

Approved January 18, 2017

**MINUTES**  
**Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting**  
**November 16, 2016**

The Chapel Hill/Orange County Visitors Bureau met at  
The Aloft, Chapel Hill, NC

**Board Members Present:** George Cianciolo, Penny Rich, Shannan Campbell, Andrew Strickland, Tim Hoke, Mark Bell, Lee Storrow, Jeffrey Strickler, Rosemary Waldorf-Chair, Karen DeHart, Aaron Bachenheimer, Mark Sherburne, Michelle Johnson

**Not Present:** Annette Stone, Allison Nichols-Clapper, Lee Pavao, Nitin Khanna, Meg McGurk

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

**Also present:** David Routh, UNC/VC Development, Kayla Austin, NCHSAA, Gloria Farrar, The Friday Center, Tina Mazzullo, Director of Sales, Aloft Chapel Hill

**Call to Order**

Chair Rosemary Waldorf called the meeting to order at 8:08 am.

Introductions were given by all.

**Approval of Minutes**

Chair Waldorf requested a motion to approve the October 19, 2016 minutes. Mark Bell so moved and George Cianciolo seconded. With all members in favor, the minutes were approved as submitted.

**New Business**

Laurie Paolicelli attended the most recent meeting of the Orange County Board of County Commissioners where a discussion was held regarding the renovation of the old Chapel Hill Town Hall to make it the new home of the Chapel Hill Orange County Visitors Bureau. The discussion included Commissioner Barry Jacobs' desire that the renovations not be made using expenditures of Orange County. Penny Rich said that many scenarios were discussed, including what would be done with the Bentley Building that presently houses the Bureau and how funds generated by the repurposing might be used for this project. Penny Rich went on to remind the board that these discussions are in the very early stages. A committee has been appointed to study this which includes Commissioner Rich, Sally Greene-Chair and several community members. Chair Waldorf stated that it should be this board's position that we take no position on whether the building should be renovated or should the Visitors Bureau occupy it. That should be a town and county decision. She does feel that we should make clear to those entities that the occupancy tax collected needs to remain allocated to tourism marketing, advertising, and support of the arts. Penny Rich pointed out that when the IFC moves to Carrboro, the town will have to renovate the building. George Cianciolo added that the cost would most likely be on the higher side of three million dollars as there will be a great deal of asbestos to remove. Commissioner Rich will keep the Visitors Bureau Board updated on the progress of the committee. Lee Storrow stated that pairing the Visitors Center with an attraction, such as a Chapel Hill Historic Museum, would strengthen the Visitors Center and he proposed the board put together a list of common principles related to the positivity of this proposal. Chair Waldorf suggested that he, Meg McGurk and Laurie Paolicelli put their heads together and brainstorm these principles.

## **Host Introduction**

The Aloft Hotel was represented by Tina Mazzullo, Director of Sales. She shared that the hotel has a new General Manager. Ms. Mazzullo reported that they have 134 guest rooms with an equal distribution of king and queen doubles that allow them to accommodate university travelers as well as travelers visiting the RTP. They pride themselves on being a little different than the other area hotels and their goal for 2017 is to bring more fundraisers into their WXYZ lounge as well as paint nights and meet up groups. They offer a shuttle within Chapel Hill.

## **Finance Report**

Penny Rich, Finance Chair, reported that the budget is on target at this point. She further reported that we have spent a large part of our advertising budget and have received a strong response especially in the LGBT market and will have a new video coming out in the spring. Carrboro and Hillsborough, as well as VisitNC have committed to the funding of the NATJA conference coming in May of 2017. Laurie Paolicelli noted that in looking at upcoming revenues across the market in Orange County a meeting was held with General Managers from several properties and the request was made of the Bureau to look at a supply and demand forecast based on trends since 2000 and study anomalies.

## **Guest/host speakers**

Chair Waldorf introduced David Routh, Vice Chancellor of Development for UNC. He shared that the college and the town are interdependent. In a marketing survey his office asked alumni what are the qualities and characteristics of a great university and went on to ask what they thought the characteristics are that make their university great. What came through were the love of the campus and the love of the town. To that end, UNC Development will lean heavily on images of the place they love in its upcoming campaign. They have a staff of 250 people who raise approximately \$500,000,000 annually. In 2008 Carolina wrapped up a \$2.4 billion campaign. In 2015, while out of campaign they raised \$447,000,000 and in 2016 surged to \$495,000,000. This enables the university to build a financial model that is taking it more towards private support than public support. While the state of NC supports its system institutions, the fact is UNC is getting \$250,000,000 less from the state now than it was five years ago. At private universities they start with their freshman class, letting them know they are enjoying all this because of the generosity of those who have gone before them and sharing with them the expectation of honoring and supporting the university after they have completed their education. They are tilting the model to remain excellent and remain public. This past year 14% of the freshman class qualified for the Carolina Covenant. UNC admits students on their merit and is a need blind institution, meaning after they are admitted the University looks at their need rather than limiting the number of students who need financial aid. Students who come from the most economically challenged families graduate from Carolina debt free. Those families on average had an annual income of less than \$25,000. The University is proud of the access it provides. They have started the quiet/leadership phase of a new fundraising campaign that will go public next fall. They want to go public and be able to say they have 40% in hand. They are presently ahead of schedule. Their working goal is between three and four billion dollars. They will need to drive a lot of traffic to Chapel Hill to facilitate engagement which precedes giving. Ms. Paolicelli asked Mr. Routh to encourage groups he works with to bring their conference needs to Orange County as we are seeking to boost Sunday – Thursday hotel night sales. He stated that many of the conferences and continuing education opportunities offered by the University have been dramatically hurt by HB2, and this in turn damages the revenue stream for everyone.

## **Executive Directors Report**

Laurie Paolicelli recognized Karen DeHart with a proclamation of appreciation for her service to the Visitors Bureau Advisory Board as her term comes to an end. Karen thanked Laurie and the board and introduced Kayla Austin who will take her place representing the NC High School Athletic Association on the board. Kayla is their new director of

marketing and is a Chapel Hill native and a graduate of Rollins College. Our State Magazine held an event here this past weekend that was a long time in the planning and was very successful. Hillsborough will bring their feasibility study to us in April and Asheville is coming to our January meeting to talk about how they formed a task force to advise elected officials on what is going on in the hotel industry, what to court and what to stop. The 2017 Visitors Guide goes to press in December, the new website is doing very well.

### **Sales Report**

Marlene shared that October was a good month for getting leads out as a follow up to the trade shows she attended. She is taking the opportunity of the slower season to reach out and follow up with people she has contacted before. Marlene's role as the lead in the May conference of the North American Travel Journalists Association is a priority and she remains committed to the details of putting together this major countywide event.

### **New Business/Roundtable**

Chair Waldorf acknowledged all for updates in their respective fields:

Mark Sherburne shared that the October 7, 2017 UNC vs. Notre Dame game has already been announced. The Carolina Inn will price this weekend like they do Graduation Weekend, with a three night minimum. Andrew Strickland also shared that The Residence Inn has already gone live for that weekend and are also asking a three night minimum and full deposit.

Shannan Campbell reported that the Hillsborough Tourism Board had their kick-off meeting, which was very well attended. They talked about their four pillars of tourism and what their focus will be. At their January meeting they will get a plan outline. They are entering the hometown holiday season and will, for the second year, host the solstice lantern walk, which will be moved to River Park.

Michelle Johnson said that the ground breaking for Carrboro's new hotel is still being discussed with but will likely be in March 2017.

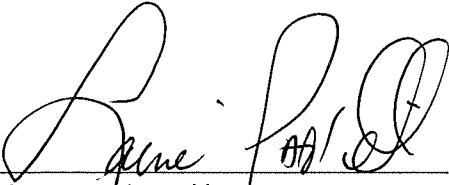
Tim Hoke announced that Katie Murray has done an analysis of the arts impact on local economies in the state and found that out of the 46 economic markers included, Orange County led in 38 of them. This indicates that we are better positions, regarding the arts in the economy, than Buncombe County. Chair Waldorf asked that that report to be shared with the Board.

Steve Brantley spoke about the new Wegman's as a tourist destination. It will not open for at least two years. He thanked George Cianciolo for his part in having this approved.

Karen DeHart announced that the high school football championships at Kenan Stadium have been moved back a week, to December 16 & 17, due to hurricane Matthew. High schools across the state collected donations at a football game and the NCHSAA matched those dollars and have distributed them to the school systems in those counties most effected.

Laurie Paolicelli announced that the Visitors Bureau will host an Open House on Tuesday, December 13 from 5 to 7 preceding the Board of County Commissioners meeting at Southern Human Services Center. She encouraged the board to attend to view two new art exhibits that have been hung in the Visitors Center and to meet staff.

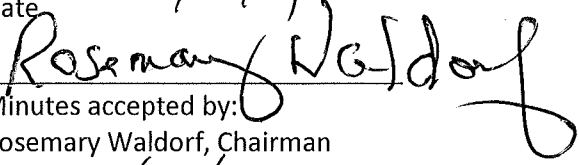
Meeting Adjourned at 9:20 am.



Minutes reviewed by:  
Laurie Padicelli, Executive Director

1/18/17

Date



Minutes accepted by:  
Rosemary Waldorf, Chairman

1/18/17

Date