

Approved on January 15, 2014

MINUTES

Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting November 20, 2013

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

Board Members Present: Anthony Carey, Dave Gephart, Gene Pease, Gordon Jameson, Greg Overbeck, Jim Parker, Karen DeHart, Laura Morgan, Lee Pavao, Lydia Lavelle, Mark Sherburne, Mike Gering, Penny Rich, & Meg McGurk

Not Present: Annette Stone

Staff attendance: Laurie Paolicelli, Linda Ekeland, Patty Griffin, and Tina Fuller

Also attending: Sarah DeGennaro, Executive Director, Alliance for Historic Hillsborough; N.C. State Senator Valerie Foushee; Linda Convissor, Director of Local Relations, Office of the Chancellor, UNC-Chapel Hill; Lee Storrow, Town of Chapel Hill council member and Gordon Merklein, Executive Director, Real Estate Development, UNC-Chapel Hill

Welcome

Board Chairman Anthony Carey welcomed everyone and called the meeting to order at 8:08 am. Introductions were given. Mr. Carey acknowledged Mark Sherburne as the new General Manager of the Carolina Inn and host of today's meeting. Mr. Sherburne thanked everyone for their sentiments and stated that he is excited to continue the Carolina Inn Tradition as UNC's and the Town's 'Living Room'.

University Square Updates

Chairman Carey introduced Gordon Merklein, Executive Director of Real Estate Development for UNC-Chapel Hill for an update on the 123 West redevelopment project. Mr. Merklein presented a PowerPoint showing a rendering of the approved project as well as highlights of the mixed-use property, which will include three buildings, parking and green space. Mr. Merklein explained the vision of 123 West ties in with 140 West to draw more visitors downtown 12 months a year, not just when the students are here. Merklein stated that Granville Towers will remain but with new branding. He also noted that demolition of the other buildings would begin fall of 2014 with groundbreaking 4th quarter, 2014 and a projected opening date of 1st quarter, 2017. Cousins Properties based in Atlanta will develop the property as well as manage the property moving forward.

Approval of Minutes

Mr. Carey requested a motion to approve the October 16, 2013 minutes. With all members in agreement, the minutes were approved as submitted.

Reports

Executive Director Report

Laurie Paolicelli summarized the Orange County Fair concept stating that Commissioner Mark Dorosin envisioned a county fair to represent "a fair County"; unlike a state fair, it would be a grassroots event. Commissioner Dorosin requested Frank Clifton put together a task force in which the Visitor Bureau took part. The committee organized a

feedback session inviting those who would possibly be interested in the idea; they also sent out a survey to the public; which returned both positive and negative comments. Positive comments reflected the fair would be a way to showcase Orange County and get back to its' roots; concerns pertained to budget and infrastructure issues at Blackwood. Paolicelli said she supported the idea because the Visitor Bureau helped to fund several fairs and day festivals with tourism potential for all three towns, but never Orange County as a whole. Paolicelli then asked Penny Rich to provide further details.

Commissioner Rich explained that in a commissioner work session, 400 surveys were reviewed. She confirmed that the responses were mixed naming infrastructure, sustainability, funding and the effect it would have on already established annual events (31 in total) countywide. Rich stated that funds allocated in the CIP budget would have to be moved up from 2017 to get Blackwood Farms event ready. Rich explained that funds would be needed to hire a coordinator. Additionally, she noted that if private partners were brought in for sponsorship, the homegrown 'feel' of the fair could be compromised. With that, she turned it over to the board to discuss and vote on the notion of spending \$10,000 in seed dollars to support this initiative.

Dave Gephart motioned to approve the Visitor Bureau supporting the seed dollar investment of \$10,000; and Lee Pavao seconded it. However, many board members wanted to weigh-in and discuss.

Points of discussion included:

1. Several board members cautioned against a County Fair, a viewpoint mostly led by Gene Pease, because he was uncertain as to what came first: our support and dollars or a yes vote by the BOCC to have the fair. Further, he sensed that we as a Visitors Bureau were unclear as to what our money would go towards. If it went towards research to shape a vision—and it was determined by the researchers that a fair like this was not a good idea—would the VB get its money back. The assumption was it would not.

Pease did not feel it was a Visitor Bureau's place to support a fair or festival, especially on the early front-end. He felt it was the county's role to put the pieces together and then come after sponsors. He questioned the director as to why we would even be involved with an event like this. Several board members echoed this sentiment as well.

Paolicelli challenged that yes this was an initiative that mirrored our mission statement to "coordinate the assets of the entire county; further the brand, which is food, music, art and climate. She reviewed events that the Bureau has supported in the past and felt that \$10,000 should go towards research about supply/demand for area festivals. She stated the findings of the research could then be shared with all event groups. She also felt that \$10,000 was a reasonable contribution to get the fair launched in the correct manner and help bring a tourism element to the festival.

2. Currently, the buildings on the property are unsafe; there is no water or sewer. Approximately 2 million dollars would be needed to prepare the property for events. The event itself is estimated to cost anywhere from \$60,000 to \$120,000

3. It was not clear on what type of fair it would be or what would be offered other than music and food.

4. A distinctly different view was shared among many board members who felt that the Visitors Bureau should support something like this and that the Bureau has supported TerraVITA, Hog Day, Carrboro events, and North Carolina High School Athletics that brought in varying guests, some overnight, and sold the assets of our community to newcomers.

After much discussion, seven members opposed the first motion and did not pass. The consensus was the Visitor Bureau board is interested in supporting a county fair if the BOCC approves forward motion of the site and ancillary plans. It was suggested that \$10,000, if approved, go towards research and coordination.

Mark Sherburne revised the first motion to state that the board does have an interest in the idea but would like to receive feedback from the County Commissioners first before we can actually allocate the \$10,000. The motion was seconded by Jim Parker. With all members in favor of the motion, it passed.

Budget/Finance

Penny Rich reported that the budget is on target. She also reported that the audit came yesterday. She noted that the Bureau's fund balance is growing considerably high and feels it needs to be spent to benefit tourism endeavors. Paolicelli said that an ideal strategy from a tourism standpoint is to use some of the funds for a full time sales position. She noted that since the Bureau's inception several hotels have been added yet the sales department has not grown. Gene Pease agreed that the new position would be an investment in itself citing that for every overnight booking made by the sales person, approximately \$285 goes back into the economy *per person* (based on a tourism industry formula). After some discussion, Mark Sherburne motioned to have an additional sales person position requested in the 2014-2015 budget to increase sales efforts in order to keep up with the growing demand. Lee Pavao seconded the motion. All members were in favor and the motion passed.

Sales Report

Linda Ekeland reported that she has sent out 10 leads so far this month stating that RFP's have come from a mix of the group markets: corporate, association, sports and social. Ekeland reported the seven trade partners would be participating with her at the upcoming AENC Tradeshow in December. Ekeland talked about re-doing the meeting & event guide with the help of Clean Design to incorporate our current branding. Laurie Paolicelli asked for news on the Mayors Innovation Conference for August 2014. Ekeland reported that the conference would most likely be held at the Carolina Inn for approximately 100 people, but noted that it has not been confirmed yet. Lydia Lavelle inquired if Carrboro could be included in that agenda. Paolicelli and Ekeland confirmed it could. Paolicelli informed Ms. Lavelle that Mayor Kleinschmidt would be contacting her for the purpose of producing a video to be used for the conference.

Communications Report

Patty Griffin reported on the current marketing activities informing board members that the 2014 Visitor Guide will be the same size as it is currently but with an additional eight pages. She informed that 60,000 copies would be printed as opposed to the 40,000 this year. Griffin spoke on the recently printed Historic Hillsborough booklet and plans for its promotion and distribution. She also spoke on the Goodnight Carolina campaign, annual report for 2012-2013, recent SATW conference, and holiday flyer.

Nominating Committee Report

Discussion on nominations for the upcoming seat vacancies for Town of Chapel Hill, Town of Hillsborough, Town of Carrboro, and Orange County EDC was postponed to the January 15, 2014 meeting.

Community Updates

NCHSAA - Karen DeHart spoke on the upcoming AA football championships, the possibility of bringing the Basketball conference to Chapel Hill with the Sheraton as host hotel.

Carrboro – Lydia Lavelle mentioned that Annette Stone would report on the new branding for Carrboro at next month’s meeting. Ms. Lavelle spoke on a proposal to rebuild the ArtsCenter that may be a couple stories high, in a parking lot across from Armadillo Grille - it is the vision of Phil Szostak (most recent commercial project DPAC). She also mentioned Cameron’s grand opening.

Hillsborough – Dave Gephart passed out a flyer listing upcoming Hillsborough events

Arts – Gordon Jameson reported that submission for the fall grants cycle ends tomorrow, the 21st. Jameson spoke on \$6000 in sales for FRANK during the Orange County Artist Guild Open Studio Tour. He noted that many visitors attending were from out of town and out of the country, attributing part of that to the exposure in *The New Yorker*. He also reported the current show for the holiday season at FRANK Gallery is Artful Giving.

Downtown – Meg McGurk informed board members that the economic impact of Tar Heel Downtown would be available soon. She reported that the Partnership would have a new event coordinator beginning next year. McGurk also reported that 32 venues will participate in the November and December ArtWalks and they (DTP) are looking at ideas for window displays on Franklin Street.

UNC – Linda Convisor reported Joel Curran, who will be the university’s first vice chancellor for communications and public affairs begins his position December 2nd. Curran is an Alum of UNC Chapel Hill School of Journalism.

Orange County – Penny Rich reported that there would be two open meetings for citizens to weigh in on what they expect from the office of the County Manager. Dates are tonight and Tuesday evening, the 26th. Ms. Rich reported she would put together a report representing rent and administrative fees paid by the Visitors Bureau to present to the other Commissioners at the beginning of the year; Lee Pavao and Anthony Carey will assist.

Other Business

This is Gene Pease’s last meeting

With no other business to discuss, Chairman Carey adjourned the meeting at 9:44 AM.

Minutes reviewed by:
Laurie Paolicelli, Executive Director

Date

Minutes accepted by:
Anthony Carey, Chairman

Date