

For Approval January 16, 2019

MINUTES

Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting November 14, 2018

The Chapel Hill/Orange County Visitors Bureau met at
UNC Health Care, 211 Friday Center Drive, Chapel Hill

Board Members Present: Kayla Dempsey, Lydia Lavelle, Anthony Carey, Chair, Tim Hoke, Aaron Bachenheimer, Andrew Strickland, Jeff Stickler, Tanya Moore, Rosemary Waldorf, Annette Stone, Elinor Landess, Lee Storrow, Rachel Schaevitz, David Brooks, Libby Hough, Penny Rich, Shannan Campbell

Not Present: Mark Bell, Mark Sherburne

Staff attendance: Laurie Paolicelli, Marlene Barbera, Allison Chambers, Steve Brantley, Katie Murphy

Also present: Simon George, Vice President of Real Estate and Development at UNC Health Care, Tom Maltaise, Manager, UNC Hospitals Community Relations

Call to Order

Chair Anthony Carey called the meeting to order at 8:10 am.

Introductions were given by all.

Host Welcome

Simon George, UNC Health Care Vice President of Real Estate and Development spoke to the board about their new development at East Town office park in eastern Chapel Hill/Orange County. UNC Health Care acquired the land from BCBS in 2011-12 and it is a total of 48 acres. There are currently eight buildings on the site and four of those are scheduled for demolition in the next few weeks. They have town approval for a 150,000 sq.ft., six story, \$68 million building which will employ a total of 228 people and a parking garage to accommodate 1,100 vehicles. At some point they will build a second building on the site. They will also move ahead with a strategic plan to decide what will be next and this will be a 15-20 year build-out. The first building should open the Summer/Fall of 2020. This building will serve as clinic space with free parking for follow-up that would normally be at the main hospital campus. This location will improve the patient experience and travel time as it is directly adjacent to Interstate 40. They are still looking at ways to get pedestrians across 15/501 to and from the light rail station on the south side of that road with all options looking to be expensive. Trees will limit the view of the building from 15/501 with only the logo showing over the trees. They are building the parking deck with the second building in mind so it will only be 50% utilized when the first building is occupied.

Approval of Minutes

Chair Carey requested a motion to approve the October 17, 2018 minutes. Tim Hoke so moved and Andrew Strickland seconded. With all members in favor, the minutes were approved as submitted.

Chair Anthony Carey took a few minutes, along with Laurie Paolicelli, to thank Aaron Bachenheimer for his six years of service to this board as the representative of the University of North Carolina. He is transitioning off as the BOCC only allows two consecutive terms to one individual.

Chair Carey and Ms. Paolicelli also recognized Lee Storrow as he also transitions off the board after spending two terms as a representative of the Chapel Hill Town Council and the Chapel Hill Economic Development Board on this advisory board.

Both Aaron Bachenheimer and Lee Storrow were presented with a framed resolution in their honor.

Finance Report

Penny Rich reported that occupancy tax was up approximately 5% in September with very little indication of why that might be. She and other board members suggested this might be due to hurricane Florence that brought evacuees, power company crews and relief workers to the county. In September Airbnb generated \$8,700 in occupancy tax in the county. As with all prices, the cost of advertising is steadily rising. We are projecting the occupancy tax proceeds to be mostly flat in 2019. Commissioner Rich and Laurie Paolicelli continue to work with the tax office and the towns to understand the impact of Airbnb on Orange County's occupancy tax collections.

Executive Director's Report

Laurie Paolicelli shared a mid-year SWOT Report with the board. She began by thanking the board for all their hard work in support this past year as we bring so many different groups together to make up this wonderful board to increase tourism for the common good. Chapel Hill, Carrboro and Hillsborough have worked hard both together and separately to position the area, and individual communities in the regional and national tourism markets that have proven and potential tourists for Orange County. The strong brand of the area, climate, reputable hotels and growing events and attractions are being marketed by the Visitors Bureau and two Tourism Development Authorities. Moving into 2019 and beyond, a growing hotel and Airbnb industry will challenge all of us to draw in new audiences. Our strengths include: a full service Orange County Visitors Bureau selling the area under VisitChapelHill.org; Carrboro and Hillsborough Tourism Development Authorities working to reinforce community brands; growing choices in accommodations; varied events and year-round beauty; award winning food choices and loyalty among alumni. Challenges include: growth in supply; growth in Airbnb; national PR on Silent Sam; more choices in surrounding communities; need marketing campaign and strong hook; RFP's are becoming more of a challenge to secure; OTAs are competitive booking agent and e-commerce strategy is necessary; parking perceptions and marketing is largely focused in NC and limited. Opportunities include: the community is committed to growing tourism; revenues are secured with Orange County and Chapel Hill; brand virtues are stronger than negative PR with Silent Sam; new greenways, growth and greenery; strong sales manager community; town marketing parking available and new festivals and events continue to grow in Orange County. Threats include: current agency in delivering campaign we expected and contract will end December 1 with Clean Design to launch spring brand; rebrand launch from Durham puts new focus on neighboring town; two states still forbid travel to NC due to House Bill 2; occupancy tax looks flat for 2019; average daily rate over the past three years that is not expected in 2019.

Carrboro Branding Update

Carrboro's TDA is a board of three appointed by the Board of Alderman. They are ruled by legislation that says two-thirds of their collections will go to marketing and promotion and one-third to infrastructure. The TDA invests most of its money in the town signature events such as the music, poetry and film festivals. They also support the new Freight Train Blues event. They also support events not run by the town such as the ArtsCenter series and TerraVITA as well as some smaller events for the Farmer's Market. Carrboro's marketing campaign focuses on bringing visitors there once the Visitors Bureau has brought them into Orange County. They are working on expanding their digital presence and may hire a part-time person to make that happen. Parking is always a challenge and that challenge has expanded with the future building of the library which will be located on what is now one of the town's parking lots. They are still

feeling good about their brand, Feel Free. They will add wayfinding and produce new guides and makes an overall refresh.

Hillsborough Tourism Program

Shannan Campbell reported that they updated their website in November 2016 as VisitHillsborough.com and just recently completed improvements to the Visitors Center: updated signage, picnic tables, front porch rockers, exterior paint, back room programming/exhibits, new Hillsborough history video. In upgrading their website they have improved their brand standards using consistent logos, colors and fonts. Hillsborough has committed to use only photography that is less than a year old. 2019 Marketing Objectives include: promote Hillsborough as a Day/Overnight trip from nearby population centers; drive traffic to social media channels and improve reach; capitalize on Visitors Center Gift Shop opportunities; drive traffic to VisitHillsboroughNC.com to inspire potential tourists; continue to regularly audit and update the website; support new and signature Hillsborough events; continue to support Hillsborough historic sites and history programing.

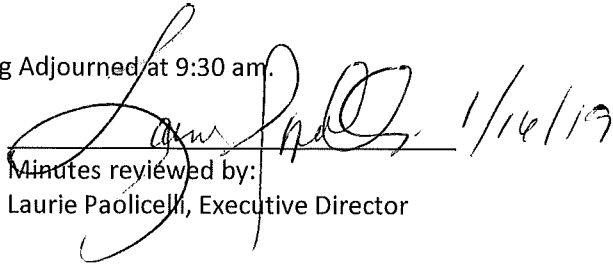
New Business/Roundtable

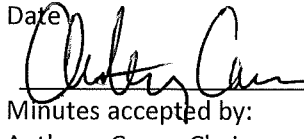
Chair Carey acknowledged all for updates in their respective fields:

- Katie Murray of the Orange County Arts Commission reported that she will be sending a written report regarding the state of the arts in Orange County. Last month's Plein Art was a big success and art work will be available for sale through Christmas. They are launching an Arts Educator Development Fund for artists who are not classroom teachers. She is working with a committee to address improvements in River Park events. An artist will create an entrance way into River Park using wood from a 250 year old tree uprooted by the latest hurricane. After the beginning of the year they will introduce workshops and a quarterly meet and greet for the creative community. They will be expanding a writing completion into all schools in the county. The Arts Commission is putting together a working group to find solutions to the problem of lack of artist working space in the county. There are several opportunities to shop locally for art this holiday season.
- Elinor Landess of the Downtown Partnership said that they have rebranded their holiday events as Chapelhillidays. There will be a TROSA tree lot at 140 West Plaza for two days only. On the second day of the tree lot the Chapel Hill Library will have story time in the trees. On December 2 they will add a holiday bizarre and the tree lighting is that night on the corner of Franklin and Columbia in the Baptist Church garden. The Chapel Hill Carrboro Holiday Parade will be December 8 and on December 14 the Second Friday Art Walk will happen featuring music at 140 West and Franklin Street will be lit up with luminaries.
- Kayla Dempsey reported that the 3A high school championships will be in Chapel Hill on December 13/14 at Keenan Stadium.
- Tanya Moore, representing UNC, reported that the report regarding placement of Silent Sam is due to the Board of Governors on December 3.
- Libby Hough reported that the House Tour in Hillsborough is December 9 with the theme being "Books by Candlelight" and the Orange County Library will be a stop on the tour. On November 24th the library is also hosting the 2nd Annual Local Author Book Fair.
- Shannan Campbell added that the Hillsborough Holiday Parade will be Sunday, December 2nd. The Tourism Board has bought a new tree for downtown.

Next Meeting: Wednesday, January 16, 2019 at Extraordinary Ventures in Chapel Hill.

Meeting Adjourned at 9:30 am.

 1/16/19
Minutes reviewed by:
Laurie Paolicelli, Executive Director

Date

Minutes accepted by:
Anthony Carey, Chairman

1/16/19
Date