

For Approval August 19, 2020

**Chapel Hill/Orange County Visitors Bureau  
Virtual Board of Directors Meeting  
June 17, 2020**

**Board Members Present:** Pam Hemminger, Dixon Pitt, David Brooks, Tanya Moore, Kayla Dempsey, Mark Bell, Sam Vadgama, Lydia Lavelle, Mark Sherburne, Tim Hoke, Spring Council, Betsy Bertram, Libbie Hough and Jamezetta Bedford, Shannan Campbell.

**Not Present:** Anthony Carey, Matt Gladdek

**Staff Attendance:** Laurie Paolicelli, Marlene Barbera, Patty Griffin, Susan Rice, Leslie Wilcox, and Katie Murray.

**Also present:** Lee Davis, CEO Clean Design, Inc. Manish Atma, owner, Atma Hotel Group, Lisa Ganzzermiller, General Manager AC Marriott, Boris Bunich, Beacon Investment Management, Sam Speicher, grad student intern with Orange County Economic Development.

### **Call to Order**

In absence of a Chair, Laurie called the meeting to order at 8:05 a.m.

### **Approval of Minutes**

Laurie requested a motion to approve the February 19, 2020 minutes. Lydia Lavelle so moved and Pam Hemminger seconded the motion. With all members in favor, the minutes were approved as submitted.

### **Executive Director's Report**

The last time we met clearly our world and our industry that we are here to talk about today has been shuttered. On a meeting yesterday with the United States Tourism and Travel Association, they did confirm that there is a 59% unemployment rate in our industry. The Travel, Tourism and Hospitality Industry has really taken it the hardest. After today's meeting, I will send you the [deck](#) that the US Travel Association is using to lobby on the hill this week. Really, it is a targeted relief effort for phase 4 of the COVID-19 legislation that has three critical points. The key asks are #1. Relief. More access to financial support. #2. Protection for our small businesses. Targeted liability protection. If someone comes in and says, "I got sick there. Your cook wasn't wearing a mask", etc. This bill is really looking at a perspective on protection for liability. #3 Stimulus monies. Trying to get more travelers to travel. Tax credits, etc. There is a huge push right now, a bipartisan effort, from the US Travel Association.

### **Presentations**

Manish Atma.

We are all depending, in Orange County, on what happens with the University of North Carolina, Chapel Hill and the sporting events. From what we are hearing, the university is going to be back but they are unsure of how football and basketball will be handled as far as whether they will have fans in the seats or not. Second is the second wave of COVID-19. As we know, North Carolina has been on an uptick. So, there is a lot of uncertainties. We have seen a small uptick on occupancy. We went from single-digit room rentals to now we are in the twenties and thirties, which is positive, but we are still not out of the woods yet. We feel this recovery is going to take a minimum of eight to twelve months before we even get to a break-even point.

Tanya Moore – University of North Carolina, Chapel Hill

Our semester is going to start early and finish early. Our move-in now will begin the week of August 3<sup>rd</sup> and classes will start August 10<sup>th</sup>. We will finish right around Thanksgiving and students will go home and not return until January. We will reschedule our December commencement. Right now most staff is still working from home but we have started to phase-in our research operation and we will continue to move staff back to campus this summer.

We are working on a public health campaign. We will be requiring masks in classrooms and public spaces. Our dining halls are going to look a lot different. For additional information on who is coming back when and testing and other information see the [Carolina Together Roadmap](#). UNC is talking about keeping two dorms as places to quarantine students when they become ill on campus.

Mayor Pam Hemminger commented on short term rentals, “We are seeing an interesting spike in short-term rentals. They are full up in our community from people who have come down from up North to stay in our community and quarantine here. Laurie responded that the Bureau is working closely with AirDNA to track demand in short-term rentals and the challenge is that AirDNA/AirBNB does not have a good practice in place for reporting cancellations. There is a lack of consumer confidence in the sanitation efforts. Our hotels are investing in comprehensive sanitation yet we do not have that type of assurance from short-term rentals.

Sam Vadgama – Resident Inn, Chapel Hill

We have started seeing a little bit of a glimmer in the leisure market but, as Manish said, it is really not enough because we are so dependent on everything that goes on around the university. In a town like Chapel Hill there are so many restaurants and small businesses that are dependent on tourism. I have personally spoken with many owners and they are also very concerned. What I am hearing is this rebound is not going to take place anytime soon.

Lee Davis, CEO of Clean Design, Inc.

This [presentation](#) is giving you an overview of what other travel and tourism entities are doing around the country. We looked at, basically, every type of CVB that is out there just to get a sense of what everyone is doing. We need to really take care of our small businesses. Something that we are seeing now as things are starting to open up and is definitely to the point we made earlier about safety, is we went from “We are here when you are ready.” which is trying to stay top-of-mind in people’s heads to really ensuring the safety when they come to our town. Anything that helps drive that safety is what we are seeing most of the messaging going to right now. The good news is the majority of people are ready for a road trip. So, what people say they want; they want safety protocols in place. A majority of people want to go somewhere. 80% of those are likely to make it a driving trip, not a flying trip. They are probably going to stay within 500 miles. 94% plan to spend time in nature. So, again, what we have to offer outdoors is going to be critical. 67% are likely to go camping. I think we can play up the notion that staying in a hotel is probably the cleanest thing you can do.

Laurie responded that staff is approving the marketing plan with Clean Design. They have commissioned a map illustrator to produce an illustrated, fun [map](#) of where to go during this time. We are parlaying that into both a local campaign using \$25,000 in relief funds that we received from a County grant. We are also spending \$200,000 with Clean Design, which is a cut from the last few years but we are also using that to get a new digital program out there pronto.

## New Business/ Roundtable

Mayor Pam Hemminger – The Downtown Partnership is trying to help with bringing people downtown with music and art: Getting people outside and we are trying to open up more areas for people to be outside downtown that are safe. Closing off parking lots, having biking trails, narrowing the lanes on West and East Franklin. Music and art resonate with trying to get people up and about. I think we need to think about playing to those strengths as well. People are looking for those outdoor activities they can do with their families. Hiking is fabulous and we have a lot around here. The town will narrow Franklin Street down to one lane of traffic each way and take the other lanes and make them the biking/walking trail and expand outside dining and retail to the sidewalks. Then, take some of the parking lots that we normally use and turn those into areas for people to be safely outside and have those music opportunities and have that art opportunity so we can get people to come back downtown. Just to be outside more and frequent our restaurants and our retail areas. The town is promoting the face coverings and a safe experience. The Downtown Partnership has launched a whole new campaign as well – [Experience Downtown](#) – and it has got the XDCH for Downtown Partnership. The partnership is trying to do more with loading zones. Trying to do more with takeout. Just getting people to come downtown in the first place.

Lydia Lavelle and Betsy Bertram – Town of Carrboro updates (pdf report from Betsy).

Mayor Lydia Lavelle: Mayor Hemminger and I have been talking almost every day about this whole crisis. We have been meeting with Commissioner Penny Rich and Mayor Jenn Weaver from Hillsborough to kind of go together as one Orange County on all of our decisions. Shortly after the crisis began, we reached out to our local businesses to see how we could support them. There is such a fine balance between reopening our economy and keeping people safe. I want to give a shout out to Carrboro United, which has been a local economic effort that has kept a lot of our restaurants and small businesses afloat during this time. We recognize that our minority-owned businesses are being affected even more disparately than our other businesses. We are making special efforts to make sure they have access to our second round of grants.

Betsy Bertram: Carrboro did a full blown business survey to gain real time information from businesses of what support looks like. One of the most shocking pieces of information that came out of that and several conversations that I have had with the Carrboro Business Alliance is that, especially for food and beverage, the way that they make money is by filling the restaurant completely and having as many turns in the night as possible. Due to the customers being more comfortable with the takeout and pickup model, a lot of restaurants would rather focus on perfecting curbside than opening up their dining room, which is a liability at this point. Also, they are having trouble getting employees to come back, who are now making more on unemployment than they are coming into work. We are hearing from consumers that this model creates a multi-shop experience, which is something we still need for economic development. I have included a link on my [report](#).

Kayla Dempsey - North Carolina High School Athletic Association updates

NCHSAA cancelled the basketball championships. We were really excited that we had sold a lot of digital tickets for UNC and obviously, that did not happen. It was a crazy week. At the same point time that we cancelled the basketball championship at Carolina, we also suspended spring sports at that point until the end of April, which then got pushed to May 15<sup>th</sup> per the Governor which then we ended up cancelling all of spring sports once the Governor made the decision that schools were cancelled for

the rest of the year. From there, we went into what is called a “dead “ period where none of the coaches can have contact or anything based on, obviously, kids not being on campuses. On Monday, we lifted that “dead” period for coaches, basically stating that now we can go into what is technically called our summer hours. That is based on the school systems and what the school systems are allowing on their campuses. On June 15<sup>th</sup>, we had a couple school systems start back. A majority of our school systems have not actually gone back to athletics and are waiting until July 6<sup>th</sup> which is after another dead period that we always have in place over the July 4<sup>th</sup> week. With that being said, we are still on track to start August 1<sup>st</sup>.

#### Shannan Campbell and Mark Bell – Town of Hillsborough updates

Shannan: Hillsborough is slowly reopening. We started on June 8<sup>th</sup>. A lot of our retail businesses are opening on Wednesday and Sunday. A lot of our restaurants have opened back up for dining. We lost James Pharmacy but the owners are working in that space. The Town Board passed a resolution to loosen some of the restrictions on sidewalk dining. So, we are allowing our restaurants to take up more of the sidewalk than they were previously allowed to. From the Visitors Center, we have two campaigns that we have launched on the 8th, softly. One of them is with WRAL. We have six sponsored articles floating around their website that highlight various things in Hillsborough. We have an [“Authors in Our Backyard”](#) article and [“Top Five Things to do in Hillsborough”](#). Just to generate some buzz and some interest and they link back to our website.

Mark: The Colonial Inn is very far along on the interior renovation of the property. They finished the construction of the new part of the hotel. They gutted the old part of the hotel. They have been doing sheet rock. They have painted the interior. I have heard various dates on when they might open for business and I think it will definitely be later this summer. It is moving full steam ahead even in the downturn. They are over there seven days a week working on it.

Katie Murray: We have events that are in the works for next spring and next summer. One is with AC Entertainment, the folks that do Bonnaroo and a couple other really largescale festivals around the Southeast. We are working with them to do a weekend long festival in May 2021 at Blackwood Farm. Also, the Arts Commission is planning a countywide public art festival for next summer. It will take place in the downtown communities of Chapel Hill, Carrboro, and Hillsborough. We have fourteen different community partners onboard. The Eno Mill Project is moving along. We put things on hold as a result of COVID but we are starting to gear back up. The not so great news is, just like the tourism industry, the arts are in a world of hurt. We have created a support fund for county artists and organizations. We have raised almost \$60,000.00. We have distributed almost \$42,000.00 in grants so far. You can learn more about that on our website [artsorange.org](http://artsorange.org).

#### Dixon Pitt – Southern Village update

Southern Village Green is quite spacious and they are trying to take advantage of that as much as possible with the outdoor movies and concerts. The outdoor concerts, so far, have started virtually which is going pretty well. It is just a good way to try and remain engaged. The restaurants are open, likewise with downtown, but really focusing more on the takeout features but encouraging folks to stay around and eat on the stage and sidewalks and things like that.

Patty Griffin, Communications Manager, Chapel Hill/Orange County Visitors Bureau shared the [VisitNC Count on Me](#) training and marketing plan. She encouraged everyone to register for the free, detailed

training that VisitNC, the North Carolina Restaurant Association, North Carolina State University and others have prepared which then gives free marketing material to post in your business and your business is then added to their website which will be the focus of VisitNC’s summer marketing.

Commissioner Jamezetta Bedford – Orange County Board of County Commissioners

“We passed a budget last night without a tax increase. Unfortunately, employees will not get a salary increase or merit pay this year. We will revisit in September to look at revenues. Because we rely so much on property tax, we are not projecting much of a decrease in that but the sales tax, we are projecting a 4.5% decrease. That might be a low estimate. It is hard to say. Commissioner Rich works with the EOC and the emergency orders have been extended through August 31<sup>st</sup>. It was our prior policy that prevented having meetings during a crisis so we did amend that with manager approval that virtual meetings could be held and public meeting requirements have to be followed. It is slow steps. We do have the mask requirement. We are trying to protect employers by using education rather than strict enforcement of the face-covering mandate. The numbers are increasing so we are not out of the first wave. We are talking recovery but there are two different thoughts there. It is very important that everyone try to stay safe while we try to help the economy recover.”

**Next meeting:** *Wednesday, August 19<sup>th</sup> virtual.*

Meeting adjourned at 9:16 a.m.

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*Laurie Paolicelli*  
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Minutes reviewed by:  
Laurie Paolicelli, Executive Director

DocuSigned by:  
*Anthony Carey*  
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Minutes accepted by:  
Anthony Carey, Chairman

9/3/2020  
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Date

9/4/2020  
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Date