

For Approval August 15, 2018

MINUTES
Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting
June 20, 2018

The Chapel Hill/Orange County Visitors Bureau met at
The Carolina Inn, Chapel Hill

Board Members Present: Kayla Dempsey, Penny Rich, Lydia Lavelle, Anthony Carey-Chair, Libby Hough, Andrew Strickland, Tim Hoke, Rosemary Waldorf-Vice Chair, Shannan Campbell, Andrew Strickland, Jeff Stickler, Aaron Bachenheimer

Not Present: Mark Bell, Meg McGurk, Rachel Schaevitz, Mark Sherburne, Annette Lafferty, Lee Storrow

Staff attendance: Laurie Paolicelli, Marlene Barbera, Allison Chambers, Katie Murray, Patty Griffin

Also present: Heidi Werner, Director of Sales and Marketing at the Carolina Inn; Mark Shore, Director of Tourism and Marketing, Visit North Carolina; Kristen Bilger, Senior Vice President, Social and Innovation, FleishmanHillard, Inc.

Call to Order

Chair Anthony Carey called the meeting to order at 8:05 am.

Introductions were given by all.

Host Welcome

Heidi Werner, Director of Sales and Marketing at the Carolina Inn, reported that the Inn has had a year of unprecedented growth. They have experienced a drop in weddings in the last few years as the area has added approximately 20 new venues in the past 24 months, most without hotel rooms. She and Laurie Paolicelli have discussed to possibility of a Fam Tour so hoteliers can see what venues are out there and what to prospect. They are seeing association business come back strong to a point it was five years ago, before HB2. They will hold their Holiday Markets again this year, with a move to Sundays, in December.

Approval of Minutes

Chair Carey requested a motion to approve the May 16, 2018 minutes. Lydia Lavelle so moved and Penny Rich seconded. With all members in favor, the minutes were approved as submitted.

Finance Report

Finance Chair Penny Rich reported that the BOCC approved the county's budget on June 19, which includes the budget of the Chapel Hill Orange County Visitors Bureau. Unspent funds from the previous budget will rollover into fund balance. This year's budget focuses our advertising expenditures more on social media and less on print advertising and includes a 10% increase in expenditures over last year. She shared that the county has charged Laurie with looking at any rules the county or towns might want to impose on Airbnb. After gathering information she would like to bring something to the Board of County Commissioners in the fall of 2018, keeping in mind that we do not want to turn visitors away. Laurie Paolicelli interjected that what we are really looking for is a "level playing field" for Airbnb and hotels as it relates to health and safety. It was suggested that a first step would be to confirm that all AirBNBs in the county are paying occupancy tax. Rosemary Waldorf offered that this may be a good opportunity to reach out to these residents and let them know what the Visitors Bureau has to offer. The BOCC is concerned about the negative effectives Airbnb may have on the availability of affordable housing in the county. Shannan Campbell reported that Hillsborough

has a zoning ordinance that helps them with regulations and Commissioner Rich ask her to share that information with the BOCC.

Guest Speaker Report

The board heard from Mark Shore, Director of Marketing and Branding for VisitNC. They work with all 100 counties and 125 DMOs. In 2017 they received 1,041 emails from people letting them know they would not be coming to NC because of HB2, while 40 people had a positive response and said that they would come. He thanked the board for putting an ad in this year's travel guide that spoke to everyone's feeling that "all are welcome here".

VisitNC is part of a public/private partnership, the Economic Development Partnership of NC, and are a 501C3. They are still attached to the NC Dept. of Commerce, but are able to react more quickly when opportunities or challenges present themselves. They commissioned a study that told them if someone saw a tourism ad they are 20% more likely to start a business in NC, if they actually visit the state; they are 61% more likely to start a business here. Direct visitor spending in NC in 2017 was almost \$24 billion; VisitNC's goal is 25 billion in 4 years or 3.5 to 4% annually. Tourism employment is 225,000 across the state. NC has seen a decline in market share and is being outpaced by states around us. They can track a visitor when they click on their website at their home and then recognize them when they open their smartphone in NC and if they stay in one place more than 5 hours that is concluded to be their destination. Arrivalist has reported to them that 13,000 visitors to their site have arrived in Orange County.

Their new campaign *Firsts That Last* will run into next year. NC is 6th in visitation and 28th in funding in the U.S., with a \$5 million media budget. Through partnerships around the state they are able to turn that into a \$13 million value within the state of NC. He shared their new media campaign, *Firsts That Last*, with the board. They used people that are not actors to enjoy experiences they had never had before, unscripted. It was authentic and natural. This is running in six different markets including DC, Atlanta, Philadelphia, Orlando, Nashville and Columbus, Ohio. In the first 60 days of the campaign there was over a 200% increase in website visits from Philadelphia, Orlando and Columbus

They did research to identify new markets to target and now know if someone visits the state there is an 85% likelihood they will return, so they are in search of first time visitors.

Executive Director's Report

Laurie Paolicelli shared with the board that we have received concerns from visitors about Medstay which is a hotel broker that works with people coming from outside the Triangle for medical care at UNC Health Care, including that it is misleading, inaccurate and offers poor customer service. At the Hotel Summit, held two weeks prior, it was agreed that this is an issue that needs to be addressed and, per the chairs request, a meeting has been scheduled on July 23rd at UNC Health Care for a group of GMs to talk about what might be done. She recognized Patty Griffin who hosted a travel writer this spring that produced a ten page spread in the *Taste of the South* magazine. Bureau goals include: adding continuing our LGBT campaigns, continuing to look at the visitors center and follow best practices; work with Shannan on the brand specifications she has developed for Hillsborough and work with UNC Health Care more as we see a rise in that market. She also took this opportunity to thank the BOCC and our board for their service.

Sales Report

Marlene Barbera reported that she is working with the Association of Academic Museums and Galleries to bring a conference here in late June 2019. This conference would require participation from UNC. Her current project is cleaning up her sales data base in order to launch the meeting planner newsletter.

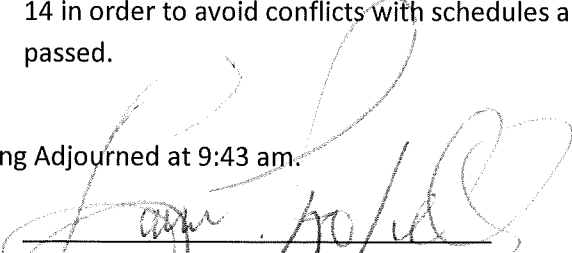
New Business/Roundtable

Chair Carey acknowledged all for updates in their respective fields:

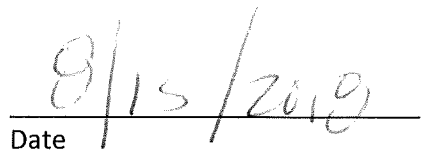
- Penny Rich reported that the BOCC approved the county’s budget the evening before. Taxes are being raised slightly to cover debt service on bonds approved by the voters for school capital needs and housing. Beyond that change, it was a continuation budget.
- Katie Murray reported she has just returned from the Americans for the Arts Conference in Denver. On July 1st the Arts Commission will launch a sub-committee to look at infrastructure for the arts in Orange County. She expressed interest in having board members participate on this sub-committee. She has been invited to serve on the Ackland Art Museum’s newly formed advisory board as they try to better connect with the local community. Arts Day at the legislature in May had a large number of participants who asked the General Assembly for \$1 per person across the state for funding.
- Shannan Campbell reported that the River Park Concert is going to be headlined by the Woods Brothers. The town is working on the West Hillsborough business district to make it more accessible to visitors with disabilities.
- Aaron Bachenheimer reported that the University is in the middle of its orientation and summer camp season. UCF will be the first home football game in late September which is a change from years past. Anthony expressed concern about Parent/Family weekend falling on the same weekend as a major ACC game meaning one less big weekend for tourism/hotels.
- Kayla Dempsey reported that spring high school sports have wrapped up and they will begin again at the end of July with preseason football.
- Tim Hoke reported that the Arts Commission has just finished their grants application season and received 62 applications, which is the most they have ever received.

Date Change: The Visitors Bureau Advisory Board’s regular third Wednesday meeting will occur on the 21st in November, which is the day before Thanksgiving. Penny Rich moved that we move that meeting to November 14 in order to avoid conflicts with schedules around the holiday. Tim Hoke seconded the motion. The motion passed.

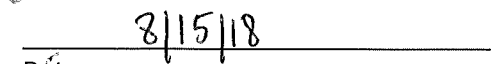
Meeting Adjourned at 9:43 am.

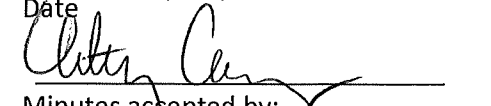


 Minutes reviewed by:
 Laurie Paolicelli, Executive Director



 Date



 Date


 Minutes accepted by:
 Anthony Carey, Chairman