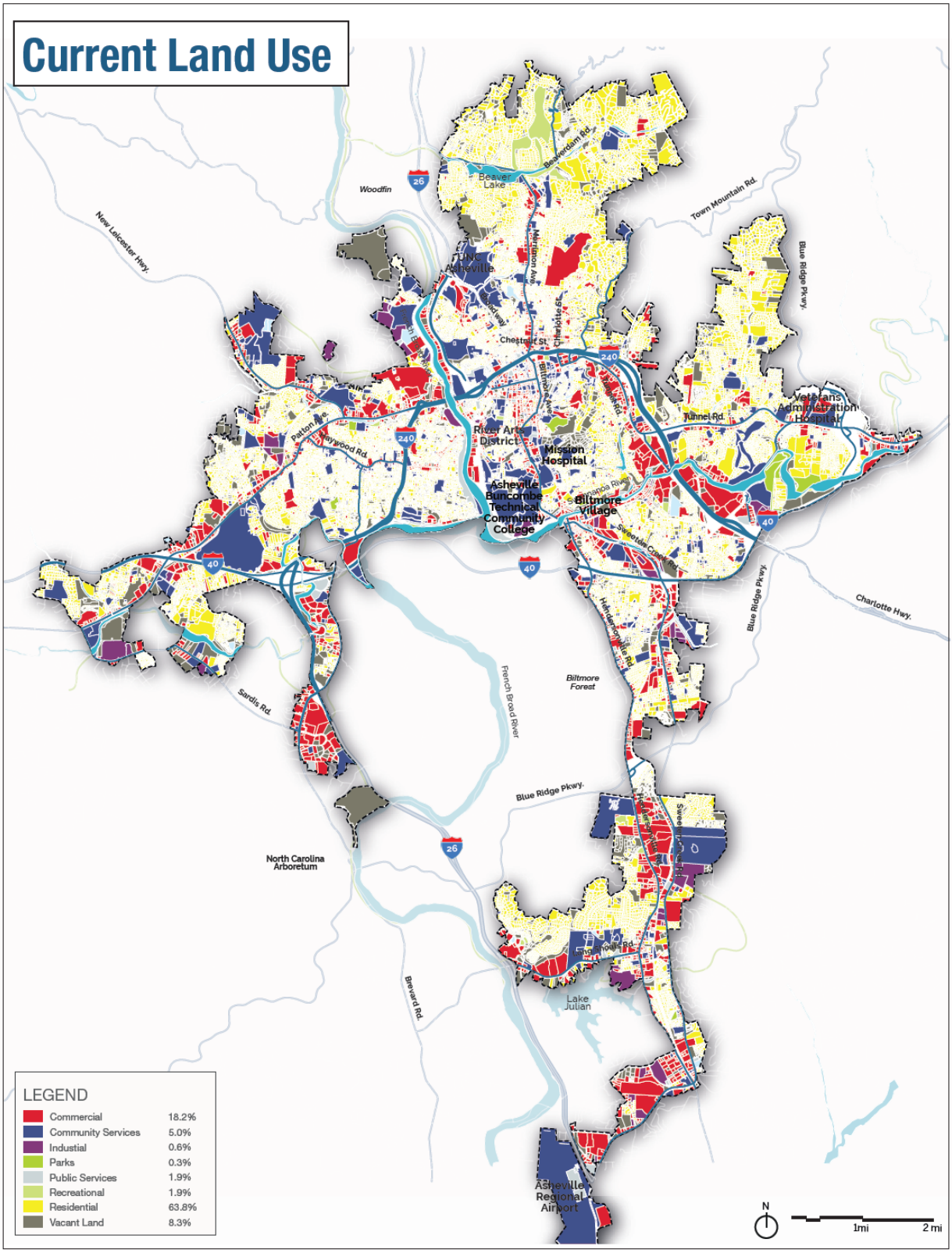
- Central Asheville is the region's primary employment hub as well as the commercial, dining, and entertainment center. It includes Downtown and its surrounding residential neighborhoods as well as Biltmore Village and the River Arts District, the primary tourism destinations. Major institutional uses include Mission Hospital and A-B Tech.

- North Asheville is characterized by its many historic residential neighborhoods, tucked into the hillsides and accessible via the traditional commercial corridors of Merrimon Avenue, Broadway and Charlotte Streets. Other notable anchors include the campus of UNC Asheville, the Grove Park Inn, and the Country Club of Asheville.

- East Asheville contains the busy Tunnel Road commercial corridor and neighborhoods that are more suburban in nature. This area also includes a concentration of commercial development and recreational uses along Swannanoa River Road.

- South Asheville is a long narrow section of the city situated between the Biltmore Estate to the west and steep mountain slopes to the east. The Henderson Road commercial corridor forms the spine of South Asheville and is flanked by many densely populated suburban type neighborhoods.

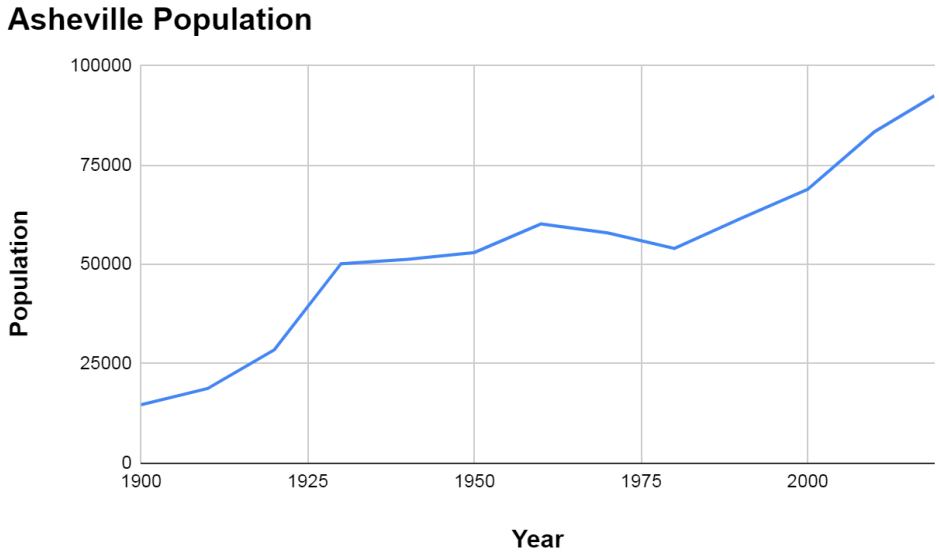
- West Asheville, located on the west side of the French Broad River, is centered on the Haywood Road corridor—one of the city's only pedestrian-friendly environments outside of downtown. Patton Avenue, the primary connection for I-26, also serves the varied communities of this area.


Current Land Use
Woodfin
Beaver Lake
Beaverdam Rd.
New Leicester Hwy.
Town Mountain Rd.
Blue Ridge Pkwy.
Asheville
Merrimon Ave.
Broadway
Charlotte St.
Chestnut St.
Biltmore Ave.
Veterans Administration Hospital
Tunnel Rd.
Patton Ave.
Haywood Rd.
River Arts District
Mission Hospital
Asheville Buncombe Technical Community College
Biltmore Village
French Broad River
Sweeten Creek Rd.
Charlotte Hwy.
Hendersonville Rd.
Biltmore Forest
Sardis Rd.
Blue Ridge Pkwy.
North Carolina Arboretum
Brevard Rd.
Lake Julian
Asheville Regional Airport
LEGEND
Commercial 18.2%
Community Services 5.0%
Industrial 0.6%
Parks 0.3%
Public Services 1.9%
Recreational 1.9%
Residential 63.8%
Vacant Land 8.3%
N
1mi
2 mi

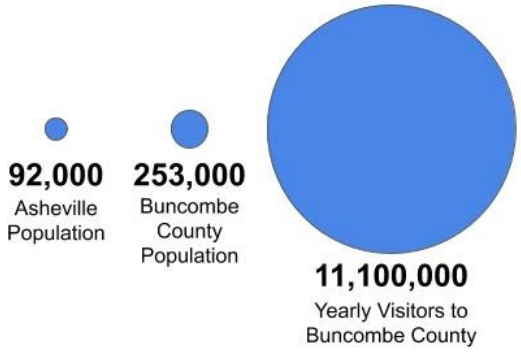
POPULATION GROWTH

The July 2018, population estimate from the US Census Bureau for Asheville was 92,452, which is an increase of over 30% from just under 70,000 residents in 2000. This rate of growth has outpaced the rest of the region and the State of North Carolina (23% and 27% growth rates, respectively) during the same period. Since 1980, Asheville's share of the Buncombe County population has been relatively consistent at approximately 35%.

Asheville is the 12th largest city in the state and is expected to keep growing in the future with an estimated population of 105,000 by 2030, shown below[1].



VISITOR DEMOGRAPHICS



Asheville is a regional economic and cultural center for a much larger area and consequently is a city that lives much larger than its population would suggest. As of 2016, nearly 60,000 people commute into the city each day from across the region for work. In addition, Buncombe County hosted 11.1 million visitors in 2017, of which 3.9 million stay overnight, this was up from 10.9 million visitors in 2016. Thus on any given day the population of Asheville nearly doubles. For more information on visitor demographics see the 2016 Visitor Research Report[2].

[1] Department of Planning & Urban Design (2018) *Living Asheville: A Comprehensive Plan for our Future*. Asheville. Page 64-67.

[2] Visitor demographics by Longwoods International can be reviewed in the 2016 Visitor Research Report, beginning on page 56.

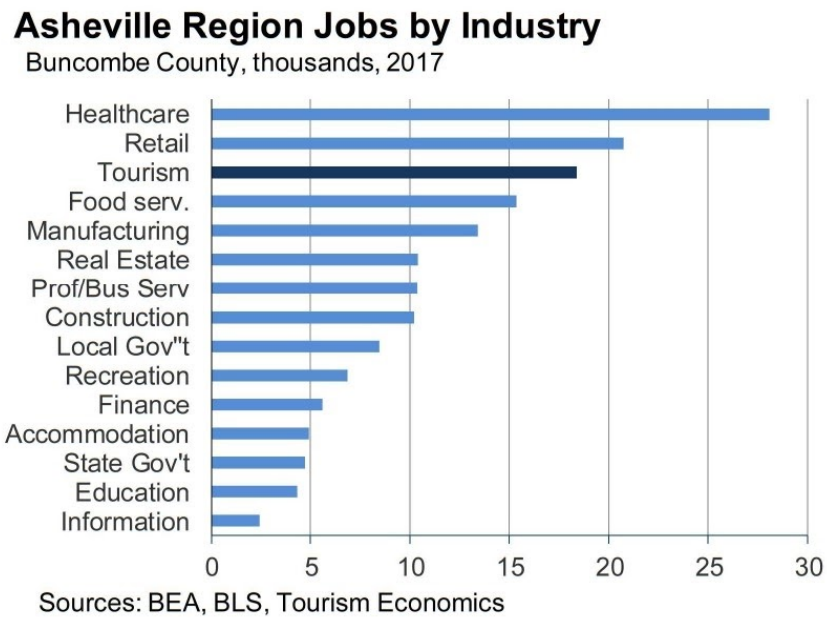
The impact of marketing on attracting visitors to Asheville can be seen in the 2016 Advertising Effectiveness & ROI report prepared for the Buncombe County Tourism Development Authority (BCTDA). According to this publication, the 2016 paid media campaign influenced more than 207,000 overnight trips to Asheville. Further, the report notes that expansion of paid media into additional markets in Washington and Florida could further influence overnight visitation. The report also notes the impact of advertising expenditures on the local economy as noted in the Economic Impacts section of this report.

ECONOMIC CONDITIONS

EMPLOYMENT

Asheville is recognized as a hub for healthcare industries, maker economies and craft entrepreneurship, breweries, small businesses, travel and tourism, breathtaking natural resources, and a rich place for arts, culture, music and entertainment. It also continues to be a location for advanced manufacturing.

Consistent with national trends, Asheville's regional economy continues to add professional sector jobs, while most other sectors are declining. From 2001-2014, Buncombe County added over 31,000 jobs of which nearly 20,000 were in health care and technical professions.



During the period from November 2018 to November 2019, the Asheville MSA saw a 2.7 % increase in manufacturing related employment, with approximately 23,000 employees as of November 2019, making manufacturing one of the largest employment sectors in the region. Wages in manufacturing are also higher here than the US average. The recent growth in manufacturing has likely created additional demand for business related lodging and air service to the city.

Despite growth in the professional secors the local economy is still very much rooted in the tourism industry. According to Tourism Economics, in 2017, there were more than 18,000 jobs directly[3] related to the tourism industry, making it the third largest employer in Buncombe

[3] Direct Impacts: Travelers create direct economic value within a discrete group of sectors (e.g.

County, ahead of manufacturing, construction, finance, education and information. When also considering employment related to the indirect[4] and induced impacts[5] of tourism, the job numbers climb to a total of 27,241 or about one in seven jobs, which is equal to 15% of total employment.

See the location quotient table below which compares the proportion of employment by industry in Buncombe County compared to the national average. A location quotient of 1.0 indicates the national average, while greater than 1.0 indicates a relatively higher employment concentration and in most cases, a regional competitive advantage.



UNEMPLOYMENT

As of September, 2019, the North Carolina Department of Commerce reported that Asheville had the lowest reported unemployment rate in North Carolina at 2.7%.

INCOME

Despite having relatively high levels of education attainment, annual mean wages in Asheville ($43,070) are lower than the state ($47,200) and national average ($51,960)[6]. The average wages for individuals with at least a bachelor's degree are also significantly lower than the state and national average indicating that highly educated individuals must seek out employment in lower wage jobs.

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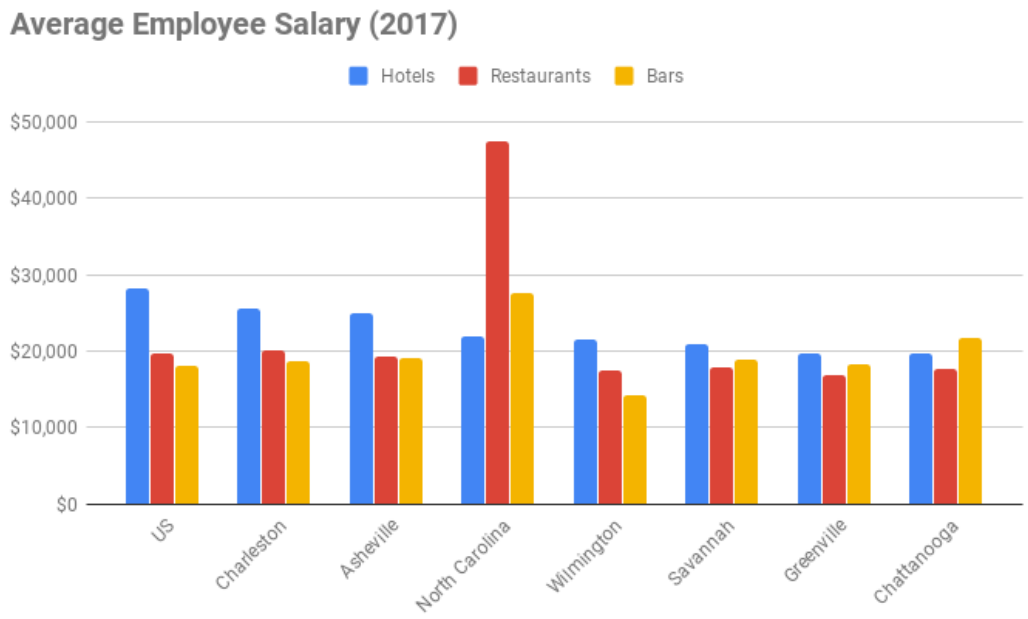
recreation, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.

[4] Indirect Impacts: These are generated by the purchase of goods and services from each directly impacted sector (e.g.food wholesalers, utilities).

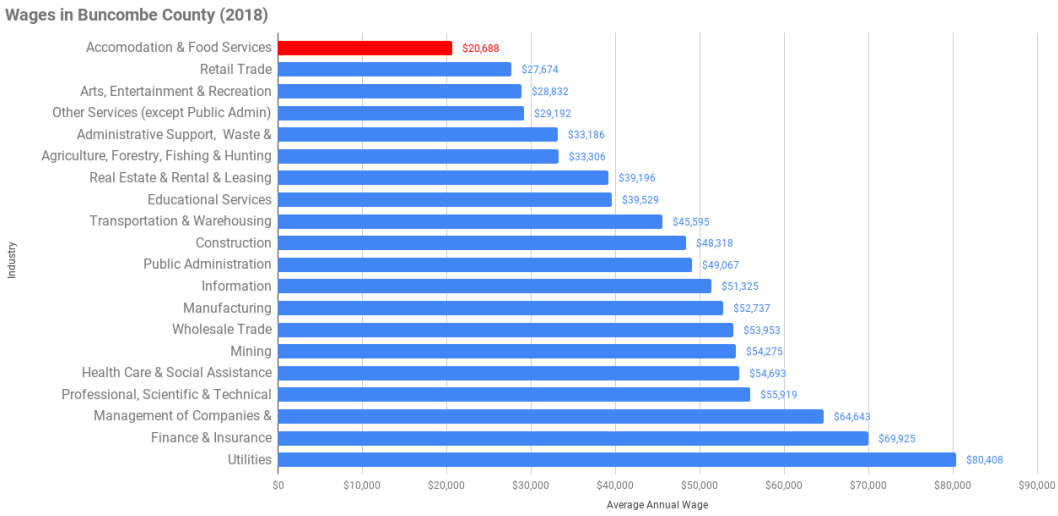
[5] Induced Impacts: These are generated when employees whose incomes are generated either directly or indirectly by tourism, spend those incomes in the Buncombe County economy.

[6] U.S. Bureau of Labor Statistics. Occupational Employment Statistics Query System. May 2018.

Although hospitality is a significant source of employment in Asheville, income levels in that sector are low, as the following chart demonstrates[7].



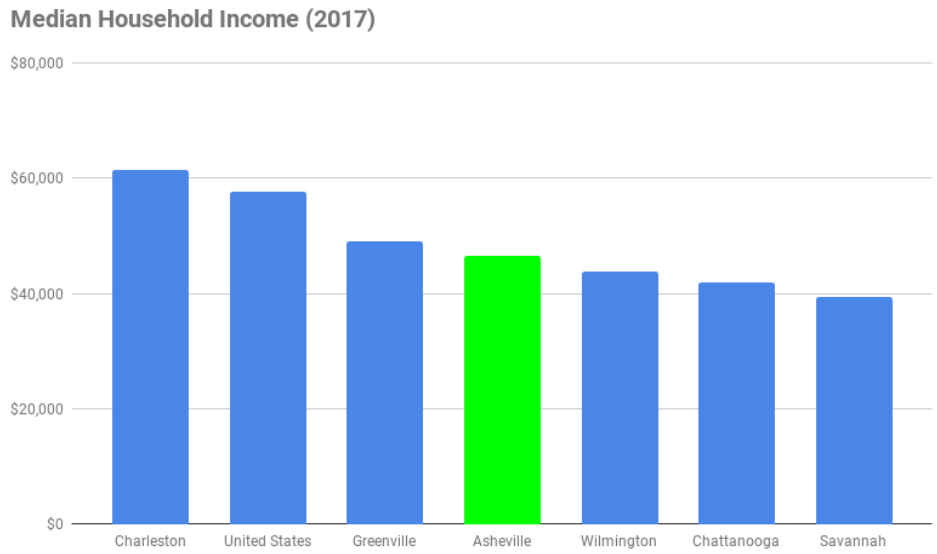
The average salary for Asheville workers in the hospitality industry is higher than the state average (by about 16%); however, salaries in this category are still significantly lower than other fields as the following chart demonstrates[8]. The highlighted field, Accommodation & Food Services, represents the hospitality sector of hotels, restaurants, bars, etc.



[7] U.S. Census Bureau. *County Business Patterns*. 2017.

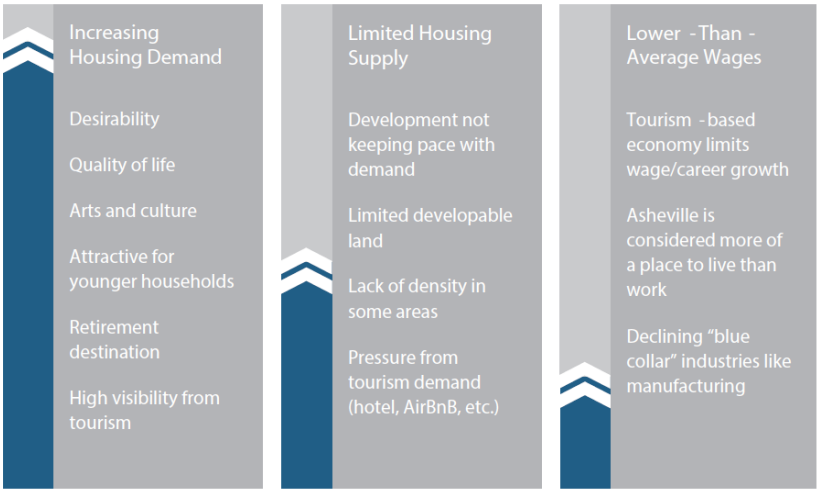
[8] The *Average Employee Salary (AES)* and *Wages in Buncombe County (WBC)* charts cannot be compared side to side because the *AES* chart uses census data from the 2017 Asheville Metropolitan Statistical Area (MSA) while the *WBC* chart is a review of 2018 wages collected from the Quarterly Census of Employment and Wages by the Bureau of Labor Statistics, found on page 65 of the TDA's, TMIP report. The hourly pay of several specific tourism related jobs, compared to other markets can be found on page 66.

According to the US Census Bureau, American Community Survey, the median household income in Asheville grew approximately 3% to $46,464 in 2017 from the previous year's value of $44,946. The median 2017 household income of Asheville and peer cities is shown below[9], which total approximately twice the wages of workers in the Accomodation and Food Services industry as noted in the previous chart. The city's 2018 comprehensive plan, Living Asheville, further underscored the large disparity in median household income amongst black households compared to the city overall (p. 91).



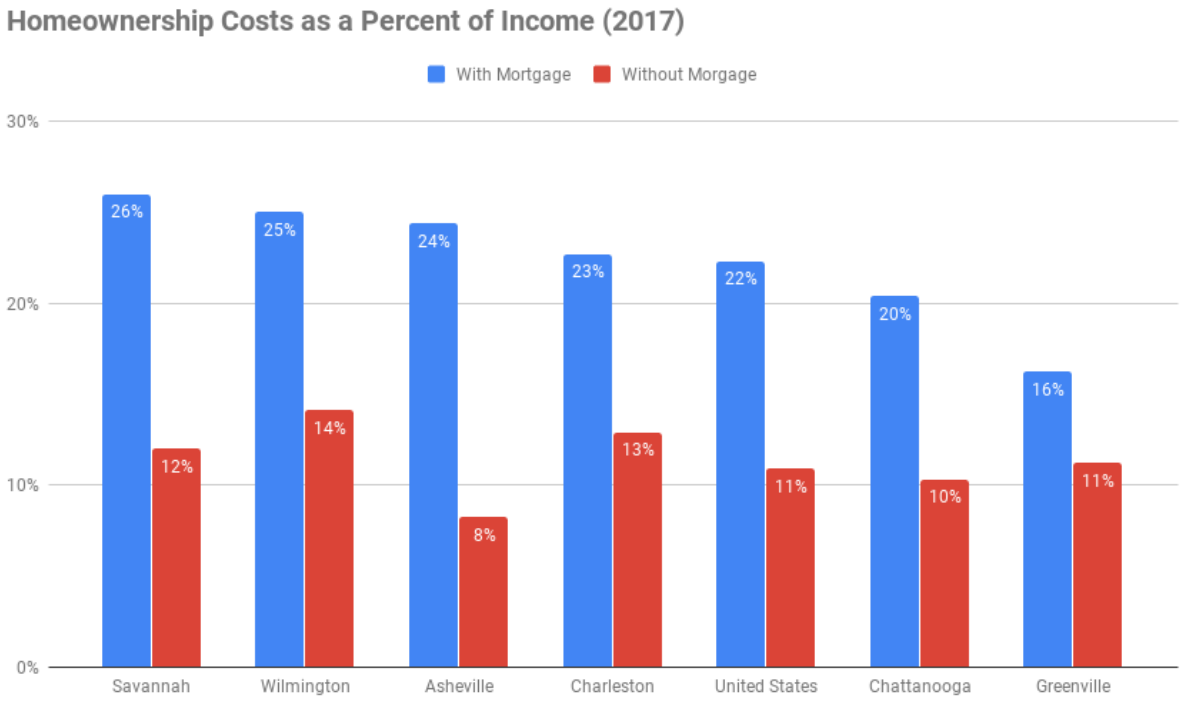
HOUSING

Housing affordability is a critical issue in Asheville. Given increasing housing demand, lower than average wages and the limited housing supply, increasing housing costs will continue to displace low and moderate income households. The following graphic from the Living Asheville Comprehensive Plan (p. 93) highlights these issues.



[9] U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

The chart below shows that housing in Asheville relative to income is more expensive than the national average. The three most expensive cities in the chart mirror the cities with the largest number of hotels in relation to population (See Section on Peer City Comparisons). This fact highlights that the cost of living is more expensive in attractive communities because these communities are destinations not only for tourists but also for people seeking to live in attractive cities. The added competition for these locations brings up the costs of housing.



According to the city's 2019 Housing Needs Update ("Bowen Report"), about 21% of owners are cost burdened (>30% of gross income spent on housing costs) and almost 8% of owners are severely cost burdened (>50% on housing costs).

RENTS

While the area's overall occupancy rate (95.3%) for multifamily rental housing stock has declined since 2014 (99.2%), most affordable rental properties remain full with long wait lists.

The proportion of renter-occupied households in the city of Asheville has increased from roughly 43% in 2000 to over 50% in 2017. According to the 2019 Bowen Report, about 46% of renters are cost burdened (>30% of gross income spent on housing costs) and more than 19% of renters are severely cost burdened (>50% on housing costs).

HOUSING GAP

According to the 2019 Bowen Report, there is a significant housing gap between now and 2023 that will not be met countywide. In total, the gap for rental housing is estimated at 4,253 units while the for-sale housing gap is estimated at 5,745, for a total housing gap of nearly 10,000 units after accounting for almost 4,000 units that are already in the development pipeline (see charts below). The report highlights that for rental housing, the greatest gaps are for housing products affordable to households with the lowest incomes while for for-sale housing, the greatest gap exists for products that serve moderate-income households.

Although these estimates are projected for all of Buncombe County, it can be assumed that the city's share of the estimated demand is commensurate with its share of the total population, which is approximately one third. This translates to a housing shortfall for Asheville of about 3,000 units over the next four years, or 750 additional housing units that are needed every year that are not currently being planned. To put this into context, over the last five years Asheville has averaged 386 new housing permits issued each year. To meet the estimated shortfall, therefore, the city would need to triple the average number of housing units issued each year moving forward.

Demand Component	Rental Housing Gap Estimates					
	AMHI	<30%	30%-50%	51%-80%	81%-120%	121%+
	Income	<$20k	$20k-$35k	$36k-$55k	$56k-$80k	$81k+
	Rent	<$500	$500-$874	$875-$1,374	$1,375-$1,999	$2,000+
New Households (2018-2023)		-658	-263	845	439	1,366
Balanced Market		576	436	407	58	55
Substandard Housing		787	306	183	55	31
Commuter Support		696	582	516	936	288
Step-Down Support		0	85	47	961	-1,093
Development Pipeline		-277	-102	-968	-1,545	-496
Total Housing Gap		1,124	1,044	1,030	904	151

AMHI – Area Median Household Income

Demand Component	For-Sale Housing Gap Estimates			
	AMHI	<80%	81%-120%	121%+
	Income	<$55k	$56k-$80k	$81k+
	Home Price	<$200,000	$200,000-$299,999	$300,000+
New Households (2018-2023)		-242	1,620	3,696
Balanced Market		257	65	-508
Substandard Housing		189	56	32
Commuter Support		209	321	123
Step-Down Support		486	739	-739
Development Pipeline		-54	-128	-377
Total Housing Gap		**845**	**2,673**	**2,227**

AMHI – Area Median Household Income

REGULATORY ENVIRONMENT

STATE AUTHORITY

North Carolina is not a Home Rule state. Although it is technically not a Dillon's Rule state, municipal authority is governed more closely to this standard. This means that cities are restricted from exercising any power that is not expressly provided to them by the State Legislature, or which result from a broad construction of existing powers.

Asheville, like other North Carolina cities, has the authority to adopt zoning and development regulations via ordinances. These ordinances must be for the purpose of promoting health, safety, morals, or the general welfare of the community. Asheville currently makes zoning decisions regarding its existing unified development ordinance through the legislative process of conditional rezoning. Through this, the City can include conditions to any specific development, if agreed upon by the owner, so long as the conditions are site-specific, address the conformance of the development and the use of the site to city ordinances and other adopted comprehensive plans, address the impacts reasonably expected to be generated by the development of the site, and are not arbitrary and capricious.

Going beyond these rules with restrictive zoning would potentially result in the city being liable for regulatory takings under the law of eminent domain, or for exactions in situations where unreasonably conditions to a rezoning are requested.

LOCAL REGULATORY HISTORY

Prior to 2016 hotels and other forms of lodging were broadly permitted in most nonresidential zoning districts, including downtown, without any special requirements or restrictions. Many of these hotels were moderate in size and fell into a classification that only required a ministerial review by staff and Planning & Zoning Commission for compliance with basic technical standards, and did not require any special permits or entitlement review by other bodies. Downtown hotels (located in the Central Business District) have been required to go through design review which is mandatory review, voluntary compliance.

Large hotels, defined as over 175,000 square feet or over 100’ tall in the downtown, or over 100,000 square feet in other commercially zoned areas, required a Conditional Use Permit (Special Use Permit) that had to be reviewed and approved by the City Council before permits could be issued. As the body assigned to review and approve Conditional Use Permits, the City Council review was quasi-judicial and statutory rules limited the Council in the considerations that could be weighed when deciding to approve or deny an application. This did not always allow opportunity to fully address community and other stakeholder concerns over the impacts of these large projects.

Growing concern regarding the impacts from the number of development applications for large projects, a substantial portion of which were hotel developments, led to the adoption of changes to development thresholds and review processes in early 2016 (Ordinance No. 4560). As a result of these new standards, a hotel development with more than 20 guest rooms was required to apply for a conditional rezoning to one of the newly established "Expansion" zoning districts that allowed hotels as a permitted use. As opposed to the former Conditional Use Permit process, the Conditional Zoning process is legislative in nature and allows for a more flexible process with conditions to mitigate some of the possible negative impacts. New standards for lodging uses were also adopted, such as requirements for wider sidewalks in congested pedestrian locations, vehicle passenger drop-off areas that are internalized to the site and parking requirements for hotels in downtown (there are no parking requirements for other uses in downtown).

While the adoption of these new standards was thought to be a step towards addressing community concerns, the large number of hotel applications that followed, combined with a new recognition of the increase in other forms of lodging such as short-term vacation rentals, augmented the existing concerns over lodging and tourism impacts. This led to the adoption of a second wave of changes in January, 2018 that further restricted hotels and other forms of lodging (Ordinance No. 4637) leaving the Resort zoning district, (less than 1% of the entire land area of the city) as the only district that would allow a hotel by-right, without any entitlement approvals needed. The only way to gain permission for a hotel outside of the Resort zoning districts, regardless of size or the number of guest rooms, would be to apply for a conditional zoning to one of the "Expansion" zoning districts that had been established in 2016.

SHORT TERM RENTALS

While not the focus of this study, it is worth noting that the City of Asheville has experienced explosive growth in the renting of individually owned dwelling units for lodging via common on-line platforms such as Airbnb, VRBO, and Bookings. Growth in this area necessitated new standards and definitions and the UDO now defines ***Short-term vacation rental*** as, "*a dwelling unit with up to six guest rooms that is used and/or advertised through an online platform, or other media, for transient occupancy for a period of less than one month [...]"*.

Short-term vacation rentals (STVRs) of an entire residential dwelling unit have never been allowed in Asheville's residential districts but were allowed in most non-residential districts under the general land use category of "lodging facilities". Ordinance No. 4637 further restricted STVRs, allowing them only in the Resort Zoning District. Any STVRs that were lawfully established prior to the adoption of Ord. No. 4637 were grandfathered and are estimated to be between 220-300 units.

The city continues to allow a form of short-term renting in all zoning districts, where residential uses are allowed, through "homestay" development standards. A ***homestay*** is currently defined as, "*a private, resident occupied dwelling unit, with up to two guest rooms where overnight lodging accommodations are provided to transients for compensation and where the use is subordinate and incidental to the main residential use of the building [...].".* The concept behind the homestay

was to maintain the residential use of a property but allow a very limited amount of lodging activity.

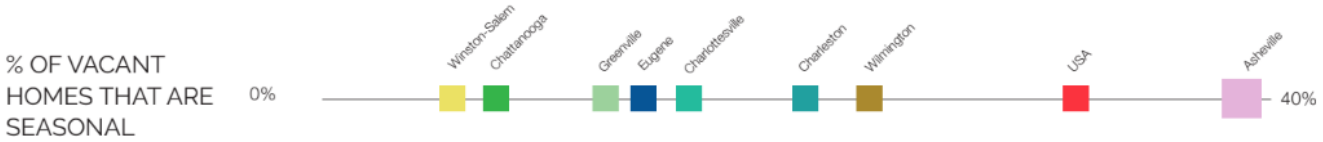
The advent of Airbnb and other easy-to-use online rental platforms increased the popularity of homestays to the extent that a significant update to the rules were adopted in November 2015 (Ordinance No. 4470) to reduce barriers and make obtaining a homestay permit easier, among other things. Public comment at the time cited many instances where the homestay and the additional income that came with it, was necessary to offset the high cost of living in Asheville.

Enforcing the rules around STVRs and Homestays has proven challenging and in order to help monitor the rental activity the city contracted with Host Compliance, a third party software company who maintains a database of listings in Asheville and attempts to match each listing with a physical address. This allows city staff to more efficiently cross reference the listings with the permit records to monitor compliance. As of November 2019, Asheville had approximately 1,564 properties advertising on-line . Of these properties 1,348 were renting short-term including the 726 homestays that were permitted in 2019, with 581 (37%) being either unidentified or noncompliant in some way. In addition to the challenges related to enforcement, other concerns have included impacts on neighborhood character and quality of life along with potential impacts on housing affordability and availability. The 2018-2019 Buncombe County Tourism Development Authority annual report helps illustrate the growth in these listings.

	LODGING SALES*	% CHANGE	HOTEL ROOMS SOLD**	% CHANGE	AIRBNB ROOM NIGHTS BOOKED***	% CHANGE
FY 16-17	$352M	13%	1.9M	3.8%	346,228	135.2%
FY 17-18	$390M	11%	2.04M	6.5%	747,592	115.9%
FY 18-19	$426M	8.9%	2.12M	4.8%	1,034,428	38.4%

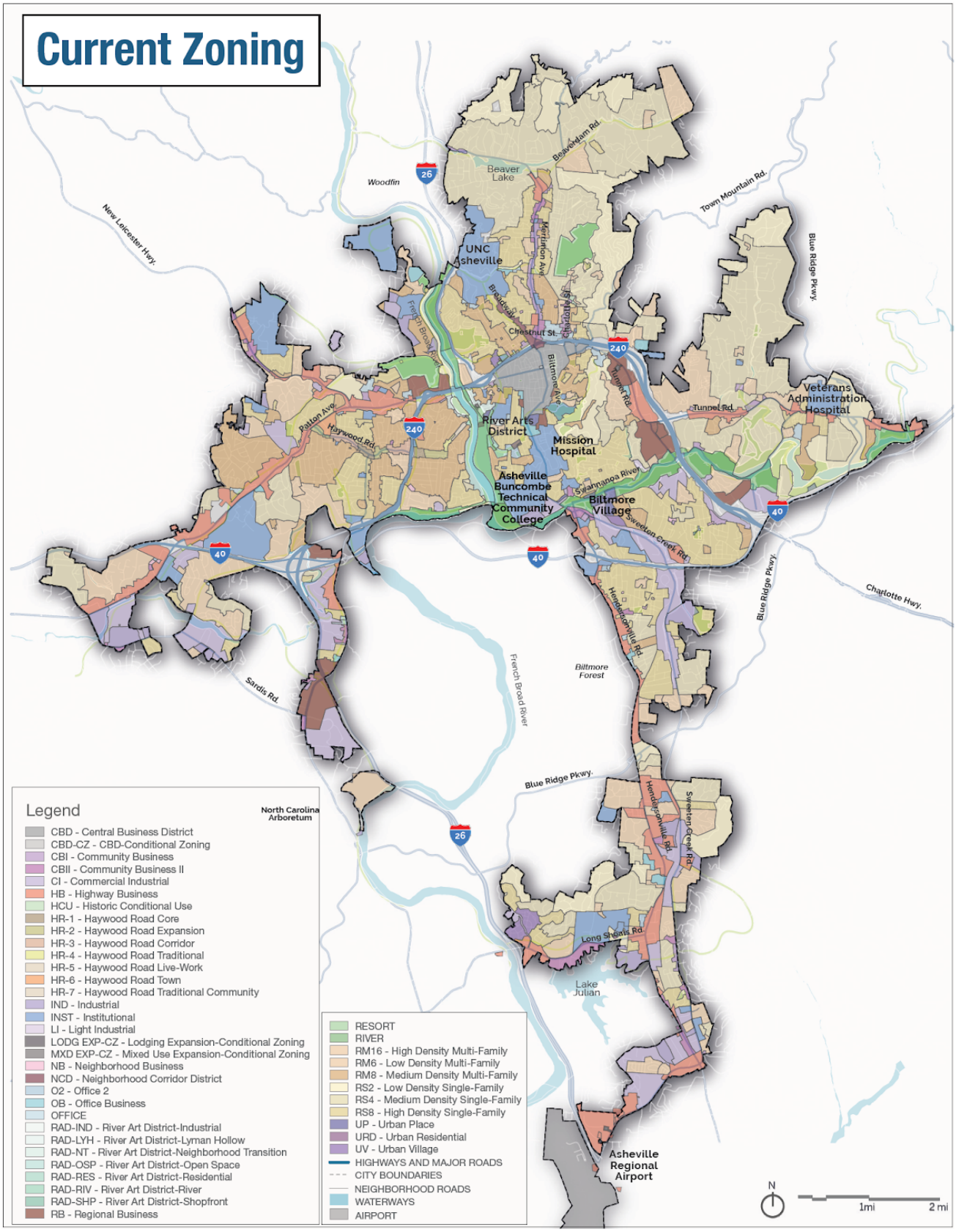
*Source: *Buncombe County Finance, **Smith Travel Research, ***AIRDNA*

Efforts to better document and track complaints about these properties have been initiated but quantifying potential impacts on housing has proven somewhat elusive. Contributing to these concerns is the large number of seasonal homes, which may be fueling interest in the further relaxation of rules around STVRs and homestays. Appendix A (Assessment Report) of the Living Asheville Comprehensive Plan illustrates how Asheville exceeds its peer cities in the percent of second or seasonal homes.



DOWNTOWN DESIGN REVIEW

The Downtown Design Review Guidelines were drafted as a part of the city's Unified Development Ordinance (UDO) amendments that were required with the adoption of the Downtown Master Plan (in 2009). Council adopted the UDO amendments pertaining to the Central Business District (CBD) in 2010 and the Downtown Commission approved the design guidelines in the same year. The guidelines are formatted to reiterate all of the CBD code requirements and also include a large number of recommendations that enhance compatibility of new development and improve the streetscape. The UDO requires mandatory review of the guidelines but not mandatory compliance.


Current Zoning
Legend
CBD - Central Business District
CBD-CZ - CBD-Conditional Zoning
CBI - Community Business
CBII - Community Business II
CI - Commercial Industrial
HB - Highway Business
HCU - Historic Conditional Use
HR-1 - Haywood Road Core
HR-2 - Haywood Road Expansion
HR-3 - Haywood Road Corridor
HR-4 - Haywood Road Traditional
HR-5 - Haywood Road Live-Work
HR-6 - Haywood Road Town
HR-7 - Haywood Road Traditional Community
IND - Industrial
INST - Institutional
LI - Light Industrial
LODG EXP-CZ - Lodging Expansion-Conditional Zoning
MXD EXP-CZ - Mixed Use Expansion-Conditional Zoning
NB - Neighborhood Business
NCD - Neighborhood Corridor District
O2 - Office 2
OB - Office Business
OFFICE
RAD-IND - River Art District-Industrial
RAD-LYH - River Art District-Lyman Hollow
RAD-NT - River Art District-Neighborhood Transition
RAD-OSP - River Art District-Open Space
RAD-RES - River Art District-Residential
RAD-RIV - River Art District-River
RAD-SHP - River Art District-Shopfront
RB - Regional Business
RESORT
RIVER
RM16 - High Density Multi-Family
RM6 - Low Density Multi-Family
RM8 - Medium Density Multi-Family
RS2 - Low Density Single-Family
RS4 - Medium Density Single-Family
RS8 - High Density Single-Family
UP - Urban Place
URD - Urban Residential
UV - Urban Village
HIGHWAYS AND MAJOR ROADS
CITY BOUNDARIES
NEIGHBORHOOD ROADS
WATERWAYS
AIRPORT
North Carolina Arboretum
Woodfin
Beaver Lake
Beaverdam Rd.
Town Mountain Rd.
New Leicester Hwy.
UNC Asheville
Merrimon Ave.
Broadway
French Broad River
Chestnut St.
Biltmore Ave.
Tunnel Rd.
Blue Ridge Pkwy.
Veterans Administration Hospital
Patton Ave.
Haywood Rd.
River Arts District
Mission Hospital
Asheville Buncombe Technical Community College
Swannanoa River
Biltmore Village
Sweeten Creek Rd.
Charlotte Hwy.
Hendersonville Rd.
Biltmore Forest
Sardis Rd.
Long Shoals Rd.
Lake Julian
Asheville Regional Airport
N
1mi
2 mi

TAXATION

Approximately 52% of the City's General Fund revenue comes from property taxes. Sales taxes make up about 21% and utility taxes are approximately 7%. The remaining 20% is derived from fees and intergovernmental revenues. Because North Carolina is not a Home Rule state, the city has essentially no authority to implement fees or other revenue sources without explicit statutory authority to do so.

SALES TAX

In North Carolina, consumers pay sales tax on the cost of their lodging in addition to occupancy tax. The State of NC collects sales tax revenue and distributes it back to local governments based on a fairly complex formula. The upshot is that Asheville receives the same amount of sales tax on purchases made throughout Buncombe County, regardless if the transaction is made outside of the jurisdictional area of the city. See Local Sales Tax Option for more specific information.

In 2018, the TDA reported total lodging sales in Buncombe County of $390,818,248. Using that figure combined with the current distribution method utilized by the State, it is estimated that the city receives approximately $1.2 million in sales taxes from hotels in Buncombe County (based on sales taxes on the cost of hotel rooms). That translates to about 4% of the city's total sales tax revenue.

OCCUPANCY TAX

Counties and cities/towns in North Carolina can both be enabled by the General Assembly to collect occupancy taxes. How that revenue is used generally falls into several categories, which varies amongst each jurisdiction as allowed by law. These categories include: 1) destination promotion; 2) "tourism-related" expenditures; 3) funding or debt support for tourism-related capital projects such as convention centers and arenas or visitor attractions; 4) beach renourishment; and, 5) general fund revenue and other non-tourism uses[10].

Pursuant to HB 347 the Buncombe County Commissioners have levied an occupancy tax of 6% on gross receipts derived from the rental of any room, lodging or accommodation furnished by a hotel, motel, inn or similar place within the county. The occupancy tax also applies to rooms or houses rented by individuals as short-term vacation rentals. Of the 6%, 1.5% goes toward the Tourism Product Development Fund to provide financial assistance for tourism projects that substantially increase patronage of lodging facilities in the county (i.e. tourism-related projects). The other 4.5% goes to the development of travel, tourism, and conventions in the county

[10] Magellan Strategy Group. *Profile of North Carolina Occupancy Taxes and Their Allocation*. April 2019. Hyperlink.

through State, national and international advertising and promotion (i.e. destination promotion). This means that 75% of the revenue collected annually in occupancy taxes goes toward marketing.

In the 2019 fiscal year, the total occupancy tax collected in Buncombe County was projected at $25.1 million, representing an increase of 137% compared to fiscal year 2015, when about $10.6 million was collected. During the 2018 fiscal year, Buncombe County ranked in the top four jurisdictions in the state for collections of this tax, up from sixth place in 2015[11].

The Occupancy Tax Subcommittee of the North Carolina General Assembly's House Finance Committee reviews occupancy tax legislation and looks for certain uniform provisions in the bills it considers. This includes a 6% maximum occupancy tax rate and at least two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism-related expenditures, which may include beach nourishment. Local governments in coastal counties may allocate up to 50% of occupancy tax proceeds for beach nourishment[12]. However, it should be noted that these are guidelines only and are not currently reflected in State statutes for Buncombe County.

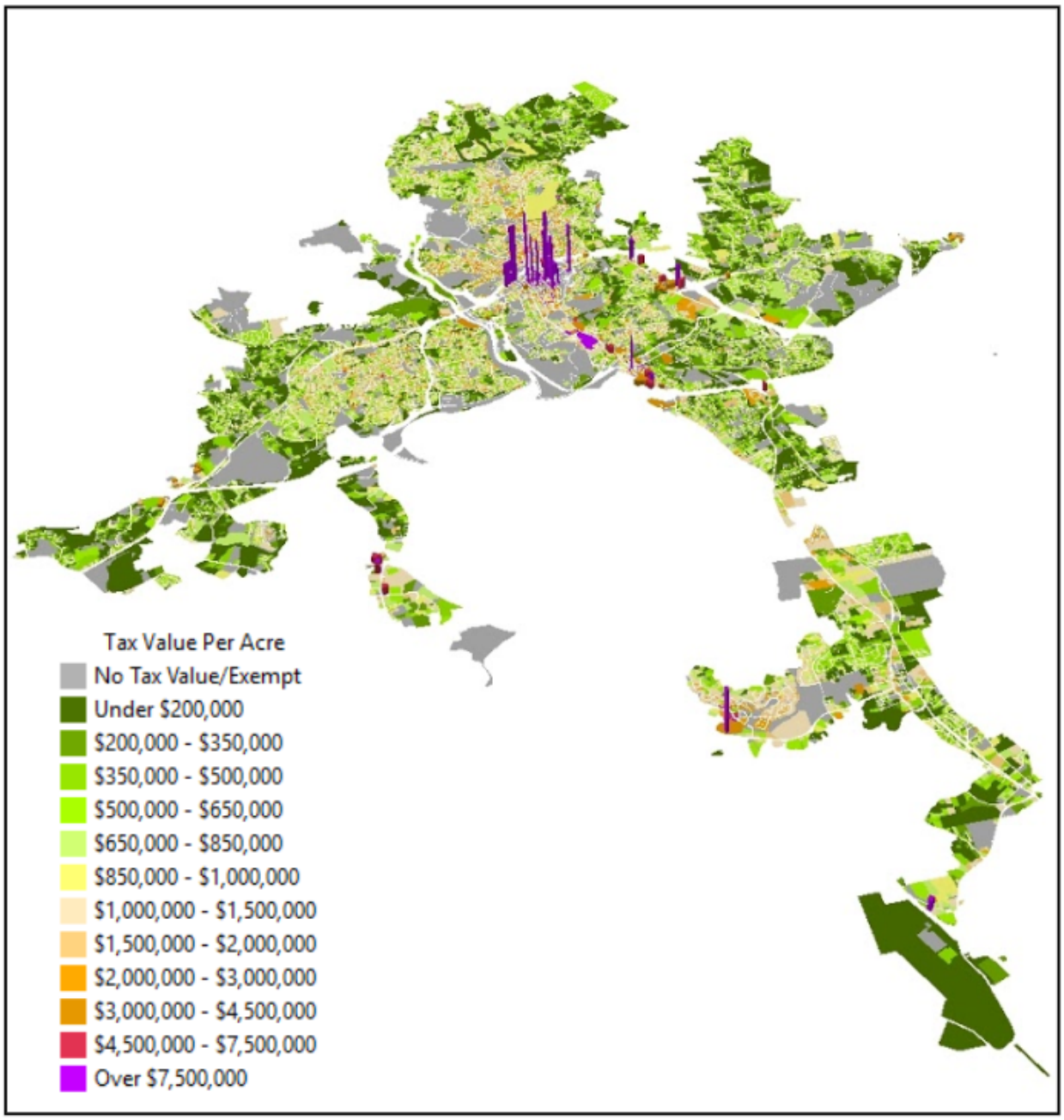
PROPERTY TAX

Similar to sales taxes above, the city does not assess or collect property tax revenue directly, as it is handled by Buncombe County. Data received by the County in the fall of 2018, indicates that hotels pay in the neighborhood of $3.5 million in property taxes to the City. That equates to approximately 5% of the total property tax revenue that the city receives.

The real estate tax value of property on a per-acre basis shows how much of a return to the city individual parcels provide. By dividing the total tax value of any given property by the parcel size, this tax value per acre is a measure of property tax efficiency. The image on the next page shows properties with higher tax values per acre displayed taller and in shades of red or purple.

In the case of hotels, the properties have widely different values from a low of $270,000 per acre to extremely high at $54,000,000 per acre. This wide difference is more about the location of the hotels and the associated quantity of land extent of the parcel than the operation of the hotel. This image can be viewed as an interactive 3D map here, which includes a layer with only the hotels, motels, and hostels. This map is also available in a 2D, searchable version, here.

[11] Visit North Carolina, a unit of the Economic Development Partnership of North Carolina. *Occupancy tax collections fiscal year 2017-2018*. Hyperlink; Magellan Strategy Group. *Profile of North Carolina Occupancy Taxes and Their Allocation*. April 2019. Hyperlink.
[12] NC General Assembly Research Division. *Guidelines For Occupancy Tax Legislation*. September 3, 2013. Hyperlink.



Tax Values of Properties Per Acre in the City of Asheville

RELEVANT PLANS

COMPREHENSIVE PLAN

The city adopted its most recent comprehensive plan, *Living Asheville* in June of 2018. *Living Asheville* acknowledges in its opening statement of need that Asheville is at a precarious point in its evolution and that intervention is needed in order for the city to avoid becoming a strictly tourism-oriented destination, which could undermine its authenticity and diminish the very attributes that have drawn people to the city to begin with. There is a need to balance the needs of full time residents, second home owners, tourists and visitors that include housing, jobs, visitor accommodations and infrastructure improvements with the need to preserve the unique sense of place, culture and natural environment that make the city a desirable place to live and visit.

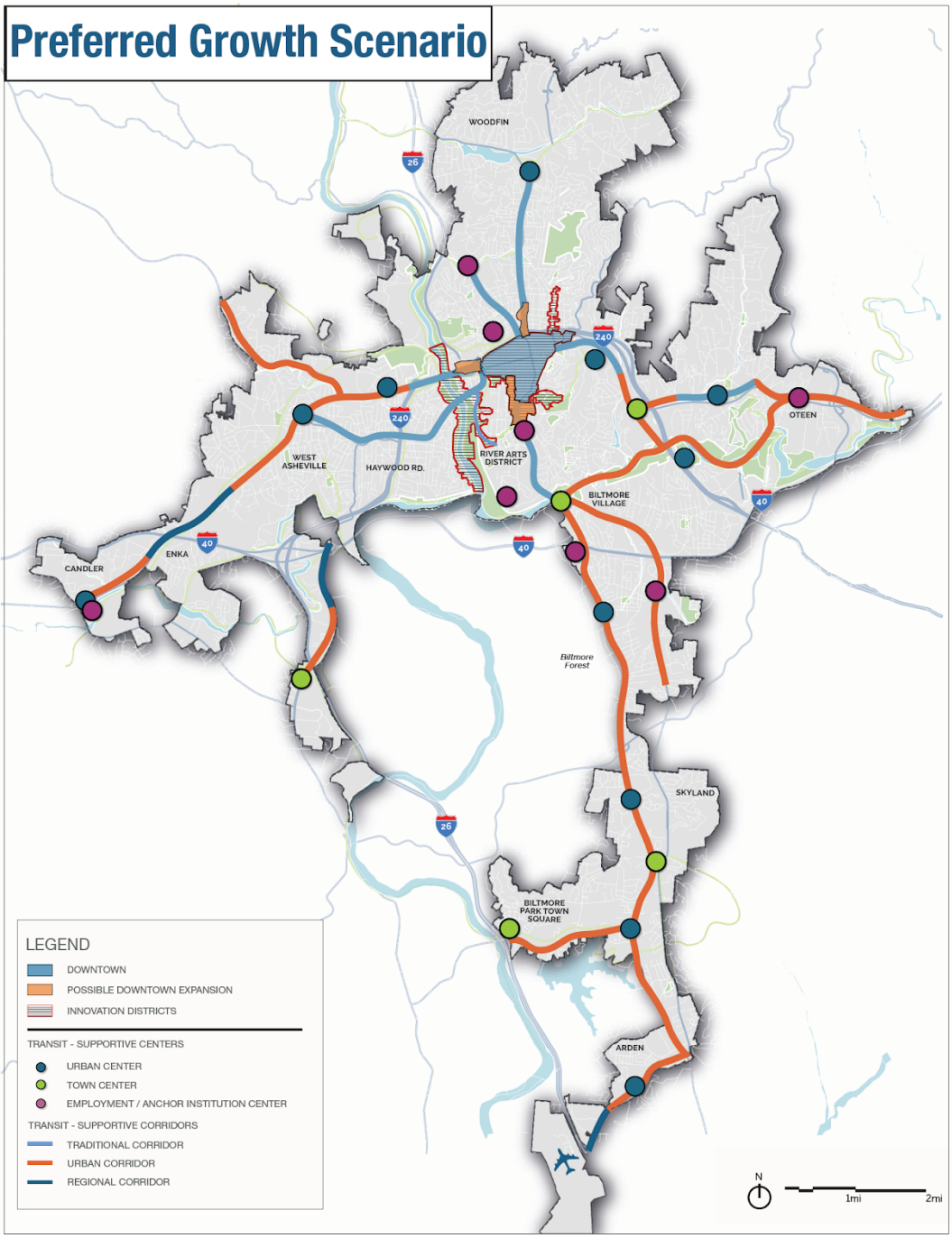
Living Asheville recognizes that one path to a more sustainable future is to create dense walkable, mixed use areas that can be better served by public transit, thus reducing dependence on the automobile and the reduction of greenhouse gases that contribute to climate change. The goal is to position a range of uses including residential, retail, and commercial in close proximity to one another in order to create livable, walkable, transit oriented communities. Unfortunately, outside of the downtown area, most of Asheville isn't very walkable.

Living Asheville recommends the following three main growth areas that are at the heart of its holistic vision for a more livable future for everyone:

1) Continue to grow and enhance downtown as a mixed - use hub that serves both residents and visitors
2) Elevating other innovation districts as vibrant hubs
3) Establish, expand and connect key-transit supportive centers.

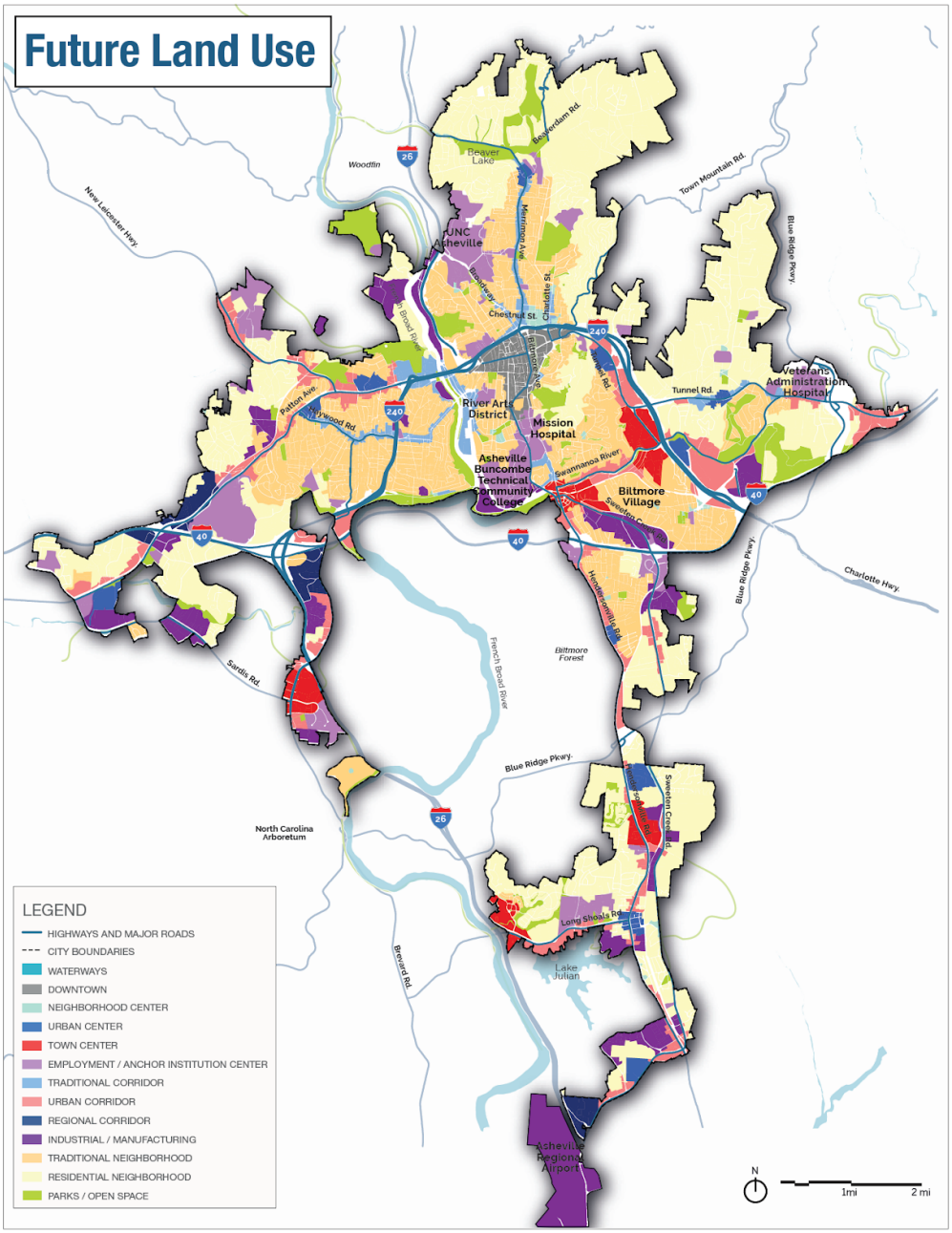
The areas are depicted on the Preferred Growth Scenario map below.

- Downtown - Downtown Asheville is a special place for Asheville that includes distinct mixed-use neighborhoods, while serving as a regional and cultural hub that supports tourism as a backbone of the local economy.
- Innovation Districts - Also known as Municipal Service Districts or Strategic Development Districts, these are mixed-use districts in Asheville where the city coordinates investments and resources to increase economic opportunities and enhance sense of place. In addition to the Downtown mentioned above, the South Slope, North Charlotte Street and the River Arts District, as shown on the map, are places that are already vibrant and where there is additional potential for place making and responsible development.
- Transit Supportive Centers and Corridors - Living Asheville encourages nodes of development along existing transportation corridors that have the potential to support walkable, mixed-use development that in turn would support high-quality transit services.



FUTURE LAND USE

The Future Land Use Map, which was adopted as part of the Living Asheville Comprehensive Plan is intended to guide the city's future land use policies, ordinances and development decisions and aligns with the Preferred Growth Scenario map. It contemplates twelve categories that correspond graphically to the plan's vision for growth and development, while establishing important character elements for distinct geographic areas within the city.



The Central Business District (CBD) which encompases the downtown area is envisioned as the continued urban mixed-use center of Asheville and Wesern North Carolina, where investment is encouraged to maintain the downtown as the primary retail, restaurant, office, hotel, institutional, cultural and entertainment center of the community. High density residential development is also encouraged to complement the other mix of downtown uses. Downtown should also continue as the regional center for office, government and cultural venues and fulfill its role as a local and nationally known tourist destination. Living Asheville seeks to achieve a downtown that is vibrant, sustainable, livable and accessible to residents and visitors alike. While lodging uses are contemplated they must be considered in context with other development so that the variety and mix of uses, unique to downtown is not compromised.

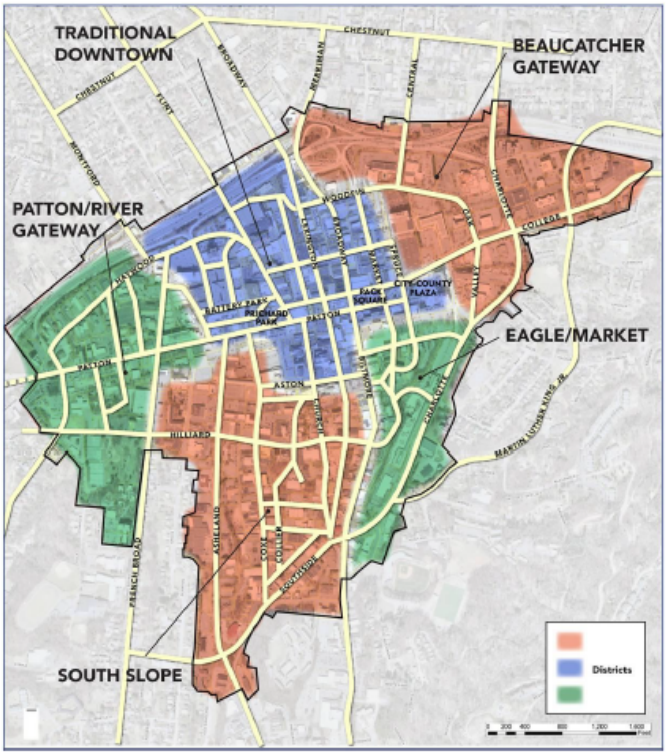
In addition to the CBD, the areas on the Future Land Use Map identified as Town Centers are also envisioned as places able to accommodate new hotel development. These are areas that currently have thriving commercial uses and strong regional transportation connections with the capacity to support growth as the population continues to grow.

Hotel development could also compliment the areas identified on the map as Employment / Anchor Institution Centers, which are areas conceived as mixed use areas designed to better integrate institutional uses within the community.

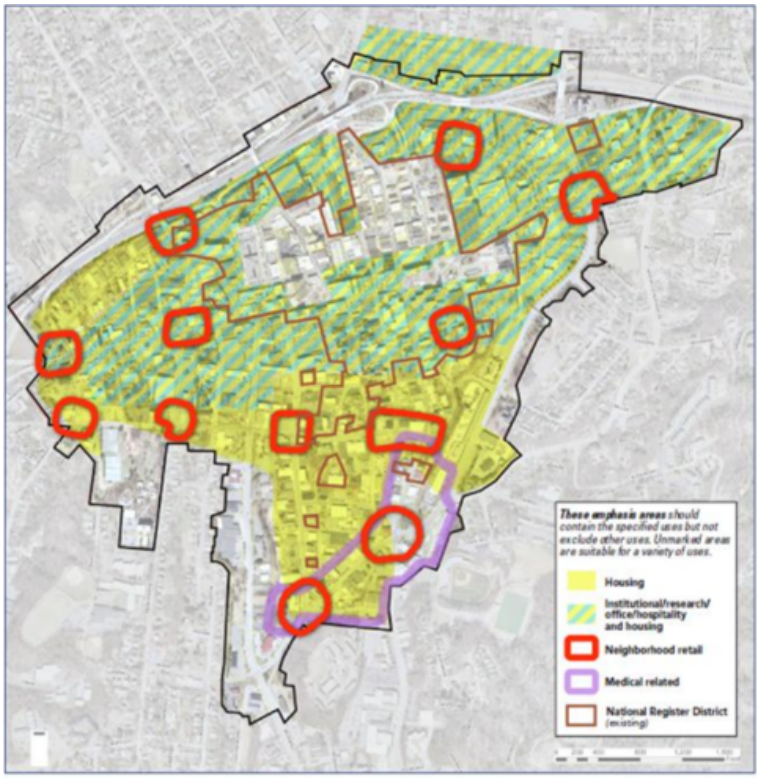
The Future Land Use Map also contemplates hotel development along the Urban and Regional Commercial Corridors, as well as possible smaller scale hotel development along Traditional Corridors as identified on the Future Land Use Map.

DOWNTOWN MASTER PLAN

The Downtown Master Plan adopted in 2009 also acknowledges the necessity of balancing the needs of residents and tourists in Downtown. The plan recommends the recognition of five districts in the downtown area to cultivate their distinct character and recognize the history, location and opportunities that these areas could afford. These areas are further described starting on page 68 of the Downtown Master Plan.



The Downtown Master Plan Appendices go into further detail about the uses contemplated for the five districts. Due to the benefit of easy highway access, the Patton/River Gateway and the Beaucatcher Gateway districts were identified as the best locations for hospitality uses, as well as portions of the Traditional Downtown core. The following Downtown Master Plan Land Use Emphasis Areas map further highlights the specific areas (in a hatched pattern) where hospitality uses, as well as institutional, research, office and housing should be encouraged.

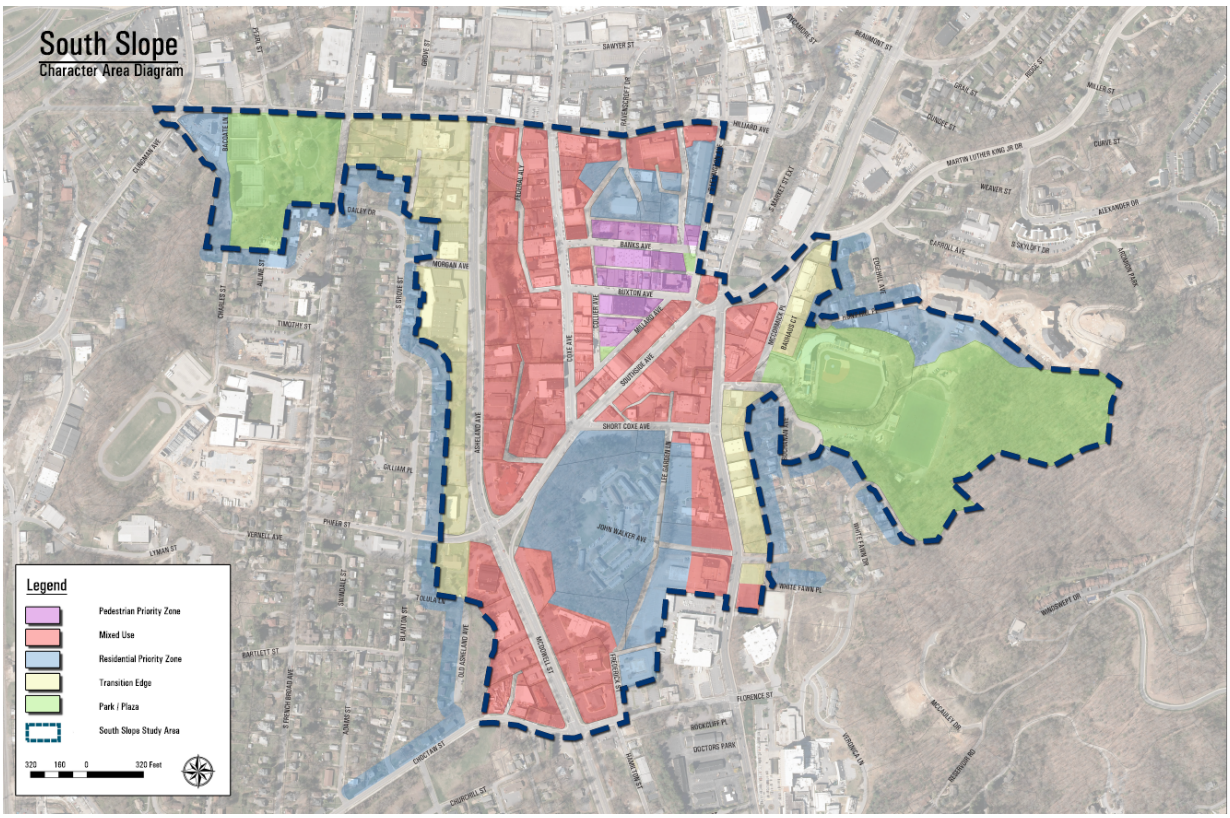


Land Use Emphasis Areas Map

SOUTH SLOPE VISION PLAN

This small area plan currently under development and scheduled for completion in 2020 lays out a vision for the area to the south of Downtown. This area was identified as a sub-district (see map above) of Downtown in the Downtown Master Plan and has also been identified as an Innovation District. The City of Asheville took the name of South Slope which has been coined by the businesses in one part of this area. However, it should be noted that the area is part of a larger, historically African American neighborhood that is named the Southside community, which was impacted by Urban Renewal.

Over the last five to ten years, the South Slope has experienced significant growth and redevelopment and has emerged as Asheville's brewery district, hosting twelve breweries and distilleries. The added draw of McCormick Field has contributed to this area becoming a destination for locals and visitors alike. The plan calls for the need to balance the land use mix, preserve the residential areas and provide for the needs of pedestrians.



South Slope Character Area Diagram

HISTORIC PRESERVATION PLAN

The Historic Preservation Master Plan for Asheville and Buncombe County was developed in 2015 by the Historic Resources Commission and serves as a guide for retaining the historic legacy of Asheville and Buncombe County.

The plan provides an overview of the economic value of historic preservation for neighborhoods, business districts, and in particular Downtown Asheville. It emphasizes the importance of updating and implementing the Downtown Master Plan and strengthening the downtown design review process in order to better protect the historic character of the Downtown National Register District, recognizing the fact that compliance with the design review process is voluntary, since there is no local historic overlay. Similar to the Downtown Master Plan, it also recommends investigating sub areas of the downtown for conservation overlay districts or small local districts reflecting their own distinctive character.

The plan also outlines the importance of cultivating and supporting heritage tourism. Based on the engagement done as part of the planning process, visitors said that the city's historic sites and landmarks are one of the top two reasons they visit. The plan calls for a collaborative effort to incorporate placemaking, the arts, and historic preservation to provide for additional, more robust tourism opportunities.

TOURISM

HISTORY OF TOURISM

With its abundant natural resources, great climate and inspiring scenic beauty, Asheville has long attracted tourists and other visitors. Some of the first visitors to Western North Carolina consisted of Native Americans and European settlers who used the area as a rendezvous and resting grounds.

By the 1800s livestock farmers from surrounding states, began using Asheville as a waystop for their livestock herds of turkeys and pigs, leading to construction of the Buncombe Turnpike in 1827, which in turn sparked the establishment of the first inns and taverns along the Drover's Road. The first hotel in the Asheville area was the Alexander Hotel, located on the east side of the French Broad River, attracting visitors from Cincinnati to Charleston. Ashevile's first downtown luxury hotels, were the Eagle and Buck Hotels, constructed in the early 1820's.

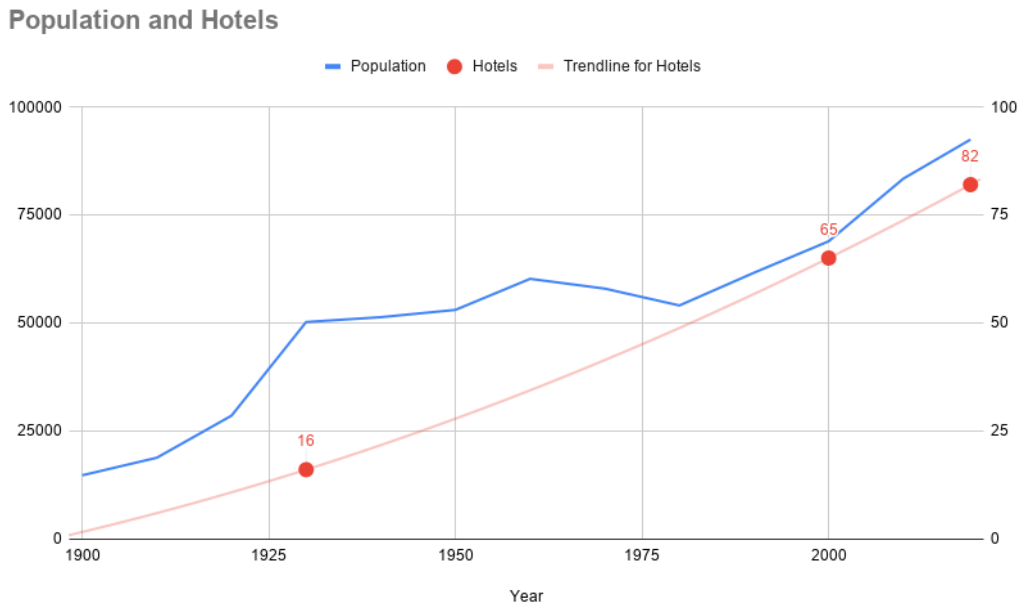
By the mid 1880s, wealthy visitors from the South Carolina and Georgia low country as well as other health seekers had discovered Asheville's cool clean mountain air, which was believed to have healing benefit for sufferers of tuberculosis and other respiratory diseases. When the first train arrived in October 1880, bringing modern means of transportation, the city began to claim upwards of 50,000 visitors annually. With increased visitors came an increased demand for places to stay. Hostels, boarding houses, hotels and luxury inns were erected at increasing speed.

In 1887, George W. Vanderbilt was a guest at the original Battery Park Hotel and is reported to have fallen in love with Asheville's enchanting mountain beauty. It was then he decided to purchase land and went on to create a vast estate totaling 125,000 acres and build the country estate known today as Biltmore. His presence and love of the area broadcasted Asheville's reputation as a resort city worldwide.

The period of 1910 to 1930 produced unprecedented growth for Asheville. The city's reputation as a tourist and health retreat attracted men of great vision and wealth. By 1912 the city boasted 14 hotels including the Vanderbilt Hotel, present-day Vanderbilt Apartments on Haywood Street, the Langren Hotel and others. In 1913, Edwin W. Grove opened the famous Grove Park Inn.

Although the city witnessed a decline in development through the middle of the 20th century, beginning with the Great Depression of the 1930s, Asheville remained a tourist destination. Under Franklin D. Roosevelt's administration, the Civilian Conservation Corps contributed significantly to the construction of the Great Smoky Mountains National Park and the Blue Ridge Parkway, creating much needed jobs in the area. Additionally, the Biltmore Estate opened to the public in 1930.

Developers in Asheville have historically built hotel developments as well as other types of accommodations for visitors. The following graph[13] shows the growth in population and hotels from 1900 to the present. As expected hotels have grown in number as the population has grown yet not as rapidly. In the last 10 years, the population has grown by about 34% while hotels have increased by approximately 25% over the same period.



BUNCOMBE COUNTY TOURISM DEVELOPMENT AUTHORITY

Similar to other cities across the US, the 1960s and early 1970s, saw the construction of the Asheville Mall and the I-240 Open Cut through town, which contributed to suburbanization and led to the closing of some of the city's oldest hotels and the ongoing decline of downtown Asheville. In the mid-1970s the Asheville Area Chamber of Commerce began looking at the potential of travel and tourism to resurrect the declining downtown. They saw competing destinations in other states benefiting from promotional campaigns derived from hotel-motel taxes and area hoteliers saw the potential benefit of creating a tax intended to reverse the decline in visitation and realize the associated economic benefits of tourism.

This led to the Chamber of Commerce pursuing a dedicated accommodations tax to fund a full-service destination marketing organization and create a comprehensive strategy to market Asheville and Buncombe County. In cooperation with the Buncombe County Legislative delegation and endorsement of the Asheville City Council and the Buncombe County Commission, they drafted what would become the first accommodation tax legislation passed in North Carolina.

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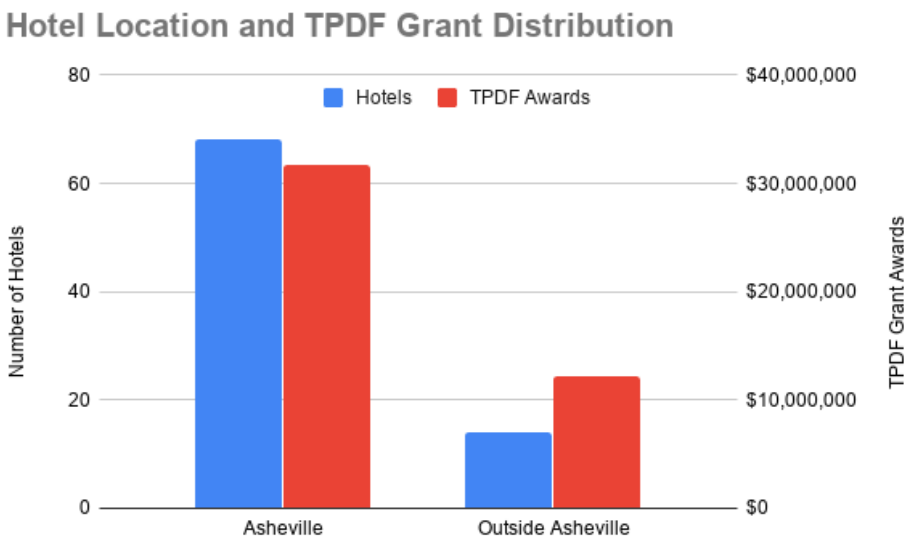
[13] Population Source Data: Department of Planning & Urban Design (2018) *Living Asheville: A Comprehensive Plan for our Future*. Asheville. Pages 64-67. Hyperlink. Hotel Source Data: City of Asheville.

Highlights of the Buncombe County Occupancy Tax History:

- In 1983, state legislation created the Buncombe County Tourism Development Authority (BCTDA) to oversee a two percent room occupancy tax on accommodation rentals with five or more units. The tax was added to the sales tax that properties also charge their customers and was to be used directly for travel and tourism promotion.
- In 1985, the occupancy tax was increased by one percent, for a total of 3%.
- In 2001 an additional 1% was added to create the Tourism Product Development Fund (TPDF) dedicated to funding new tourism products to generate more overnight hotel stays.
- In 2015, the occupancy tax was increased from four to six percent with one and a half percent dedicated to funding the TPDF.
- Of that 6%, 1.5% goes toward the Tourism Product Development Fund.
- The other 4.5% goes to sales and marketing of Buncombe County and support of local businesses that drive tourism. This means that 75% of the revenue collected annually in occupancy taxes goes toward marketing.
- In the 2019 fiscal year, the projected occupancy tax collected was $25.1 million, up from $23.3 million in fiscal year 2018[14].
- Since its inception in 2001 the TPDF has awarded $44 million of occupancy tax revenue to 39 projects[15]. Twenty-two million dollars has been awarded to City of Asheville-owned projects, representing half of all awards.
- The TPDF is currently paused while the TDA creates their new 10-year plan called the Tourism Management and Investment Plan to Develop Community Assets (TMIP), which is a "yearlong community engagement process to better manage tourism and plan investments for the next decade, while maintaining the character and integrity of the region".

The following chart identifies the relative balance in all TFDP funding to projects geographically within and outside the city commensurate with the proportional number of hotels within/outside the city. It should be noted that awards have historically been distributed to the City of Asheville, Buncombe County, nonprofit and for-profit groups, and other institutions, such as UNC Asheville.

[14] Occupancy tax collections fiscal year 2017-2018. Visit North Carolina, a unit of the Economic Development Partnership of North Carolina. Hyperlink.
[15] A full list of TPDF funded projects can be found here: Hyperlink.



TOURISM MANAGEMENT AND INVESTMENT PLAN

The BCTDA is currently undertaking the Buncombe County Tourism Management and Investment Plan to Develop Community Assets (TMIP), which TDA describes as "a collaborative process to bring public entities, tourism officials and the community together with data resources to develop a framework to guide the long-term investment of the TPDF." The City of Asheville is one of many community stakeholders that is helping to inform the plan and has representation on the Community Leadership Council. This link includes information on the city's participation in this initiative.

In October 2019, the BCTDA released a Phase 1 report, which includes "findings from the comprehensive assessment of the benefits and impacts of tourism in Asheville and Buncombe County, with a focus on authenticity, local economy, capacity and affordability, infrastructure and capital investment, and connectivity." The report contains a summary of community engagement efforts, including survey results, best practices for tourism management, and guiding principles.

According to the report, the outcome of TMIP will be to prioritize opportunities and needs for the next 10 years of Buncombe County's tourism management and investment. The planning process will be completed by April of 2020.

HOTEL DEVELOPMENT

LOCATIONS AND DESTINATIONS

As the Hotels, Motels and Hostels Map (APPENDIX A) indicates, the majority of hotels are concentrated in the downtown area, along Tunnel Road just east of Downtown and in the

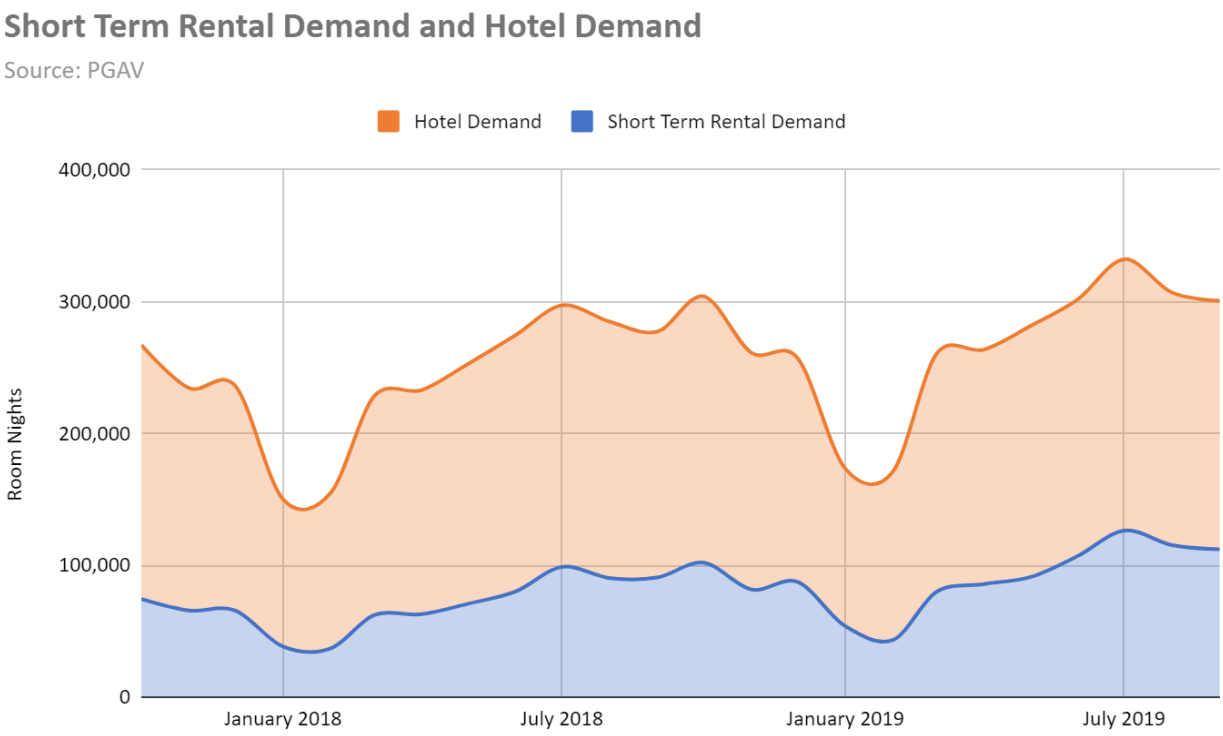
Biltmore Village area, with smaller concentrations near major interchanges both to the east and west of the downtown area. This generally corresponds to the areas that see the most visitation.

According to the TMIP Visitor Survey, Downtown restaurants and bars were the top destination for visitors. In addition, 60% said they went shopping. About half of respondents indicated they visited the Blue Ridge Mountains, Blue Ridge Parkway, or the Biltmore Estate and over a quarter of visitors experienced breweries, wineries, or distilleries, the Riverfront Area/River Arts District, the visual arts, or participated in outdoor recreation.

FUTURE DEMAND AND MARKET PERFORMANCE

According to the Buncombe County Tourism Management and Investment Plan all of the sub-markets of lodging concentration, are seeing growth, though some much more significant than others. Based on a review of the development pipeline, in 2020 and into the future, the Downtown, Biltmore Village, I-26 Corridor, and Tunnel Road markets are expected to add the most rooms while Far East, West, and North are unlikely to add significant numbers.

There are a number of different metrics used within the hotel industry for measuring a hotel's market performance, which in turn can be useful for understanding the current market and creating future market strategies. Some of these metrics, such as revenue per available room (RevPAR), average daily rate and average occupancy rate can be found in the Peer City Comparisons section below. This report also looks at historic population-to-hotel ratios to roughly project future demand (also found in the proceeding section). Market trends in 2019 and in 2016 can be found here and here, respectively. The chart below shows Asheville's Short term rental and hotel demand between October 2017 and September 2019. The most noticeable trend, consistent throughout this analysis, is that demand in January is significantly reduced. Also of note is the gradual increase in short term rental demand.



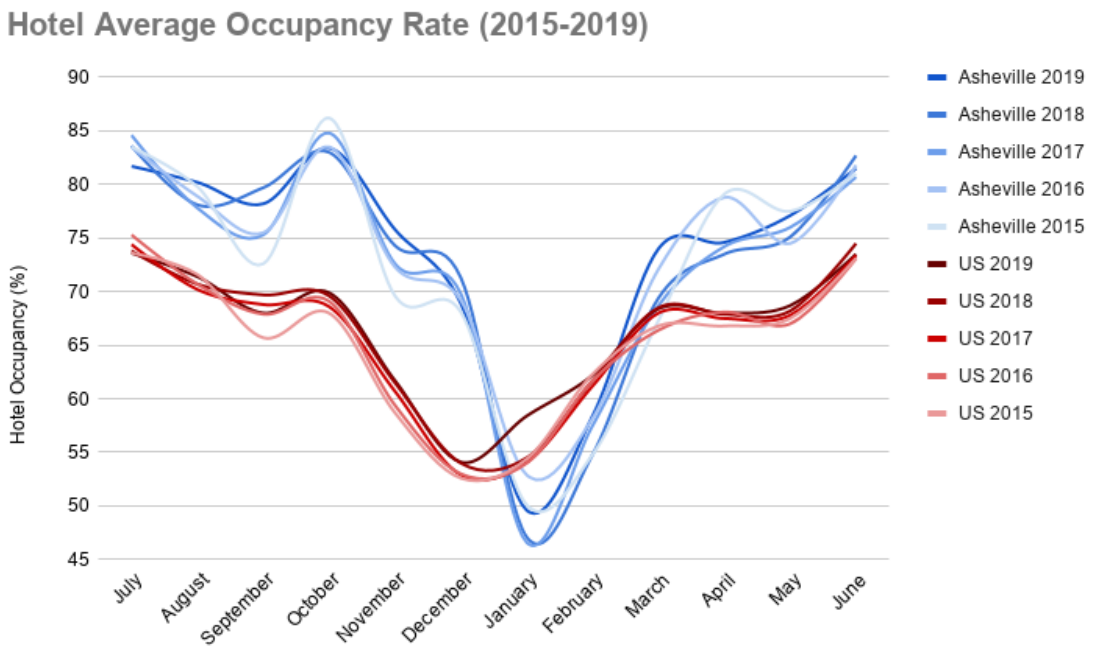
Another important indicator for hotel demand is airport passenger counts. Last year, the Asheville Regional Airport (AVL) hosted over 1.13 million passengers, representing an 18.6% increase from 2017 and over 67% higher than in 2013, in which the airport hosted over 678,000 travelers. According to recent reports, the existing 113,000 square foot airport terminal is at peak capacity and there is a current demand for more than 221,000 square feet, with about 276,000 square feet required by 2038[16].

Hotel occupancy is an essential variable when reviewing hotel performance. Communities with a higher occupancy rate demonstrate that their hotels are more regularly occupied, which shows that there is greater demand for hotel rooms than the area can supply, leading to higher hotel rates. This means that additional local supply of hotel rooms would help to bring the occupancy rate (and hotel prices) down to a level that is more in line with the industry standard. How does Asheville's hotel occupancy rate compare to the industry standard?

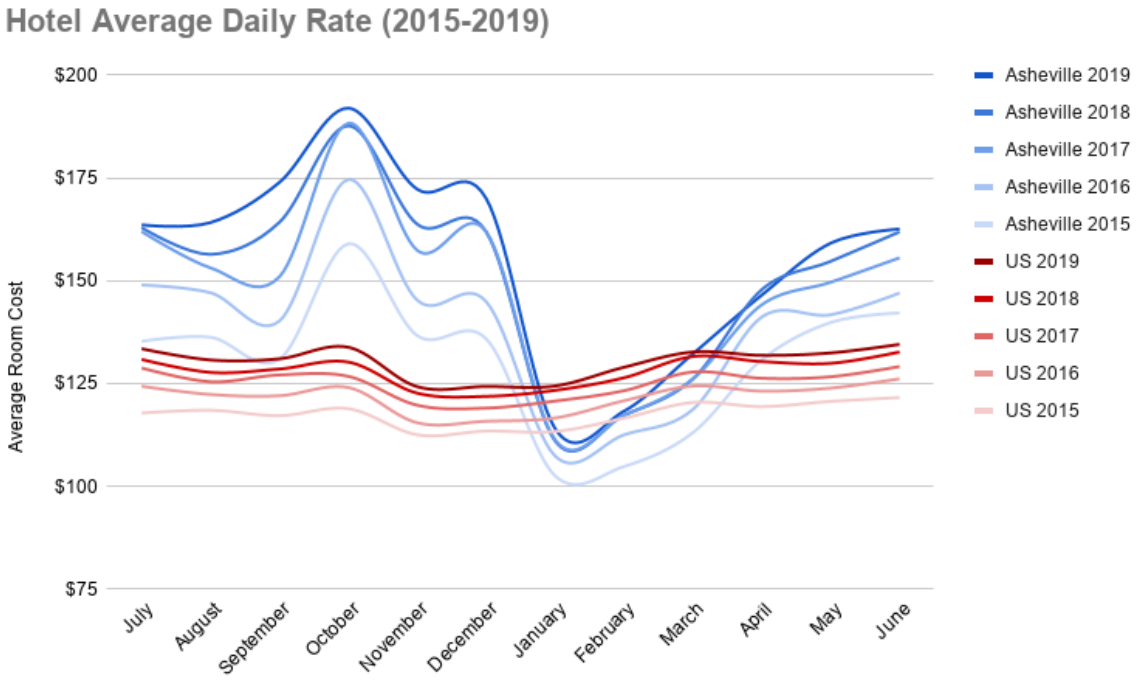
The following chart shows Asheville's average monthly occupancy rate compared to the United States[17]. For most of the year, Asheville maintains an occupancy rate that is approximately 5-15% higher than the U.S. average for the same month, with the highest difference in occupancy rates between Asheville and the national average between October and December. Only for the months of January and February are Asheville occupancy rates lower than the national average.

[16]AVL Regional Airport, 1-15-19. AVL served more than 1 million annual passengers for the first time in its history in 2018

[17] Asheville Data Source: Smith Travel Research (Via Explore Asheville). US Data Source: Statista



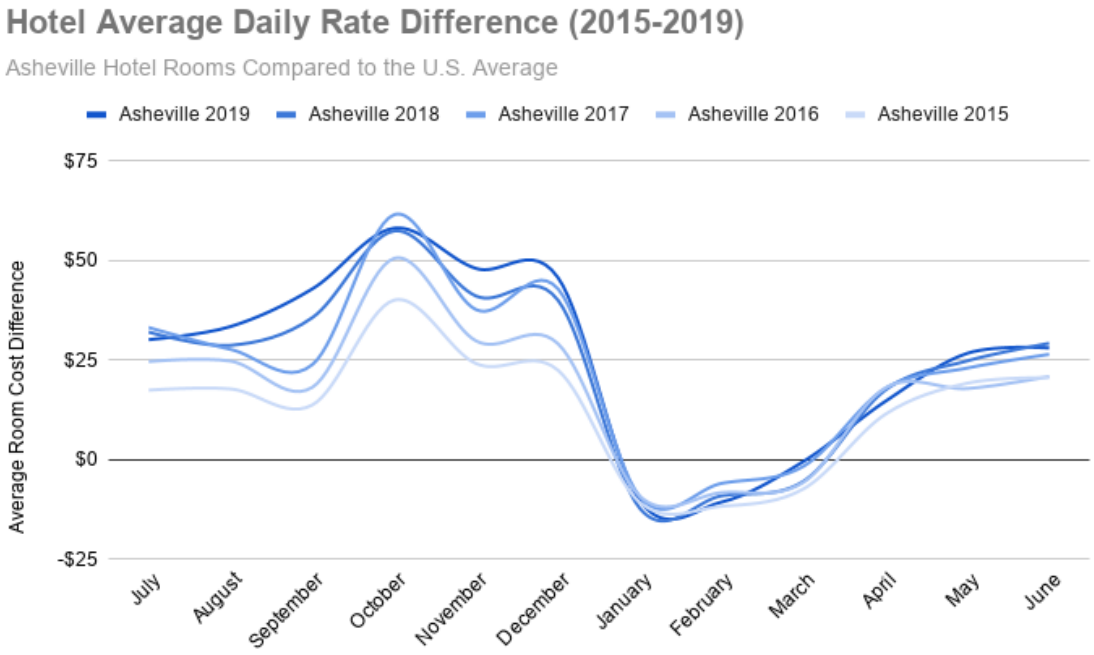
Occupancy rates that are higher than average imply that hotel prices are higher than the national average for the months that the occupancy rate is higher than the average and vice versa. This is true and is shown in the following chart[18].



The difference between the average cost of hotel rooms in Asheville compared to the U.S. is shown in the following chart, with rooms approximately 50 dollars more expensive during “leaf”

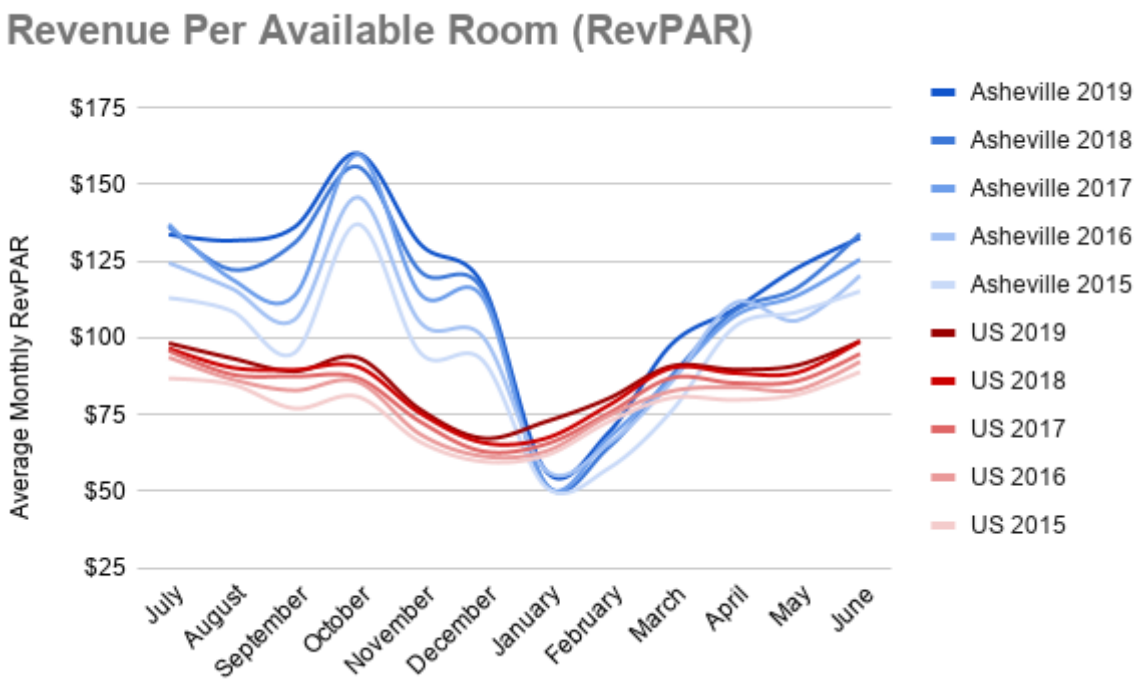
[18] Asheville Data Source: Smith Travel Research (Via Explore Asheville: https://www.ashevillecvb.com/monthly-indexes). US Data Source: Statista (https://www.statista.com/statistics/208133/us-hotel-revenue-per-available-room-by-month)

season when tourists typically flock to Asheville during the fall season and approximately 10 dollars less expensive in January and February. Over the last five years, averaging the cost of rooms in Asheville compared to the national average, rates are approximately $21 higher every day.



Considering that the average occupancy rate and associated hotel room pricing is higher than the national average for most of the year, it follows that additional hotel supply is required in order to bring down the price of hotel rooms, if greater alignment with the national average is a desired outcome. This assumes, however, that the demand for hotels in Asheville is naturally occurring and not somehow artificially induced. If it is the case, as suggested earlier, that spending for tourism marketing to attract visitors to Asheville is the cause of a greater number of tourists than might be attracted to Asheville without such marketing, then it may be reasonable to suggest that the hotel demand and associated higher-priced rooms would be reduced if marketing spending were decreased.

Another perspective of hotel performance is the revenue per available hotel room, or RevPAR. This measure is the result of the average daily rate multiplied by the occupancy rate. It provides a view into the number of rooms that are being sold at a hotel and how much revenue is being generated from those bookings. The following chart compares Asheville's RevPAR against the U.S.



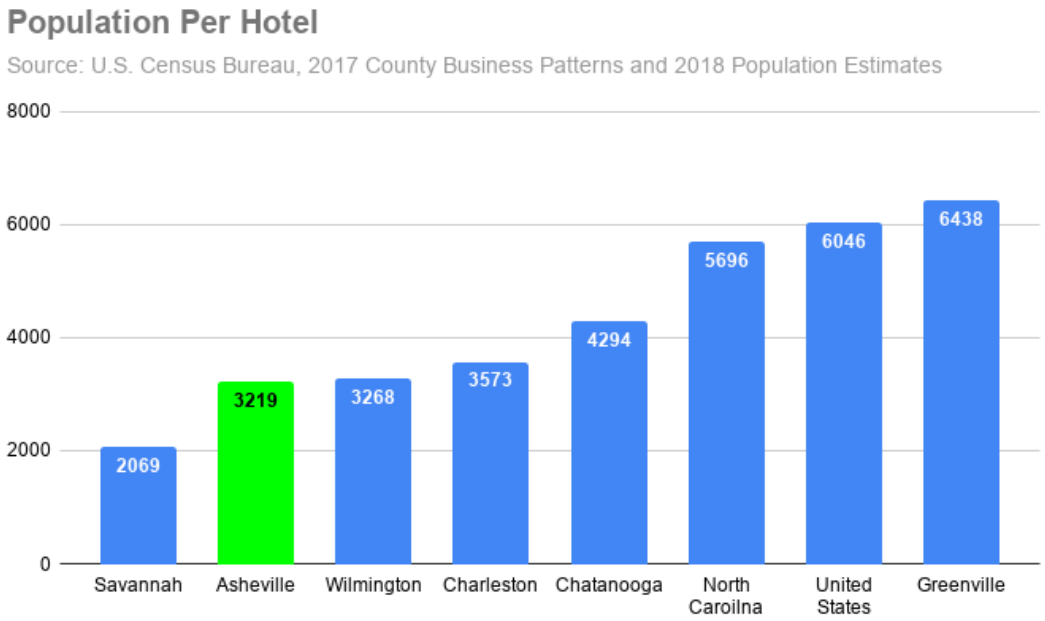
PEER CITY COMPARISONS

For this report, we have chosen five cities to compare Asheville data against. The cites are Charleston, SC, Chattanooga, TN, Greenville, SC, Savannah, GA, and Wilmington, NC. These "peer" cities were selected because they are all located in the Southeast region of the United States, they are all similarly-sized small cities, and have some component of tourism, some greater than others. Some of these cities were also used as benchmark cities for Asheville's recently-adopted comprehensive plan, *Living Asheville: A Comprehensive Plan for Our Future*.

		Occupancy Tax				Hotel Rooms	
City	Population	City Budget Share	Tax $/Capita	Tax $/Hotel Room	Source/ Budget Year	Total	Population /Room
Savannah	146,000	$11,650,850	$80	$713	FY19, pg. 86	16,350	9
Wilmington	119,000	$5,061,597	$43	$699	FY19, pg. 98	7,245	16
Chattanooga	180,000	$7,618,531	$42	$698	FY19, pg. 20	10,922	16
Charleston	136,000	$7,549,031	$56	$350	FY19, pg. 71	21,596	6
Greenville	69,000	$3,299,659	$48	$336	FY 19, pg. F-13	9,818	7
Asheville[19]	92,000	$0	$0	$0		8,295	11

[19] It should be noted that unlike the other cities surveyed, the City of Asheville does not receive a share of the occupancy tax directly. The most recent year that the City of Asheville received an award was 2017, which provided $4,600,000 to the city's Riverfront Redevelopment project.

By their nature, tourist destinations have a higher number of hotels and hotel-related establishments than do typical cities. It is interesting to note that the number of hotels in relation to the population is higher in Asheville than most of the identified peer cities, as indicated in the following chart.



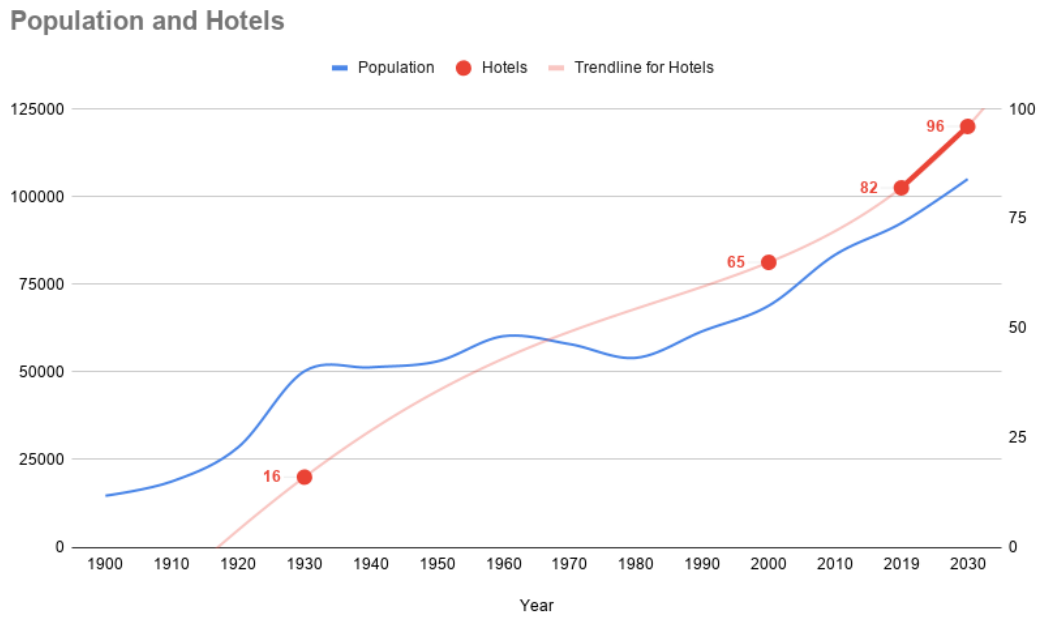
Cities with fewer residents per hotel are those places that attract more visitors and tourists.The source data is not available per city so this chart compares the relevant Metropolitan Statistical Areas (MSA), which are defined as one or more adjacent counties or county equivalents that have at least one urban core area of at least 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties (the Asheville MSA in 2017 totalled 425,000 and includes Buncombe, Haywood, Henderson and Madison counties). This highlights that Savannah has the greatest number of visitors, followed by Asheville and Wilmington, which are about twice as high as the national average.

Further, the three cities with the lowest population per hotel (i.e. those cities with the greatest number of tourists) are also the cities with the highest housing costs in relation to income (see Average Employee Salary chart in the section on Economic Conditions) indicating that tourist destinations are also attractive for permanent relocation. This underscores the challenges faced by communities that are popular tourism destinations, especially the gap between low paying jobs and high housing costs, despite low levels of unemployment.

Another perspective is to note the population-to-hotel ratio for North Carolina compared to Asheville. While the Asheville metro area comprises only 4.2% of the State's population, it contains 7.5% of the State's hotels.

If one looks at hotels within the Asheville city limits one can see a deeper correlation amongst hotels and population. Knowing that Asheville is the economic engine of the MSA, we would

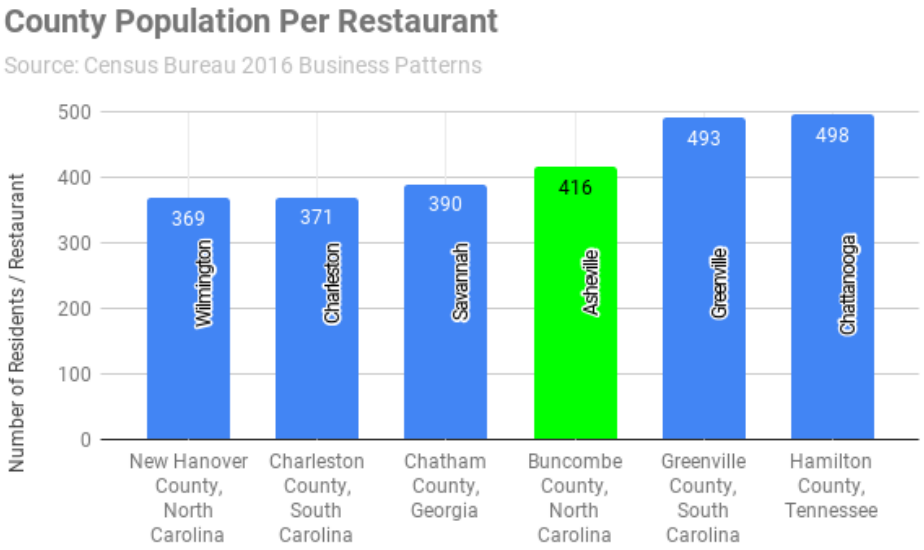
expect the population to hotel ratio for the city itself to be even lower than the MSA because it likely carries the majority of hotels with a much smaller population. This is borne out by the data. In 2000 the population to hotel ratio for just the city was 1,060. Today (2019) that ratio is 1,127. If population grows as predicted in the city's comprehensive plan, Asheville will have a population of 105,000 in 2030. And if we apply a population-to-hotel ratio that is the average of the last twenty years (1,094), the implication is that Asheville would be able to accommodate an additional 14 hotels (for a total of 96 hotels) by 2030 to maintain the aforementioned average ratio, as shown in the following chart.



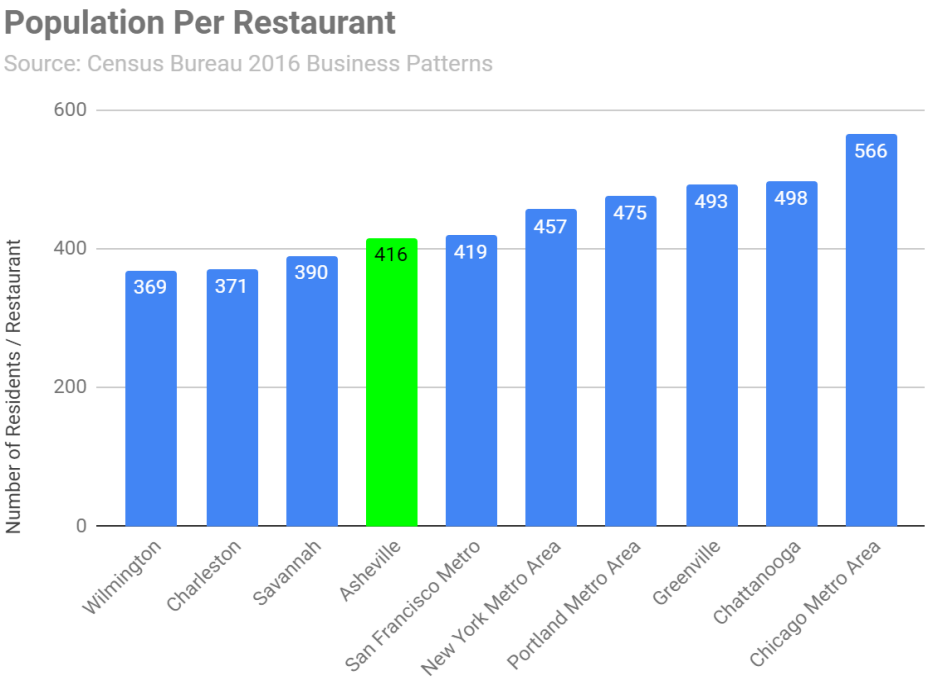
The projected future population-to-hotel ratio above is, of course, only an approximation of what is possible assuming that visitors from outside the area continue to be attracted to Asheville as they have in the past, but local factors such as marketing, as well as other economic trends could change how many visitors actually come to Asheville in future years. For example, if current marketing contributes to a high number of tourists, then it is reasonable to believe that a reduction in marketing may lead to a reduction in the number of tourists. If this occurs, would the reduction in marketing be enough to rebalance the demand/supply of hotels to bring hotels into greater equilibrium with the peer city averages? This question suggests that although Asheville's history as a destination will continue to attract tourists from near and far, state and local policy decisions related to hotels need to be understood along with their related benefits and challenges.

Another proxy for hotel impacts is the number of residents in a given area in relation to the number of restaurants. Typical communities will have more residents per restaurant, or a smaller supply of restaurants to go around, indicative of a weaker demand for restaurant services. Communities with strong tourism will have a greater demand for restaurants and so the greater number of establishments in relation to the resident population can be considered a proxy for that community operating as a tourist destination.

The following chart shows the county population[20] per restaurant for the peer cities. The ratio ranges from 369-498.



Interestingly, these locations have about the same restaurant activity as do the metro areas of bigger cities in the U.S., as shown below. These similar ratios may be rooted in different causes. For example, it may be the case that larger cities have a greater percentage of residents eating out, providing a greater demand for restaurants whereas the smaller tourist towns support their eating establishments with greater numbers of visitors.



[20] This data is not provided at the city level so a comparison of the next largest jurisdiction is being employed.

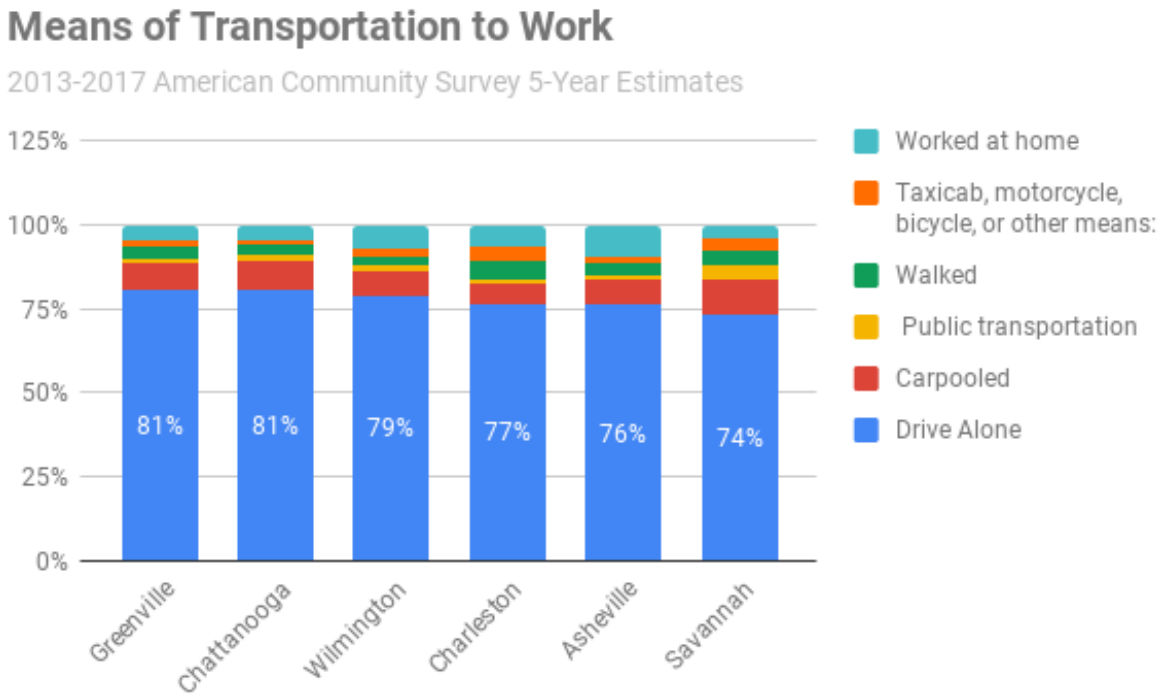
HOTEL IMPACTS

TRANSPORTATION AND PARKING

Asheville is heavily tied to the automobile as the land use pattern is typical of an American suburban city, with pockets of denser mixed-use activity, such as Downtown and Biltmore Village. Compared to the peer cities, however, Asheville fares a little better as only approximately 76% of those commuting to work do so by driving alone (see the following chart). Asheville stands out from the peer cities in that approximately 10% of the population works at home.

Recently, Asheville has committed to more investment in multimodal infrastructure. The following highlight recent investments:

- Having received a $14.6 million grant award from the federal Transportation Department TIGER VI to provide key bicycle and pedestrian connectivity throughout the River Arts District with green spaces along the French Broad River, river access points and safer roadways for motorists to navigate.
- Purchase of new transit vehicles including five battery-electric, zero emission buses, four diesel buses, and three diesel/electric buses. The city has also expanded the transit system consistent with the Transit Master Plan's Year 1 recommendations (partial).
- $32 million in bond referendum transportation improvements, including funding for transit, sidewalks, and greenways.



Asheville's downtown business community continues to have concerns about parking availability downtown. In surveys completed in 2018 and 2019 by the Downtown Commission and Asheville Downtown Association, parking was cited as a top priority as well as a top concern.

In the most recent survey, 95% of respondents indicated that they have one or more employees that drive downtown for work and need parking. Related, 39% of respondents indicated that employees struggle to find parking, and 38% of respondents said that employees park in on-street metered spaces. When asked what products and services business representatives want more of downtown, 49% of respondents identified parking. When asked what issues are negatively impacting businesses, 51% of respondents said lack of parking (the top issue indicated). Second to parking was cleanliness with 35% of respondents indicating that as an issue.

How do hotels impact Asheville's transportation and parking infrastructure? Trip generation refers to the number of trips that certain land uses produce. According to the Institute of Transportation Engineers' (ITE) 10th Edition Trip Generation Manual, Hotels (ITE code 310) produce auto trips at a rate of 8.36 per room. A 100 room hotel would therefore generate 836 trips per weekday with 47 peak hour trips are estimated for the morning (AM peak) and 60 for the evening (PM peak). These rates assume transportation to/from hotels for sleeping accommodations as well as trips to restaurants, lounges and related tourism activities.

Hotel auto trips are typically less in number than other residential and commercial uses because hotel guests do not typically generate trips associated with supplemental goods/services, such as UPS/mail, food delivery, visitors, etc. 100 single-family homes, for instance, generate 940 daily trips on a given weekday, or 100 more trips than a 100 room hotel. Similarly, a 6,000 square foot sit-down restaurant would generate approximately the same amount of traffic as that same 100 room (and approximately 40,000 square foot) hotel.

It should be noted that localized transportation impacts, such as on traffic, sidewalks, etc. can occur for specific development projects. The city requires a traffic impact analysis to be submitted when a project results in total peak hour trips equal to or greater than 100 peak hour trips using trip generation rates from the most recent edition of the Trip Generation Manual published by the Institute of Transportation Engineers. This includes an analysis of the traffic to be generated and potential mitigation measures if impacts are identified. In downtown, the city requires that the analysis includes a discussion/evaluation of pedestrian impacts, construction impacts, proximity to transit (with possible single-occupancy-vehicle trip generation reduction).

WATER

The average use of water for hotels based upon a 22% sample of hotels total 2,706 gallons (or 3.6 cubic feet) per room per month. This is a low water use compared to other uses as hotels rooms do not have kitchens and guests spend a lot of their time in other locations where their

water use is distributed throughout their stay, such as while visiting restaurants, concerts, museums, etc.

The following summarizes water use for other activities in Asheville:

- Residential units - 4,500 gallons per unit per month (an average of 2,224 gallons per month per person)
- Manufacturing/commercial uses consume from 7,500-224,000 gallons per month
- Restaurant water use ranges from 37,400-112,000 gallons per month
- Some of Asheville's larger water consumers include breweries and other bottlers that use up to 1,500,000 gallons per month

The city owns and operates three water treatment plants: North Fork (located in Black Mountain), William DeBruhl (located in Swannanoa), and Mills River (located near the Asheville Regional airport). The Mills River facility was built with the intent to expand with growing demand. According to the Living Asheville Comprehensive Plan, Asheville's overall water system is at about 50% capacity under current usage trends.

Improvements to water infrastructure and facilities are conducted as part of the city's Capital Improvement Program (CIP). Current water-related CIP projects can be found here; a map of water and other CIP projects can be found here.

SEWER

The state of North Carolina has sewer allocation guidelines for different types of buildings. The following are the three types of hotels and their allotted sewer demand allocations:

- Hotels, Motels, Bed & Breakfast Facilities without in-room cooking facilities = 120 gallons per day (GPD) per room
- Hotels and Motels with in-room cooking facilities = 175 GPS/room
- Resort Hotels = 200 GPD/room

Asheville's governing body for wastewater, the Metropolitan Sewer District (MSD), will not issue an allocation approval if capacity in the downstream line is not adequate, which, according to MSD, rarely happens.

The demand on the wastewater system for hotels is comparable to residential development, which requires an allocation of 120 GPD/bedroom for residential units. It is difficult to compare wastewater usage from hotels with other commercial uses because the standard daily flow for design rate for those uses employs different measures of unit, such as 40 gallons per seat in full-service restaurants or 50 gallons per seat for barber shops[21].

According to the Living Asheville Comprehensive Plan, sewer infrastructure in Asheville is maintained by the MSD of Buncombe County, which serves over 130,000 people from five

[21] See excerpt of State Statute for North Carolina Wastewater Design Flow Rates: hyperlink.

municipalities and 10 special districts. The district operates a sewer collection system and one wastewater treatment plant, called the Water Reclamation Facility, that has a total permitted capacity of 40 million gallons per day (MGD) and a firm (or peak) capacity of 65 MGD. The current average daily flow is 19.5 MGD, and in 2017, a maximum daily flow of 53 million gallons per day (MGD) was treated. The Water Reclamation Facility is operating at around 50% capacity today in terms of the average daily flow.

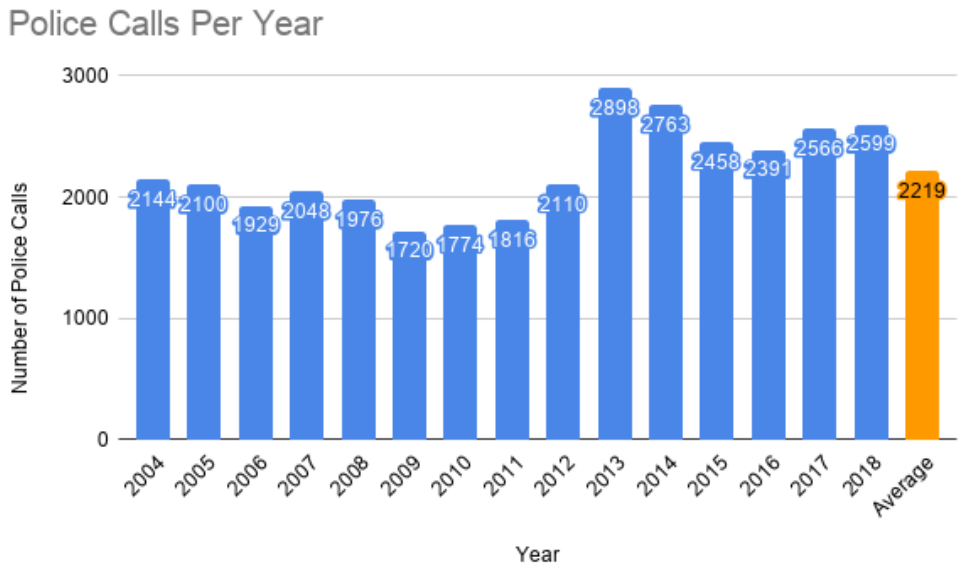
COMMUNITY SAFETY

Asheville statistics indicate that on average for every 10 people citywide, the city receives one 911 call per year. This means that as both population and the number of tourists increases, emergency calls will also increase. This highlights that emergency service calls are generally linked to the number of people in an area.

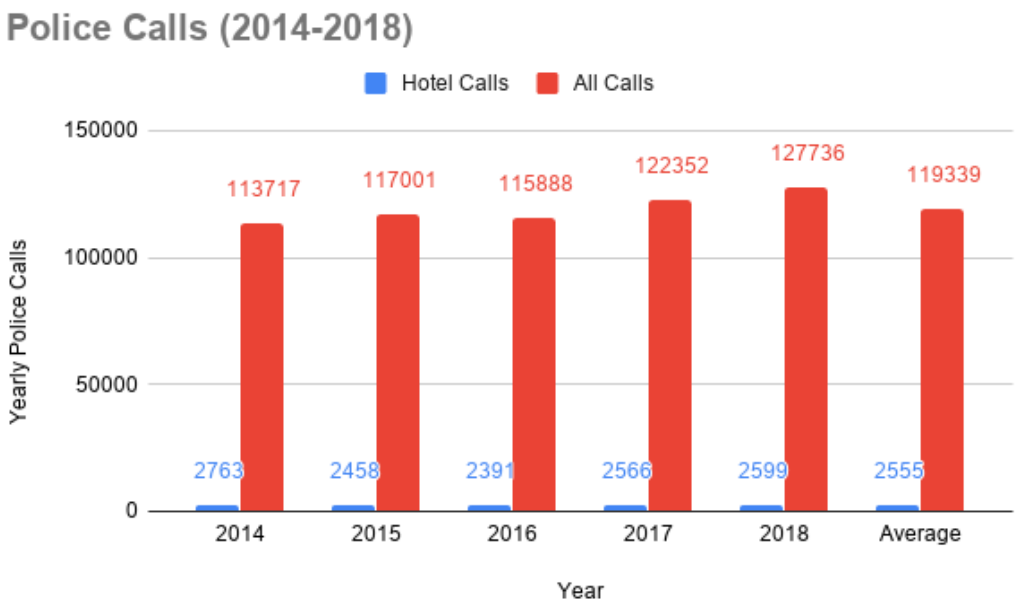
Emergency calls are routed to the relevant department, to the County Fire Department, Asheville Fire Department, or Asheville Police Department. The average number of emergency calls directed to the Asheville Fire Department related to hotels in 2018 totals approximately 900 calls, or 75 calls per month. This comes to less than one call per hotel every month.

The average cost to the city per call that is responded by the Asheville Fire Department (AFD) is $2.75, which includes fuel and wear and tear on apparatus and equipment but does not include staff salaries as those are incurred regardless of the number of responses and so are assumed to be constant. This translates to a yearly cost of approximately $2,500 for hotel-related AFD service call impacts. In comparison, restaurants generated approximately the same number (940) of AFD calls in 2018.

Emergency calls routed to the Asheville Police Department (APD) are higher than those routed to the Fire Department. Over the last 15 years, emergency calls routed to APD for hotels have averaged approximately 2,219 per year, as shown here.



Between 2014 and 2018, calls to APD for hotel-related issues have averaged approximately 2% of all department calls, as shown below.



In 2018, the cost per call dispatched was $253. Hotel-related calls, therefore, cost the city approximately $658,000 in 2018, or 2% of the APD budget.[22]

Between FY 2017-18 and 2018-19, Asheville's adopted budget included the funding of a new Downtown District to meet increasing demands in that area. The overall annual budget impact to the city's general fund is over $1 million plus $384,000 for the purchase of new vehicles for this unit from the city's five-year Capital Improvement Program.

Beginning in January 2020, APD will add a new patrol district, as well as realign existing patrol districts. These changes will directly impact APD's ability to deliver public safety services citywide through improved response times, increased community policing efforts, and enhanced relationships with community stakeholders. In response to increasing calls for service in the areas of the Central Business District (including South Slope), South French Broad, River Arts District (RAD), and neighborhoods along Martin Luther King Jr. Drive, APD has created a fourth patrol district, to be known as Charlie District. The new district creates a standalone, dedicated patrol unit to provide 24/7 coverage (see 12/16/19 city press release).

ECONOMIC IMPACTS

In 2017, The Asheville Convention and Visitors Bureau commissioned the attached report on the Economic Impacts of Tourism in Buncombe County. Impacts include those from direct spending, indirect (supply-chain) effects, and induced (income) effects as defined in the

[22] UNC School of Government North Carolina Benchmarking Project. *Final Report on City Services for Fiscal Year 2017-2018*. April 2019. Chapel Hill. Page 111.

Economic Conditions section of this report and were measured in terms of employment, income, business sales and tax revenues. Unsurprisingly, the report found that tourism is an integral part of the Asheville regional economy. Highlights from the report include:

- Visitors to Asheville spent $2.0 billion in 2017, which generated $3.1 billion in total business sales, including indirect and induced impacts.
- Food and beverage accounted for most visitor spending with $544 million, followed by lodging at $453 million, retail at $437 million, and $275 million in recreation spending[23].
- About half of visitor spending was on food and beverage and retail combined, and lodging accounted for 23.4% of visitor spending.
- Most visitor spending occurs at businesses in the City of Asheville: 79% of food and beverage, 73% of retail, 81% of lodging, and 84% of recreation spending.
- Tourism in Asheville generated $368 million in tax revenues in 2017, including $199 million in state and local revenues.

Additional information on the economic impacts of tourism in Buncombe County can be found in the 2017 report, An Assessment of the Impacts of Buncombe County Tourism.

Further, according to the 2016 Advertising Effectiveness & ROI report prepared for the BCTDA, for every $1 spent on advertising, visitors spent $43 in the Asheville community, resulting in $21 million of total influenced tax collections (or nearly $4 of influenced tax collections for every $1 spent on marketing).

ENVIRONMENTAL IMPACTS

Until fairly recently the environmental impacts of the tourism industry were not well quantified, but according to a 2018 article published in the journal *Nature Climate Change*, it was found that tourism accounts for approximately 8% of greenhouse gas emissions, which contribute to climate change. The United States topped the list for travel emissions largely due to the number of domestic flights. The study found that the industry's biggest emissions contributors are transportation, shopping and food.

Further, according to a 2019 article in the Mountain Xpress and the U.N. Intergovernmental Panel on Climate Change (IPCC), "...aviation accounts for roughly 3.5% of all human climate impacts, and U.N. scientists have called for "rapid and far-reaching transitions" in transportation infrastructure to avoid the worst consequences of climate change"[24].

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[23] According to the publication *2018 North Carolina Visitor Profile* (page 20), out-of-state overnight visitors to North Carolina spend 57% more on average per trip than in-state overnight visitors. Also, lodging accounts for the most visitor spending, followed by food/beverage/dining, gasoline/other transportation, shopping/gifts/souvenirs, groceries, entertainment/admissions, gaming, amenities (golf fees, spa, etc.), and other spending areas.

[24] Daniel Walton. *Asheville Regional Airport plans for future growth*. Mountain Xpress. 27 September 2019. Hyperlink; IPCC. *Summary for Policymakers*. 2018. Hyperlink; IPCC. *Aviation and the Global Atmosphere*. 1999. Hyperlink.

A visitor survey completed as part of the TMIP process indicated that 82% of visitors to Asheville arrive by car. This is slightly less than state averages, in which approximately 88% of in-state visitors and about 75% of out-of-state visitors travel by car for overnight travel[25].

Regardless, air traffic at the Asheville Regional Airport continues to rise. May of 2019 saw the highest monthly passenger counts in the history of the airport. In total, AVL served 143,695 passengers in the month of May, with first quarter passenger numbers up 45% compared to last year. The airport attributes the growth to the significant investments they have made in adding new routes, seating capacity and new airlines entering the market, growth in local business travel and tourism, and the strength of the overall economy.

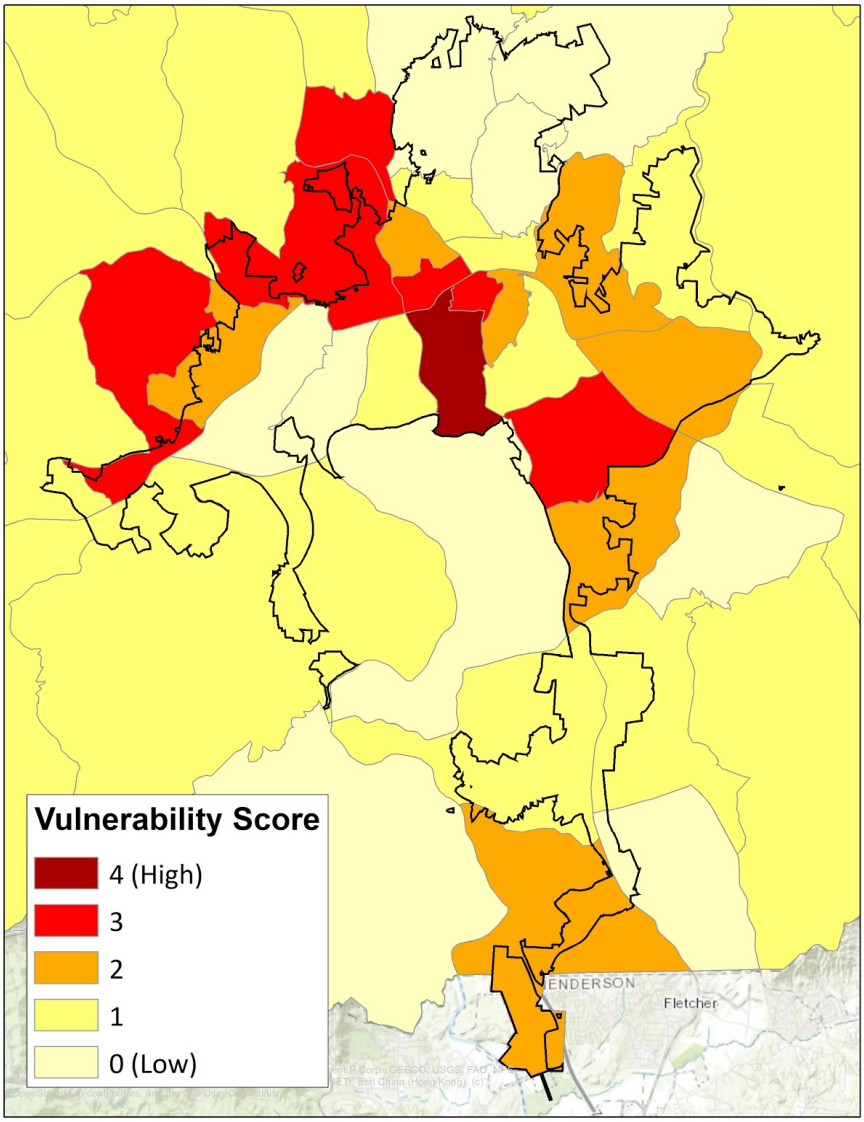
While it is difficult to quantify the specific environmental impacts from tourism on Asheville, it is clear that growth in the tourism sector will continue to impact the environment and should be considered when evaluating development tools and strategies.

SOCIAL IMPACTS

As summarized in the problem statement, community concern over hotel construction and both the real and perceived negative impacts of tourism were mounting leading up to the hotel moratorium. Public opinion reached a climax over the summer when the Asheville City Council narrowly (4-3 vote) approved the conversion of the Flatiron Building, a downtown local historic landmark, for use as a hotel, which resulted in the loss of affordable small business office space in the building. Other concerns, voiced by those opposed to the project, included an increase in trash, light and noise pollution, a concern about the availability of parking for downtown residents and workers and general concern about the negative impact on the quality of life for downtown residents and workers.

Issues of equity and gentrification have also been a growing concern for Asheville and the city of Asheville is beginning to use the Government Alliance Racial Equity (GARE) toolkit to review policies and projects. As part of a recent rezoning proposal, planning staff prepared the map below. Using methodology from the City of Portland's Gentrification and Displacement Study, the map shows which areas are most vulnerable to gentrification and displacement. Factors that contribute to a census tract's vulnerability include a higher percentage of renting households, a higher percentage of racial minorities, a higher proportion of adults without bachelors degrees, and a greater percentage of households with income below 80% of the area median income.

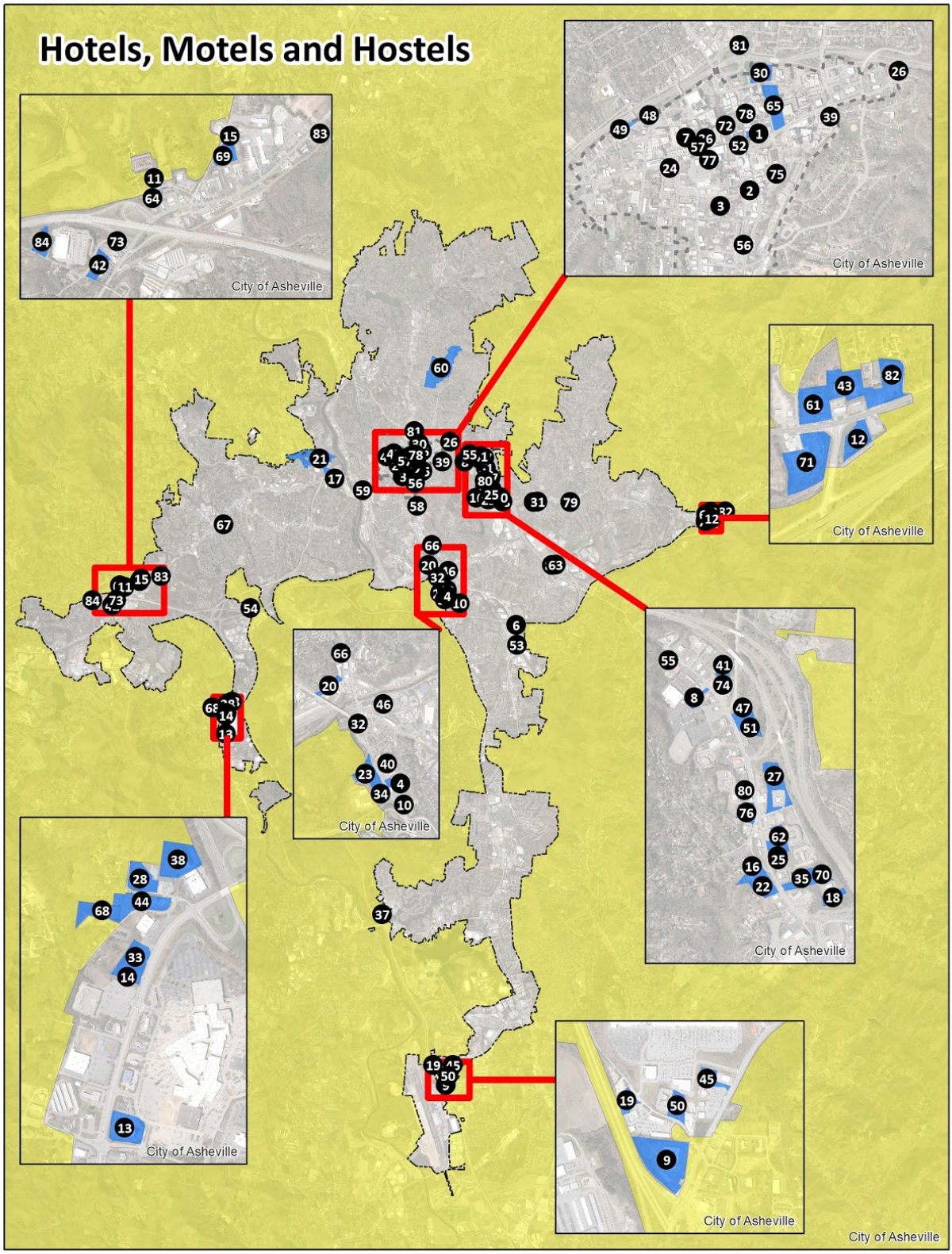
[25] Visitor North Carolina - A Unit of the Economic Development Partnership of North Carolina. *2018 North Carolina Visitor Profile*. Page 11. Further, about 2% of in-state overnight visitors and 14% of out-of-state visitors travel by air for their primary transportation mode.



Vulnerability Score Map

With the rise of the global middle class “overtourism” has become a hot topic and the need for tourism to be developed and managed in a sustainable manner for both visitors and local communities is paramount. While tourism and the associated hotel development are an economic engine for the community and have contributed to the emergence of Asheville as a vibrant city, having provided opportunities for small businesses and industry to grow and enhanced markets for makers and other creatives, the public policy question that the city seeks to address is, how can Asheville balance tourism and the needs of residents and businesses to ensure the authentic character and quality of life for all Ashevillians is not diminished.

APPENDIX A - MAP OF HOTELS



Number	Name	Class	Address	Rooms	Acreage	Status	Year Built
1	AC HOTEL BY MARRIOTT ASHEVILLE DOWNTOWN	HOTEL	10 BROADWAY ST	132	0.58	Complete	2016
2	ALOFT ASHEVILLE DOWNTOWN	HOTEL	51 BILTMORE AVE	115	0.97	Complete	2011
3	ASHEVILLE HOSTEL & GUEST HOUSE	HOSTEL	16 RAVENSCROFT DR	9	0.10	Complete	1913
4	BAYMONT INN & SUITES BY WYNDHAM AVL BILTMORE VLG	HOTEL	204 HENDERSONVILLE RD	71	1.04	Complete	1998
5	BEST WESTERN ASHEVILLE TUNNEL ROAD	HOTEL	501 TUNNEL RD	96	3.08	Complete	1963
6	BROOKSTONE LODGE	HOTEL	4 ROBERTS RD	73	1.15	Complete	2008
7	CAMBRIA HOTEL DOWNTOWN ASHEVILLE	HOTEL	15 PAGE AVE	136	0.45	Complete	2016
8	CANDLEWOOD SUITES	HOTEL	49 TUNNEL RD	103	1.86	Incomplete	TBD
9	CLARION INN ASHEVILLE AIRPORT	HOTEL	550 NEW AIRPORT RD	150	10.12	Complete	1984
10	CLARION INN BILTMORE VILLAGE	HOTEL	234 HENDERSONVILLE RD	69	1.19	Complete	1994
11	COMFORT INN BILTMORE WEST	HOTEL	15 CROWELL RD	62	1.30	Complete	1996
12	COMFORT INN TUNNEL ROAD EAST	HOTEL	1435 TUNNEL RD	84	2.17	Complete	1990
13	COMFORT SUITES OUTLET CENTER	HOTEL	890 BREVARD RD	125	2.50	Complete	1989
14	COUNTRY INN & SUITES BY RADISSON ASHEVILLE OUTLETS	HOTEL	845 BREVARD RD	57	0.88	Complete	1999
15	COUNTRY INN & SUITES BY RADISSON ASHEVILLE WEST	HOTEL	1914 OLD HAYWOOD RD	80	1.61	Complete	2008
16	COUNTRY INN & SUITES BY RADISSON AVL TUNNEL RD	HOTEL	199 TUNNEL RD	74	2.09	Complete	2003
17	COUNTRY INN & SUITES BY RADISSON AVL WESTGATE	HOTEL	22 WESTGATE PKWY	94	2.38	Complete	2015
18	COURTYARD BY MARRIOTT ASHEVILLE	HOTEL	1 BUCKSTONE PL	88	1.67	Complete	1996
19	COURTYARD BY MARRIOTT ASHEVILLE AIRPORT	HOTEL	360 ROCKWOOD RD	91	1.67	Complete	2014
20	COURTYARD BY MARRIOTT BILTMORE VILLAGE	HOTEL	26 MEADOW RD	112	3.09	Incomplete	2020
21	CROWNE PLAZA HOTELS & RESORTS ASHEVILLE	HOTEL	1 RESORT DR	272	108.45	Complete	1973
22	DAYS INN BY WYNDHAM ASHEVILLE MALL	HOTEL	201 TUNNEL RD	128	2.95	Complete	1960
23	DOUBLETREE BY HILTON ASHEVILLE	HOTEL	115 HENDERSONVILLE RD	197	8.07	Complete	1989
24	DOWNTOWN INN	MOTEL	120 PATTON AVE	89	0.77	Complete	1964
25	ECONO LODGE BILTMORE	MOTEL	190 TUNNEL RD	53	1.08	Complete	1973
26	ELEMENT HOTEL	HOTEL	62 COLLEGE PL	100	0.97	Incomplete	2020
27	EXTENDED STAY AMERICA ASHEVILLE TUNNEL RD	HOTEL	6 KENILWORTH KNLS	101	5.14	Complete	1997
28	FAIRFIELD INN & SUITES BY MARRIOTT AVL OUTLETS	HOTEL	11 ROCKY RIDGE RD	92	1.82	Complete	1996
29	FAIRFIELD INN & SUITES BY MARRIOTT AVL TUNNEL RD	HOTEL	184 TUNNEL RD	80	1.45	Complete	2017
30	FOUR POINTS BY SHERATON ASHEVILLE DOWNTOWN	HOTEL	22 WOODFIN ST	150	3.55	Complete	1969
31	GLO BEST WESTERN ASHEVILLE TUNNEL RD	HOTEL	509 TUNNEL RD	72	1.64	Complete	2018
32	GRAND BOHEMIAN HOTEL	HOTEL	11 BOSTON WAY	104	0.82	Complete	2008
33	HAMPTON INN & SUITES ASHEVILLE BILTMORE AREA	HOTEL	835 BREVARD RD	114	1.68	Complete	2017
34	HAMPTON INN & SUITES ASHEVILLE BILTMORE VILLAGE	HOTEL	117 HENDERSONVILLE RD	118	4.16	Complete	2017
35	HAMPTON INN ASHEVILLE TUNNEL ROAD	HOTEL	204 TUNNEL RD	120	3.49	Complete	1994
36	HAYWOOD PARK HOTEL	HOTEL	1 BATTERY PARK AVE	48	0.27	Complete	1926
37	HILTON ASHEVILLE BILTMORE PARK	HOTEL	43 TOWN SQUARE BLVD	165	1.09	Complete	2008
38	HILTON GARDEN INN ASHEVILLE BILTMORE AREA	HOTEL	1 ROCKY RIDGE RD	111	3.05	Incomplete	2020
39	HILTON GARDEN INN ASHEVILLE DOWNTOWN	HOTEL	309 COLLEGE ST	140	0.74	Complete	2015
40	HOLIDAY INN & SUITES ASHEVILLE BILTMORE VILLAGE	HOTEL	186 HENDERSONVILLE RD	117	2.50	Complete	2017
41	HOLIDAY INN & SUITES ASHEVILLE DOWNTOWN	HOTEL	42 TUNNEL RD	111	1.22	Complete	2005
42	HOLIDAY INN ASHEVILLE BILTMORE WEST	HOTEL	435 SMOKEY PARK HWY	156	3.29	Complete	1983
43	HOLIDAY INN ASHEVILLE EAST	HOTEL	1450 TUNNEL RD	111	3.27	Complete	1973
44	HOLIDAY INN EXPRESS & SUITES ASHEVILLE SW	HOTEL	12 ROCKY RIDGE RD	108	2.05	Complete	1997
45	HOME2 SUITES BY HILTON AIRPORT	HOTEL	390 AIRPORT RD	112	1.84	Incomplete	2020
46	HOME2 SUITES BY HILTON BILTMORE VILLAGE	HOTEL	61 HENDERSONVILLE RD	117	2.00	Incomplete	2020
47	HOMEWOOD SUITES BY HILTON ASHEVILLE TUNNEL RD	HOTEL	88 TUNNEL RD	94	1.88	Complete	2005
48	HOTEL INDIGO ASHEVILLE DOWNTOWN	HOTEL	151 HAYWOOD ST	115	0.70	Complete	2009
49	HYATT PLACE ASHEVILLE DOWNTOWN	HOTEL	199 HAYWOOD ST	140	1.37	Complete	2014
50	HYATT PLACE HOTEL AIRPORT	HOTEL	329 ROCKWOOD RD	108	2.00	Incomplete	TBD
51	IN TOWN MOTOR LODGE	MOTEL	100 TUNNEL RD	44	2.08	Complete	1960
52	KIMPTON HOTEL ARRAS	HOTEL	7 PATTON AVE	128	0.61	Complete	2019
53	LA QUINTA INN BILTMORE VILLAGE	HOTEL	156 SWEETEN CREEK RD	76	2.00	Incomplete	TBD
54	MAINSTAY SUITES	HOTEL	511 BREVARD RD	106	2.97	Incomplete	TBD
55	MOUNT VUE MOTEL	MOTEL	15 TUNNEL RD	9	0.45	Complete	1956
56	N/A - Pending	HOTEL	155 BILTMORE AVE	56	0.33	Incomplete	TBD
57	N/A - Pending	HOTEL	20 BATTERY PARK AVE	71	0.14	Incomplete	TBD
58	N/A - Pending	HOTEL	324 BILTMORE AVE	102	0.78	Incomplete	TBD
59	N/A - Pending	HOTEL	95 ROBERTS ST	70	0.88	Incomplete	TBD
60	OMNI GROVE PARK INN	HOTEL	290 MACON AVE	513	137.57	Complete	1893
61	QUALITY INN & SUITES BILTMORE EAST	HOTEL	1430 TUNNEL RD	132	2.88	Complete	1973
62	QUALITY INN ASHEVILLE DOWNTOWN TUNNEL RD	HOTEL	180 TUNNEL RD	57	1.92	Complete	1963

Number	Name	Class	Address	Rooms	Acreage	Status	Year Built
63	RAMADA BY WYNDHAM ASHEVILLE SOUTHEAST	HOTEL	148 RIVER FORD PKWY	113	3.14	Complete	1985
64	RED ROOF INN ASHEVILLE WEST	HOTEL	16 CROWELL RD	109	1.95	Complete	1986
65	RENAISSANCE HOTEL ASHEVILLE	HOTEL	31 WOODFIN ST	277	5.50	Complete	1974
66	RESIDENCE INN BY MARRIOTT ASHEVILLE	HOTEL	701 BILTMORE AVE	72	1.96	Complete	1997
67	ROCK HAVEN TERRACE MOTEL	MOTEL	1464 PATTON AVE	20	1.52	Complete	1950
68	RODEWAY INN & SUITES	HOTEL	9 WEDGEFIELD DR	65	2.04	Complete	1999
69	SLEEP INN ASHEVILLE BILTMORE WEST	HOTEL	1918 OLD HAYWOOD RD	74	1.94	Complete	1997
70	SPRINGHILL SUITES BY MARRIOTT ASHEVILLE	HOTEL	2 BUCKSTONE PL	88	1.64	Complete	2001
71	SUPER 8 BY WYNDHAM ASHEVILLE BILTMORE	MOTEL	1415 TUNNEL RD	104	4.22	Complete	1989
72	SWEET PEAS HOSTEL	HOSTEL	23 RANKIN AVE	9	0.17	Complete	1916
73	THE ASHEVILLE INN	MOTEL	1 ACTON CIR	25	0.63	Complete	1989
74	THE BEAUCATCHER	MOTEL	60 TUNNEL RD	33	1.39	Complete	1963
75	THE FOUNDRY HOTEL BY HILTON	HOTEL	51 S MARKET ST	87	1.00	Complete	2018
76	THE MOUNTAINEER INN	MOTEL	155 TUNNEL RD	76	2.05	Complete	1939
77	THE PARISIAN	HOTEL	68 PATTON AVE	61	0.28	Incomplete	TBD
78	THE WINDSOR BOUTIQUE HOTEL	HOTEL	36 BROADWAY ST	14	0.16	Complete	1926
79	THUNDERBIRD MOTEL	MOTEL	835 TUNNEL RD	11	0.43	Complete	1958
80	TOWN HOUSE MOTEL	MOTEL	141 TUNNEL RD	27	0.63	Complete	1962
81	TOWNEPLACE SUITES	HOTEL	39 ELM ST	83	0.90	Incomplete	2020
82	TRU BY HILTON	HOTEL	1500 TUNNEL RD	86	2.63	Incomplete	2020
83	WHISPERING PINES MOTEL	MOTEL	140 SMOKEY PARK HWY	16	0.53	Complete	1950
84	WOODSPRING SUITES ASHEVILLE	HOTEL	40 MONTE VISTA RD	105	2.78	Complete	2008
85	WYNDHAM GARDEN HOTEL	HOTEL	150 RIVER FORD PKWY	100	3.43	Incomplete	TBD
				8383			

APPENDIX B - STAKEHOLDER LIST

NAME	ORGANIZATION
Stephanie Pace Brown	Explore Asheville CVB
Gary Froeba, Chair or Himanshu Karvir, Vice Chair	Buncombe County Tourism Development Authority
Kit Cramer or Samantha Cole	Asheville Area Chamber of Commerce
Clark Duncan	Economic Development Coalition
John Beatty or John Winkenwerder	Representing the NC Restaurant and Lodging Association
Jane Anderson	Asheville Independent Restaurant Association (AIR)
Meghan Rogers	Asheville Downtown Association
Sue Robbins or Pam Winkler	Downtown Asheville Neighborhood Association (DARN)
Andrew Fletcher	Asheville Buskers Collective
Craig Jeffries or Bill Steigerwald	South Slope Association
Helen Hyatt or Mike Wasmer	French Broad Neighborhood Association
Lisa Grant or Steve Joiner	Kenilworth Neighborhood Association
Renee White	East End Valley Street
Leah Rainis	Asheville Brewers Alliance
Sage Turner	Asheville Downtown Commission
Franzi Charen	Asheville Grown
Laura Hudson	Planning & Zoning Commission
Tim Love or County Planner	Buncombe County
David Nash	Housing Authority
Nathan Ramsey	Mountain Area Workforce Development Board
Capri Johnson-Wilcoxson	Green Opportunities
DeWayne Barton	Hood Huggers
Carleton Collins	Asheville Area Riverfront Redevelopment Commission
Scott Kerchner or Ben Mitchell	Biltmore Village Merchants Association
Barber Melton	Neighborhood Advisory Committee (NAC)
Margie Bukowski	Asheville Affordable Housing Advisory Committee
Vicki Meath	Just Economics

Chris Day	Civil Design Concepts
Ritchie Rozelle	Workforce Transportation Land Of Sky
Peter Alberice	Development Community
Dewana Little or Anthony Thomas	YMI
John Muth	Asheville Lodging Association
Jennifer Pickering	LEAF
Stephanie Moore	Center for Craft
Joel Atyas or Kerry Heyer	Oakhurst
Sekou Coleman	Southside Rising
Pam Myers	Asheville Art Museum
Birju Patel or Bhupen Patel	Hospitality Industry
Mark Hutchin	North Downtown Business Association
Will Hornady	Charlotte Street Business Association
Andrea Golden	Emma Community
Mike Figura	Asheville Thrive
John McKibbon or Wes Townsend	Hotelier
Chuck Pickering	Biltmore

COA STAFF	
Debra Campbell	City Manager
Cathy Ball	Assistant City Manager
Todd Okolichany	Planning & Urban Design Director
Stacy Merten	Principal Planner
Dana Frankel	Downtown Commission Staff
Stephanie Monson Dahl	Staff, Strategic Development Office
Paul D'Angelo	Community Development
Jessica Morriss	Transportation
Brad Branham	City Attorney
Amber Weaver	Office of Sustainability
Scott Burnette	Fire Chief
Greg Shuler	Public Works Director
Sasha Vrtunski	Downtown Design Review Staff

ASHEVILLE CITY COUNCIL	
Esther Manheimer	Mayor
Sheneika Smith	Council Member