

MINUTES

Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting June 20, 2012

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

Board Members Present: Dave Gephart, Karen DeHart, Mike Gering, Greg Overbeck, Laura Morgan, Lydia Lavelle, Lee Pavao, Anthony Carey, and Jim Parker

Members Absent: Donna Bell, Meg McGurk, Mark Sherburne, Annette Stone, Gordon Jameson, Steve Brantley and Valerie Foushee

Staff Present: Laurie Paolicelli, Linda Ekeland, Martha Shannon, and Tina Fuller

Others Present:

CALL TO ORDER

Chair Gephart called the meeting to order at 8:10 am

Welcome

Carolina Inn's management team welcomed the board and General Manager Shawn Gracy gave an update of the Inn's recent renovations. In November the remaining 2/3 guestrooms (approximately 100 rooms) will be taken off-line for renovation. Mr. Gracey stated that by April 2013, the Inn will be fully renovated.

James Clark, recently hired Executive Chef (replacing Jimmy Reale) was introduced. Chef Clark was previously at Grand Dunes Resort in Myrtle Beach.

APPROVAL OF MINUTES

Chair Gephart requested a motion to approve the minutes. Lee Pavao motioned, with Jim Parker seconding. All members were in favor and the minutes were approved as written.

NEW BUSINESS

Orange County Advisory Board By-Laws, Review of Update

Laurie Paolicelli informed board members that the BOCC is in the process of adopting Master By-Laws that will pertain to all County Departments. Because of this impending change, Paolicelli suggested waiting until August to elect officers. She informed board members that Mark Sherburne will be serving on the County's EDC board, Donna Bell is being replaced by Gene Pease on Town Council; and Valerie Foushee will serve until winter. It was unclear who her replacement would be. It was expressed by the board that we should continue to seek representation from minorities.

REPORTS

Budget

Mr. Gering deferred to Ms. Paolicelli for a discussion on the proposed 2012/2013 budget. Directing attention to the 2011/2012 – 2012/2013 comparison chart, Ms. Paolicelli stated that she believes the proposed budget passed. She informed board members that the Fund Balance is currently at \$400,000 and with the new budget year, \$150,000 of that will be spent down for tourism and county advertising. She also stated that she asked the Town of Chapel Hill to increase their contribution to \$175,000; which is triple what the town gave when she began. She felt this was a solid indication that the town of Chapel Hill considers the Visitors Bureau a critical partner in meeting economic development goals.

Marketing

Anthony Carey reported that Revenues Per Available Room (RevPAR), a key metric for measuring the health of the hospitality industry, is trending in a positive direction.

Transient business is strong; we need more focus on group business and he hopes the campaign will impact that goal. Carey added we are at a harmonious balance right now - occupancy is at 60 some percent for the year however he cautioned that the addition of more hotel rooms in Durham, Alamance and Wake County (as well as the new Carrboro property opening in May 2013) will upset that balance in the short-term.

Discussion turned to MedStay, a third party free concierge hotel reservation service catering to patients coming to Duke and UNC Hospitals and now on contract with UNC Hospitals. This third party arrangement has meant that local hotels can no longer position themselves with patient relations desk and they are losing business because Medstay books so many rooms in Durham, not recognizing the importance of supporting Orange County hotels first.

Laurie Paolicelli requested a separate meeting with Laura Morgan to discuss further, Ms. Morgan suggested meeting with Shane Rogers at the hospital; and that she would arrange that meeting.

Concluding the marketing report, Mr. Carey congratulated everyone on the success of the EDGE local campaign launch.

Executive Directors Report

Ms. Paolicelli briefly discussed the 2012/2013 plan of action, noting that the Visitors Bureau board usually does not adopt the plan until after the BOCC approves the budget.

Continuing, Ms. Paolicelli reported that the County has had some conversation of relocating the Visitors Bureau/Visitors Center. Paolicelli stated that she would put the relocation task force in touch with the manager's office.

As a follow up to the special events fund program, Ms. Paolicelli reported that the Bureau is unable to become a formal grant giving agency without further BOCC involvement. However she explained (referring to a handout) that for the 2012/2013 fiscal year countywide tourism events would be sponsored by the Bureau with marketing resources.

Discussion turned to the pros/cons of having major events in downtown districts. Many local businesses close, sensing they will not see customers during events; and yet event organizers hope that businesses will stay open and add to the economic potential that event goers bring to the festival.

Concluding her report, Paolicelli reported that the Bureau remains committed to studying the impact, feedback and results of the new campaign launch and she would keep the board apprised of feedback, both positive and negative in order to continue to tweak the campaign.

Other Business

Arts Commission

Martha Shannon reported some of the results of the recent Arts & Economic Prosperity study in which the Orange County Arts Commission participated.

Next meeting venue

Residence Inn Chapel Hill

And with no other business to discuss, Dave Gephart adjourn the meeting 9:26 am.

Minutes reviewed by:
Laurie Paolicelli, Executive Director

Date

Minutes accepted by:
Dave Gephart, Chairman

Date