

For Approval February 17, 2021

**Chapel Hill/Orange County Visitors Bureau
Virtual Board of Directors Meeting
January 20, 2021**

Board Members Present: Pam Hemminger, Aubrey Williams, Tanya Moore, Anthony Carey, Kayla Dempsey, Mark Bell, Sam Vadgama, Lydia Lavelle, Beverly Payne, Mark Sherburne, Daniel Mayer, Spring Council, Jon Hartman-Brown, Shannan Campbell, Matt Gladdek, and Sally Greene.

Not Present:

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

Also present: Barbara Foushee, Mayor Pro Tem, Town of Carrboro. Manish Atma, President of Atma Hotel Group. Tim Hoke. Lynn Minges, President and CEO, NCRLA. Lee Davis, Managing Partner, Clean Design, Inc. Jessica Herschaft, Group Business Director, Clean Design, Inc.

Call to Order

Chair, Anthony Carey called the meeting to order at 8:04 a.m.

Approval of Minutes

Chair Anthony Carey requested a motion to approve the November 18, 2020 minutes. Mayor Pam Hemminger so moved and Mark Sherburne seconded the motion. With all members in favor, the minutes were approved as submitted.

Introductions of all in attendance were made.

Executive Director's Report

Laurie Paolicelli spoke of the COVID-19 pandemic economic effects specific to the travel and hospitality industry in Orange County.

- 60% loss in revenue
- 50% loss of jobs
- Many businesses, especially restaurants, have closed and continue to close.
- Currently working with local hoteliers on revenue projections for the next fiscal year as we go into our budget cycle. Difficult to measure as we are unsure of many of the assumptions such as:
 - When can we gather again?
 - Will UNC have commencement in the spring”
 - Will there be fall sports?
 - When will we be able to host reunions and weddings again?
- The Visitors Bureau budget for last fiscal year 2019-2020 was 2.5 million, this fiscal year 2020-2021 is almost 2 million, and we are projecting 1.3 million for fiscal year 2021-2022. The 1.3 million just about covers staff, operations, and the move into a new location.
- My current focus is trying to find emergency funds in tourism as well as federal and state aid to try to protect, help maintain, and grow our industry.

Presentations

Lynn Minges with NCRLA.

Economic Impact of the COVID-19 pandemic on the North Carolina Restaurant and Lodging industry:

- There has been no industry as adversely impacted by the COVID-19 pandemic as ours. NCRLA has really stepped up to be the voice of the industry during this pandemic.
- During COVID-19, restaurants, bars, and hotels earned 4.2 billion dollars less in taxable sales.
- The leisure and hospitality sector is down 19% in jobs while other sectors are down 1.7%. 100,000 employees, one in every three jobs lost in our state has been in our industry. Those jobs have not come back. This is largely due because these businesses aren't fully open or have capacity restrictions.
- Our industry has had 60% of the job losses in North Carolina but we've only received 8% of the business assistance. That's been through the Payroll Protection Program and state grants that have been extended to our industry.
- Even after factoring in the Payroll Protection Program we are down, as an industry, about \$3 billion in taxable sales.
- Media has been huge in reporting the impact on our industry. We've probably had over four billion media impressions from many outlets wanting to know about impacts of various ordinances on our industry. The media has done a great job of telling the story of the impact, which really lays the groundwork for the important work that we're going to be doing as the legislature comes back into session.
- The legislature has not been in session during COVID-19, so we have not been able to seek much relief from them. We have had to depend on the Federal government which, to date, for our industry, has really only done the Payroll Protection Program. They did the first round of that and now the second round is open. I hope that you all are spreading the word and encouraging both restaurants and hotels who have been impacted by COVID-19 to apply for that.
- We have had an extraordinarily strong relationship with Governor Cooper and with Secretary Mandy Cohen of DHHS during COVID-19. Governor Cooper has been extremely collaborative and has listened to every concern we've presented. We have had a seat at the table and, while we don't always love the decisions that are made, we certainly respect the process and appreciate the opportunity to advocate on behalf of restaurants and hotels.

NCRLA's work to help the industry:

NCRAL has been there advocating for the industry the entire time since restaurants were first shut down and the stay-at-home order went into place.

- Secure outdoor dining. I know many of the mayors in this meeting have played an important role in helping early on in the pandemic to secure outdoor dining. That was not an easy thing but many of these mayors stepped up and embraced this opportunity to allow restaurants to survive. It has been critical for many of our restaurants. Obviously, tough during the cold winter months but really was a lifesaver early on. It will be again as the weather gets warmer this spring. The mayors stepped up early on and advocated for that to save small businesses and that has been a game changer. So I just can't say enough about the mayors in this meeting who have done extraordinary things to help our industry during COVID-19.
- Work with the ABC Commission to allow us to serve alcohol. Our ABC laws in this state are archaic and we continue to chip away at those. That was a big lift for us just to be able to serve alcohol in spaces outside of the designated perimeter of a restaurant. So that exists today and we'd love to keep that beyond the pandemic. We're currently working on that.
- We were also able to negotiate cocktails to go. This is another huge lift to the industry. This was not an easy feat. Our legislature typically is very conservative and doesn't like alcohol. They don't like

people to drink alcohol. They don't like to acknowledge that alcohol exists. Governor Cooper was a little more open minded about this so we were able to get that done through the administrative route and Governor Cooper worked with us to get cocktails to go. There was a bit of negotiation in which we accepted curfews of 9 o'clock for serving alcohol. That was not something we wanted to have to do but it beats closing down. While other states are shutting indoor dining, particularly during this big second wave, we've not had to do that in North Carolina and I'm not expecting that we will.

- We've also been working with hotels to allow you to have at least some meetings in some capacity.

NCRLA's Blueprint for Recovery:

NCRAL is now preparing for the upcoming legislative session. In my 30-years experience dealing with the Legislature I've learned that you have to go to them and develop a business case to get their attention.

- We are gearing up to go to the General Assembly to make a big ask on behalf of our industry. We are asking for \$300 million in the form of a stimulus just for restaurants and hotels who can demonstrate loss. This would be proportionately based on the amount of loss that a particular business has incurred. This would plug only about 10% of our industry's loss. It's not going to completely save the day but it would be some mitigation.
- We're also asking the General Assembly for an extension of ABC permit fees, which are due April 15th. We're asking for a year forgiveness. If you have a permit that is due for renewal on April 15th, we're asking that that be extended for renewal until April 15th, 2022. We've developed a solid case and think there is a pot of money from previous permit sales that can fund that without significant detriment to the state budget.
- We're working on some kind of forgiveness or recalculations of and flexibility on property taxes. The hotels have received huge property tax bills, which amount to about 10% of a hotel's gross revenue. With much less revenue during the pandemic, that's a much larger percentage of gross revenue than pre-pandemic. Many businesses just don't have the equity and cash reserves to pay those kinds of bills right now. Some municipalities are already offering flexibility like Chapel Hill and Orange County.
- We're working on supporting tourism promotion at the state level because that's going to be really important as we rebound. Ensuring the funds used to promote Orange County and other TDAs across the state are preserved. Other states and communities are investing in welcoming visitors back and that's going to be vitally important. That may be from existing resources or from new, Federal dollars that may be provided or state appropriations, we want to ensure we have adequate funding to support tourism and get visitors back into communities across North Carolina.

Questions:

Mayor Lavelle asked if there has been any discussion about caps on delivery fees of food delivery companies like DoorDash, Grubhub, and Uber Eats?

Lynn Minges responded that there has been some discussion and it is on NCRLA's radar but that the current political climate in North Carolina is not conducive to getting that done right now. Lynn Minges did mention that some of the food delivery companies are working with NCRLA and offering no delivery fee to NCRLA members. Anthony Carey pointed out that many people aren't aware that when you leave a gratuity through the meal delivery app like DoorDash, it doesn't go to the restaurant, it goes to the delivery driver. Anthony Carey suggested we do some education in the community to make the general public aware of this.

New Business/ Roundtable

- Lee Davis – Managing Partner, Clean Design, Inc.
Top line review of recent advertising campaigns:
 - Local campaign in August and September to support local vendors and get the community to support local businesses. We spent about \$25,000 and got almost five million impressions and a click through rate that was two times greater than the industry norm.
 - Takeout campaign in late December strictly tied towards restaurants and encouraging people to get takeout from local restaurants. We spent \$2,800 and got over 200,000 impressions and had about 800 social shares with people passing it around to friends and family and the click through rate was almost three times greater than the industry average, which means that people are looking to support the businesses out there.
- Marlene Barbera – Sales Director, Chapel Hill/Orange County Visitors Bureau
Status of corporate and group travel and meetings.
 - The industry is still trying to figure out how to move forward.
 - The discussion on a CVENT teleconference yesterday centered around testing protocols, hybrid meetings, event diagrams and spaces. It's all about the messaging and communicating safety.
 - I've had some wedding leads coming in recently.
 - What they're saying in the industry is things aren't going to start coming back until fourth quarter. Events are going to be more regional and smaller, more focused.
 - Hotels ability to shift and support meeting planners digitally and through technology. Virtually meeting will continue until the pandemic is over. A lot of discussion/focus on hybrid meetings.
 - I have been able to participate in virtual trade shows and meet with over 70 planners. I received one RFP but, unfortunately, it was too large for our market.
- Mayor Lydia Lavelle – Town of Carrboro
Recent LGBTQ+ government policy changes.
 - Mayor Pam Hemminger and I are in a group of mayors that have been working on this for several months. We knew that the replacement for HB2, which regulates multi-occupancy restrooms and restricted any local governments from passing any non-discriminatory ordinance until December 1, 2020, was going to expire in December. Orange County municipalities, Hillsborough, Chapel Hill and Carrboro, were the first to pass non-discrimination ordinances stating you can't discriminate based on sexual orientation, gender identity or expression. We also filled in the gaps on some other areas of discrimination that aren't covered federally or statewide such as natural hair. In addition to Orange County municipalities, Durham and Greensboro have also passed non-discrimination ordinances. We hope to send the message to other North Carolina municipalities that want to pass non-discrimination ordinances to show that they can pass them. Forty-seven other states either have statewide protections or allow their municipalities to pass non-discrimination ordinances. This shows that our communities continue to be welcoming and progressive communities, which, hopefully, helps us draw visitors when we are able to welcome tourists back. Mayor Lavelle stressed the importance of working with local chambers, visitors bureaus, businesses and organizations and keeping everyone who might be affected, good or bad, aware and informed.
 - Mayor Hemminger thanked Mayor Lavelle and stated she deserves a lot of the credit because Mayor Lavelle took the lead on this and worked with the attorneys to craft this ordinance.
 - Commissioner Greene acknowledged and thanked Commissioner Dorosin who was deeply involved in this ordinance as well. Commissioner Greene also noted that a friend of hers on the Mecklenburg Board of County Commissioners has already asked for a copy of Orange County's non-discrimination ordinance.

- Matt Gladdek – Executive Director, Chapel Hill Downtown Partnership
 - Chapel Hill had a good holiday season although the cold weather is hurting our outdoor dining a bit but we are hoping UNC coming back in session will help.
 - As we've mentioned in previous meetings, we've hired Kaze Thomas with VibeHouse to work on a "Save the Music" series. We are beginning to have discussions with our partners in Carrboro and venues about how to revive second Fridays and make it an event which really catches people's imaginations and brings people down town in bigger numbers. We're hoping to launch that by March.
- Mayor Pam Hemminger – Town of Chapel Hill
 - We started the process for 150 East Rosemary Street, which is a new office building, a majority of which will be wet lab. We're looking at it from many different perspectives but also enhancing the pedestrian experience on that side of town along East Henderson and Rosemary Street. The building is projected to be 6 to 8 stories tall, a bit more modern than we normally see but will complement the historic district with materials and hopefully have a lot of glass, a great view back at campus, and maybe some outdoor space on top of the building.
 - The parking deck project is moving along quite well. Demolition should start sometime in April or May and reconstruction of the new deck starting right after that with it being complete and open in a year from the start of construction, hopefully. The goal is to have it open before UNC's fall semester 2022.
 - Budget season has started so finances are on the top of everyone's minds. Occupancy taxes are down but sales taxes are actually better than they've ever been. Fees for services are down over \$500,000 and parking revenues are worse than that and there are other categories where we just aren't seeing those revenues. We're meeting with our legislative reps on Monday to talk more about that.
 - Wegman's is opening February 24th.
 - We're doing well in Orange County with a lower percent positivity rate of the COVID-19 virus and we are also doing really well in vaccine distribution. We're doing better than the state level and we don't have the long lines that we are seeing on the news. As a North Carolinian resident, you can get vaccinated anywhere in the state. It doesn't have to be in the county in which you live. You can make an appointment anywhere in the state to receive the vaccine.
 - The recent drug busts of several UNC fraternity houses has prompted better discussions with the university about joint jurisdiction over Greek houses in our town. There's a better opportunity to curb behavior because UNC can respond in different ways than we can as a town.
 - Very excited with the new [Booker Creek Basin Park](#). We have made a huge storm water basin but we've also made it into a park with a natural area, art, walkways and wildlife. The bridge is already in and you can check it out if interested. Eastgate has not flooded since this basin went in.
 - Because of the current virus statistics, we are going to continue to be virtual through June, at least.
- Tanya Moore – Associate Vice Chancellor, UNC-Chapel Hill
 - Classes started on a remote basis on Tuesday. We had 1,430 students move in, joining the 1,000 that were with us last fall.
 - The big difference this semester is testing. We have three testing centers and have done more than 9,000 tests of students, faculty, and staff. We've had 83 positives, so far. That's a .9% positivity rate. Also, our prior-to-arrival test kept 88 students from returning to campus as planned and they will come after quarantining.

- We're going to issue a survey to our graduates about commencement to gauge their comfort level on any type of in-person ceremony and, if we can do in-person, tickets would be limited and would they still be interested if they can't have guests attend?
- Kayla Dempsey – Director of Marketing & Develop., North Carolina High School Athletic Association
 - We are off and running with basketball, which is one of the more higher contact sports so it will be an interesting test. We do have a lot of teams in quarantine. We're holding off on a decision of where to hold basketball championships for now as it is based on school systems and whether we can be at larger facilities and spread out.
 - Championships in cross country are this weekend in Kernersville. We're keeping them distanced and there is only 100 kids per race when normally there is 300 per race.
 - We are volleyball at Green Level High School, one of the newest high schools in Wake County, because we were not able to host at Reynolds High School. The volleyball season went well. We had teams that had to quarantine so we had to reschedule games and some teams didn't get to play in the playoffs because they were in quarantine when we seated the playoffs but we did not have any teams contract COVID-19 from the playoffs or that had to forfeit a game due to COVID-19.
 - Football starts on February 8th. We're in conversations now about what that is going to look like. They are wearing masks when they work out. We have quite a ways to go before football teams are actually playing each other. They are only practicing within their teams and a lot of them are doing pod work.
 - Lacrosse has started but they are not playing games yet.
 - Interesting to note that there have not been any COVID-19 cases on our swimming teams and very few in cross country.
 - As we move forward we continue to monitor guidance from the governor's office and DHHS.
- Jon Hartman-Brown – Town of Carrboro, Economic Development
 - It has been fairly quiet since we launched VisitCarrboro.com website. We are working with the TDA to put together a work plan.
 - Like many of you have mentioned, we have decreases to our revenue and we are making cuts to our budget and trying to work with what we have.
 - Mayor Lydia Lavelle added that the Town of Carrboro has unveiled two [Black Lives Matter murals](#) in town. One on the side of the Community Works building and the other is the words "Black Lives Matter" on the side of the Century Center across from Tyler's.
 - [The 203 Project](#) continues. Last week we had a presentation from the designers showing the look of the building and the materials. You can see that on our [website](#). The designers also provided a construction management plan that indicates the majority of construction will take place predominantly on-site with few road closings, if any, and as little impact on our local businesses and restaurants in that area.
- Dan Mayer – Executive Director, [The ArtsCenter](#)
 - The Arts Center is open for business but at a reduced capacity.
 - We continue to find partnerships and collaborations where we can make art happen and enable people to connect with the community through art.
 - We just had a mural we premiered a few months back that was done through community collaboration. This has also enabled the artist to have a virtual exhibit at Carrboro Town Hall.
 - We have just opened a virtual exhibit talking about food insufficiency in our community. Local photographer, Tom Simon, worked with a group of food organizations and city agencies and it connects people to issues that matter right now.
 - We are exploring different virtual performances, virtual classes, and continue to want to work with our restaurants and hotel industry to bring back the traffic and opportunity for people to

come to town and do more than one thing, more than to just pick up a meal. See something and make an evening in town. We continue to work back towards that.

- Katie Murray – Program Coordinator, Orange County Arts Commission
 - Orange County Arts Commission is partnering with the Durham Arts Council, the Chatham Arts Council, United Arts of Raleigh, Wake County, and WRAL to do a really big fundraiser on the evening of Thursday, March 11th. Each county has a headlining act. We have Mandolin Orange joining Branford Marsalis and Mike Wiley and Ariana DeBose who was the star of Hamilton.
 - The Arts Industry has been massively impacted by the COVID-19 virus. Back in November, the state impact was estimated at about 89 million but I think that's on the low end. It is probably well into the billions at this point. There has been some federal relief. We are looking for sponsors and for our community partners to help us get the work out about this. It will be a high exposure event and we have sponsorship packages of all sizes.
 - Our relief grant that we started back in March has been very successful. We are \$257 away from \$100,000 raised. The average donation has been \$100 so it has been totally grassroots, totally community. Thank you to everyone who donated to it. We are keeping this relief grant open until there is not a need for it anymore.
- Mark Bell – Mayor Pro Tem, Town of Hillsborough
 - Colonial Inn. We went through about a twenty year struggle to get the Colonial Inn out of the hands of Mr. Francis Henry. We forced eminent domain and it was sold, renovated, and opened in November. So, if you have the opportunity and feel it is safe to visit, please come and eat a meal or have a drink or even stay. Maybe we can have our first in-person board meeting there when we start meeting in-person again.
 - Ayr Mount is part of a trust representing about five historic homes from the early to mid-Federal period. The trust was created by Mr. Richard Jenrette who recently passed away. The trust, Classical American Home Trust, has moved their headquarters to Ayr Mount in Hillsborough. There will be four or five people working out of both Ayr Mount and they own properties around the house and will be working out those properties as well. If you haven't been to Ayr Mount it is a stupendous example of historic preservation that really captures what is kind of special about Hillsborough.
 - Hillsborough Town Board recognized Dr. Kizzmekia Corbett, the scientific lead that developed the Moderna vaccine. She is from Hurdle Mills and grew up around Hillsborough and attended Orange High School. It is nice to have a hometown hero in the fight with COVID-19. Commissioner Sally Greene shared that the Orange County Board of Commissioners also recognized Dr. Corbett during their meeting last night and today, January 20th, is now Kizzmekia Corbett Day in Orange County.
- Commissioner Sally Greene – Orange County Board of Commissioners
 - The Orange County non-discrimination ordinance passed without any controversy.
 - The Orange County Board of Commissioners voted 5 to 2 to not make a decision last night on the Buc-ee's Project. We proposed to the developer that they scale it down a good bit and work on the traffic plan that may affect local commuters. So the developer has until our second meeting in February to respond to these concerns.
- Beverly Payne – Alliance for Historic Hillsborough
 - The Alliance for Historic Hillsborough Visitors Center in Hillsborough is open with limited hours. Instead of being open seven days a week it is open from Wednesday through Saturday, 10:00 a.m. to 4:00 p.m.
 - Orange County Museum and Burwell School are working on a "Lunch and Learn" series coming this spring.


- Alliance for Historic Hillsborough has a new Board Chair as of January, Marcy Romary. She is an at-large member and the Executive Director of Volunteer and Constituency Engagement for Duke Health Development and Alumni Affairs.
- Revolutionary War Living History Day is usually held in February but is postponed to the spring this year.
- Biden has nominated Native American Cabinet, Deb Haaland for Secretary of the Interior Department. She is a New Mexico Representative elected in 2018 and became the first Native American in congress. She is an enrolled member of the Laguna Pueblo and also has Jemez Pueblo heritage.
- The Oconeeche Tribe met last week and decided we would not attempt a pow wow during the COVID-19 pandemic. The tribe has received some COVID-19 relief funding. If anyone can find us more funding because there is always a need.
- Shannan Campbell – Town of Hillsborough, Economic Development
 - The Hillsborough Tourism Development Authority is down about \$6,000 this year and I don't have November's revenue yet. That's almost 10% considering our annual revenue is typically \$60,000-\$70,000. We are seeing a lot of AirBnB.
 - The Hillsborough Arts Council lost their executive director. They are moving forward and trying to decide if they are going to be able to do "Last Fridays" and/or the River Park Festival in an in-person format in some way, shape, or form and safely.
 - Restaurants in Hillsborough have come up with creative ways to fight the cold with tenting and heaters to encourage patronage and outside dining.
 - All of our attractions are open but attendance is down but still pretty good.
 - We have a lead on a new mural in town. More to come on that.
 - Revitalization on King Street is pushing for a loading zone and we are exploring some short-term parking spaces on King Street as well.
 - The Hillsborough Tourism Development Authority and Board are slated to update their strategic plan next year but, due to COVID-19, we haven't been able to achieve all of our project goals. We are going to talk more about that strategic work plan at our next tourism board meeting and see if we are going to push that update out so we can get everything done.

Next meeting: *Wednesday, February 17th*

Meeting adjourned at 9:33 a.m.

DocuSigned by:

 7B4336F17DD54EC...
 Minutes reviewed by:
 Laurie Paolicelli, Executive Director

DocuSigned by:

 664FC2EA161D477...
 Minutes accepted by:
 Anthony Carey, Chairman

2/17/2021

 Date

3/17/2021

 Date