

Approved November 20, 2013

## MINUTES

### Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting October 16, 2013

The Chapel Hill/Orange County Visitors Bureau met at  
PHE Inc., 302 Meadowlands Dr., Hillsborough

**Board Members Present:** Anthony Carey, Dave Gephart, Gordon Jameson, Jim Parker, Karen DeHart, Lee Pavao, Lydia Lavelle, Mark Sherburne, Mike Gering, Penny Rich, Meg McGurk

**Not Present:** Gene Pease, Greg Overbeck, Laura Morgan, and Annette Stone

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

**Also attending:** Sarah DeGennaro, Alliance for Historic Hillsborough; Devra Thomas, Deep Dish Theatre (new Chair for OCAC)

### Welcome

Chairman Anthony Carey began the meeting at 8:20 am, welcomed everyone to PHE, Inc., and introduced Tom Underwood, PHE's HR Director. Mr. Underwood also serves on the Orange County EDC board. Mr. Underwood welcomed everyone. Underwood gave a brief history of PHE, Inc.

### Approval of Minutes

Mr. Carey requested a motion to approve the September 18, 2013 minutes. Lydia Lavelle so moved and Penny Rich seconded. With all members in agreement, the minutes were approved as submitted.

### Hillsborough Updates

Chairman Carey gave the floor to Sarah DeGennaro, Executive Director of the Alliance for Historic Hillsborough, for an update on what's new in Hillsborough. First, Ms. DeGennaro, noted her appreciation for this group. DeGennaro briefly explained the Alliance's role given by the Hillsborough Tourism Board stating that the Alliance is contracted to perform visitor services and acts as the entity that coordinates the efforts and activities of its seven member organizations to promote Hillsborough overall.

Paolicelli stated that Hillsborough is a critically important aspect of the County's tourism sell and marketing strategies are discussed and reviewed annually to find the best means to fill hotel rooms in Hillsborough. Paolicelli reported that hotels, Holiday Inn Express and Microtel, are running at 62% capacity overall and both get wonderful reviews through TripAdvisor. Paolicelli reported that Triangle Sportsplex is one of the most visited attractions in Orange County and is a hidden opportunity for economic benefits. Paolicelli reported that the Bureau's current marketing strategy includes assisting with visitors to the Sportsplex. Another aspect of the marketing mix for Hillsborough is a historic promotional piece.

Paolicelli reminded board members that of the \$500,000 marketing budget, \$50,000 in marketing dollars are earmarked for Hillsborough in addition to staff support in PR, media, social media and marketing.

Jim Parker mentioned a multiple town consortium along with this board for promoting Hillsborough. Mike Gering noted that at the Hillsborough town board's direction, staff was to work with this board for the possibility of collaboration for historic recognition of Hillsborough.

Dave Gephart informed board members that the funding for Alliance comes from 1% food tax - of which 60% funds tourism events, 40% goes towards grants, and 6% administration fee. Sarah explained briefly how the different boards collaborated under the direction of the Alliance.

Ms. Paolicelli inquired if it would be beneficial for some of that revenue going straight to the Alliance annually to use for Hillsborough branding, rather than all of it given to season events that each have their own branding. Mike Gering noted that the 40% used for grants could be used for anything. The other 60% is allotted for marketing & publications.

## Reports

### Budget/Finance

Commissioner Penny Rich reported a 2.56% increase (YTD through August) in occupancy revenue over this time last year for a sum of \$170,000. Invoicing has been sent for \$87,500 to the Town of Chapel Hill for the first and second quarter support. Ms. Rich reported that the promotions and dues accounts are high for the period however will even out as the year progresses. Ms. Rich opened discussion on the administrative fee that the Bureau is currently paying the county (5%) in which she feels is too much. Ms. Rich reported that Solid Waste is another department that pays an administrative fee. She stated that other tourism entities pay less, citing Winston-Salem at 3%, Raleigh at 3%, Asheville at 1.5% and Wilmington pays a flat fee. Mike Gering noted that the 6% that the Alliance pays (noted earlier) covers the cost of collecting the meals tax. Ms. Rich stated that she would meet with interim county manager, Michael Talbert to discuss further. Funding for the Arts Commission comes from the occupancy tax at \$100,000 annually; Based on this allocation; Rich feels that the total fees paid by the Bureau should now be decreased.

### Sales Report

Linda Ekeland reported that 11 partners participated and 22 planners attended the RDU roadshow on the 4<sup>th</sup>. She stated that she has already been contacted by one organization from that event. In other news, she reported that leads are trending further out than before, with requests for 2015 and beyond. Ms. Ekeland informed board members that sales associate Allison Phillips has accepted a full time position with Southern Pines. Mike Gering inquired if the position could be a proposed budgeted item for 2014-2015. Paolicelli confirmed.

### Executive Director Report

Paolicelli suggested forming a nominating committee for upcoming board seats. Ms. Lavelle commented that as mayor she would join other boards and suggested other Alderman should serve to learn more about what the Visitor Bureau does. Dave Gephart, Anthony Carey, and Mark Sherburne volunteered for the nominating committee.

Paolicelli spoke on the visitors' center and that approximately \$60k goes towards operating the center. She gave a brief history on how the center came about. The Bureau is currently paying approximately \$11 per sq. feet. She discussed two possible long-range plan scenarios including staying where the Bureau is located and marketing the Center to capture new visitors; and/or working with the town or county on available space, such as the IFC on Rosemary, or a site closer to the Interstate.

She concluded that she would continue to study the situation. Mr. Sherburne inquired if it would be a decision from this board or the county's decision. Mike Gering inquired if there might be financial incentives for a property owner to offer space for a visitor center. Paolicelli commented that it might be wiser to redesign the current space. Jim Parker commented that a location close to the interstate exchange might best serve the three towns. Ms. Paolicelli concluded her report and stated that further discussion could continue at a future meeting.

### **Community and Group Reports**

With the conclusion of the E.D. report, the floor was given to area leaders for community updates. Meg McGurk gave an update on Zero Dark Thursday and Homegrown Halloween. Gordon Jameson reported on the fall grant cycle and Frank's current exhibit. Additionally, Martha Shannon reported on the collaboration of Flyleaf Books, OCAC and Piedmont Laureate John Bemis celebration of N.C. children's literature. Meg McGurk mentioned the Bike Summit starts at the new Carrboro hotel. She also mentioned that with the Chapel Hill Bike plan initiative, biking tourism may be something to look into. Paolicelli agreed. Discussion on bike racks ensued. Mike Gering suggested TarWheels.

### **Other Business**

Penny Rich was very impressed with the Chancellor Folt's Installation. She also reported that Hi-Chew incentive package was voted- in during a closed session meeting and part of the ¼ cent sales tax revenue will go towards infrastructure for the development of Buckhorn in which the 2.2 billion dollar company would occupy 21 acres of the 400 acre property.

Anthony Carey congratulated the Visitor Bureau on its tourism awards.

With no other business to discuss, Chairman Carey adjourned the meeting at 9:40 AM.

Minutes reviewed by:  
Laurie Paolicelli, Executive Director

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Date

Minutes accepted by:  
Anthony Carey, Chairman

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Date