

MINUTES

Chapel Hill/Orange County Visitors Bureau Board of Directors Meeting August 19, 2015

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

Board Members Present: Anthony Carey, Libbie Hough, Lee Storrow, Debbie Hepp, Jill McCullough, Karen DeHart, Aaron Bachenheimer, Lee Pavao, Michelle Johnson, Nitin Khanna, Mike Gering, Penny Rich, Annette Stone, Meg McGurk

Not Present: Rosemary Waldorf, Mark Sherburne, and Jill McCullough

Staff attendance: Laurie Paolicelli, Marlene Barbera, Tina Fuller

Also present: Boris Bunich, Beacon Investment Mgmt.; D.R. Bryan, Bryan Properties; Gordon Merklein, Exec. Director of Real Estate at UNC. Bob Ward, former board member, and Jim Moss sat in for Mark Sherburne.

Call to Order

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

Announcement

Visit North Carolina released the 2014 commerce report which reflected Orange County as having the highest percentage increase in visitor spending of all 100 counties in N.C.

Introductions were given by all

Budget Update

Penny Rich reported that the fiscal year ended without using fund balance. A request was made to Paul Laughton to confirm the current fund balance, which is thought to be about \$600,000 and needs to be spent down. Laurie Paolicelli attributed the increase in revenue to amazing ads/media placement; the delay in construction with Lux Apartments, the implementation of a new hospital records system, and people have more dollars to spend on sports and special events.

Approval of Minutes

Mr. Cary requested a motion to approve the June 17, 2015 minutes. Lee Pavao so moved, Libbie Hough seconded. With all members in favor, the minutes were approved as submitted.

Words from Hosting Hotel

Chairman Carey recognized Jim Moss, Director of Sales and Marketing for the Carolina Inn. Mr. Moss gave an update on their bar and restaurants renovations which is considered that last phase of the hotel's revamp. Moss revealed that they have dropped the Carolina in the restaurant name and will now be called *Crossroads Restaurant* and *Crossroads Bar*. Moss also revealed that the bar area will be larger than the restaurant; there will be a fireplace addition on the patio and additional seating in the outdoor spaces. Breakfast, lunch and dinner will be served with a North Carolina infusion of regionally sourced ingredients. Renovations are expected to be complete by September 2015.

Mr. Carey then recognized Boris Bunich with Beacon Investment Management Group, for an update on the new Hyatt Place at Southern Village. Mr. Bunich reported that he expects the footers to be in place in the next month and he is looking at the 3rd or 4th quarter of 2016 to complete the project. Bunich reported there would be two sections of meeting space, 110 rooms and the possibility of an outdoor terrace. Bunich mentioned that they are working with

several vendors for artwork for the hotel. Laurie Paolicelli commented that Mr. Bunich sits on several CVB boards and is a Carolina Alumni. Laurie Paolicelli inquired if the tone of mixed-use properties is changing. Mr. D.R. Bryan, CEO of Bryan Properties located at Southern Village replied that they are seeing mixed-use trending more and more towards the millennials that prefer open space and interaction while traveling. Mr. Bryan went on to explain that the front door (point of entry) for the hotel faces 15-501 and the back door to the Village Center Green.

Continuing with new property updates, Mr. Carey recognized Gordon Merklein for an update on Carolina Square. Mr. Merklein commented that with the addition of Carolina Square and the continued growth of 140 West, the 'new' center of Chapel Hill will shift to Church and Franklin Streets. Mr. Merklein reported that Carolina Square is six years in the making. To date, demolition of University Square has begun and a permanent new entrance to Granville Towers was developed; upon completion of the project, it will be possible to cut through to Franklin Street. Mr. Merklein reported that they came into some surprises with the demolition, finding large oil pipes and concrete 20 feet down. Continuing, Merklein said there would be $\frac{3}{4}$ acres of green space with views into The Core, where Carolina Performing Arts will practice. He also mentioned the based on market changes adding more people and more retail adds to the vitality downtown. Some discussion commenced on mixed usage for parking. Completing his presentation, Merklein stated he expects the demolition to be complete by mid- September, vertical construction to begin in late September and a projected completion date in September 2017.

Anthony Carey then requested to revisit the sales manager position directive. Laurie Paolicelli agreed and noted that Marlene will be giving an update in her report.

Executive Directors Report

Ms. Paolicelli reported that over the summer she worked on assessing the needs for public space after meeting with Rob Bruce, Director of The Friday Center where plans to add outdoor space to the Friday Center and if this market could support more space were discussed. Partnering with them and Kenan on a feasibility study, encouraged this board to look at spending \$15k for a seat at the table. Paolicelli inquired to Lee Storrow about the OTO property on Rosemary St. Mr. Storrow replied their proposal comes back to town council this fall. Paolicelli continued stating that with the OTO property and talks of another Atma Group hotel in Carrboro, can this area sustain these properties? Paolicelli commented that the funds are available to support this study. Chairman Carey and Ms. Paolicelli agreed to have Rob Bruce present before the board next month before opening up discussion and making a motion to pursue.

Adding to this discussion, Aaron Bachenheimer reported that the topic for one of the Town of Chapel Hill's next lunch and learn series is on the erosion of campus housing. The community will be asked to weigh in on reutilizing space for student housing opportunities. When asked about housing preferences, Mr. Bachenheimer stated that they prefer to keep students as close to the campus as possible. After further discussion on student housing preferences it was agreed that all space needs and issues should be addressed.

Sales Report

With that, Chairman Carey recognized Marlene Barbera for her sales report. Ms. Barbera reported that she is actively looking for a sales specialist, just looking for the right person. She stated that most of the people responding to the ad do not realize that it is part-time where they are looking for full-time. She informed members that the ad will run again. Ms. Barbera reported on the new sales marketing strategy that has shifted to less print and more digital noting that the Bureau has invested into CVENT, a portal hub for meeting planners which allows for 'real-time' advertising. Ms. Barbera discussed the advantages of CVENT and cited ROI numbers so far. Barbera talked about upcoming tradeshows, the updating of the Bureau's CRM database with new formulas that calculate the ROI to the specific type of booking. She

also noted that the Bureau is now subscribing to an extended database with EmpowerMint that enables a more specific search for planners with needs that are more suitable to our market.

Old Business

No old business to discuss

New Business/Roundtable

Chairman Carey recognized former board member, Bob Ward. Mr. Ward presented the board with the idea of bringing back the campaign "Southern Part of Heaven" citing that in several recent national press conferences, that term was used. Laurie Paolicelli followed with a brief summary of past campaigns, the most recent being "The Edge of the Triangle". Paolicelli committed to further discussion and running it by the ad agency. Lee Pavao also mentioned "The Feeling Never Leaves You"

Annette Stone began the roundtable stating that the band Future Island brought about 4200 attendees; approximately 800 were from Chapel Hill/Carrboro, about ½ of the remainder were from the Triangle, and the other ½ were from North Carolina (outside the Triangle) and other states. Ms. Stone reported that with the TDA's involvement, several Carrboro restaurants have announced their participation in the Small Plate Crawl. In other news, Stone talked about sculptures/plants and signage around town hall. Upcoming Carrboro events include: TerraVita Friday night dinner, and the Farmer's Markets Pepper Day. She also briefly spoke on the connection with student housing and Airbnb.

Libbie Hough spoke on the peaceful demonstrations with the NAACP and Confederate flag enthusiasts, about 600 people attended in plus the annual Rural Heritage bicycle fest happened at the same time. Ms. Hough reported that the Alliance for Historic Hillsborough has an open position for a Communications and Visitors Center Coordinator. The Town of Hillsborough has made an offer for the Tourism position. Upcoming events include: Ayr Mount (year-long events), Occoneechee Mtn. Geology Hike, and fundraiser for Orange Opens its heart at Hot Tin Roof.

Debbie Hepp gave an update on arts news reporting that on September 3rd, the Arts Commission will celebrate its 30yr anniversary at the Whitted Building and the OCAC's launched a new website design.

Aaron Bachenheimer announced the Fall Good Neighbor Night Out & Block Party begins at 5pm at the Hargraves Center. Also upcoming Transfer in the Community Night at TOPO.

Meg McGurk reported that Greg Overbeck will have on permanent loan, old nostalgic photos of downtown that were given to her, in the upstairs of Spankys. She also reported that Spanky's will produce a brochure about the photos

Karen DeHart reported that NCHSAA launched a new initiative focusing on health and safety for high school students. Ms. DeHart also reported that over the last 5 years, over a million dollars has gone back to the schools by the Association. Penny Rich inquired if the dollars went specifically to athletics. Ms. DeHart said there is no way of telling as the funds go directly to the schools' principles.

Board members had a brief discussion on promoting soccer tournaments. Laurie Paolicelli commented that the Bureau has for a long time tried to position the area as a destination for soccer tournaments. Gordon Merklein volunteered to provide contacts for people that may want to be involved next year. Paolicelli noted that David Stancil, Director of DEAPR for Orange County would be a good contact.

The next board meeting will be September 16 at Performance AutoMall. Rob Bruce, Director of The Friday Center and Tar Heel Athletics will be invited to present.

Lee Storrow reported that the hotel proposal for Franklin Street was pulled from the planning commission and regrouping.

With no other discussion or business, Chairman Carey adjourned the meeting at 9:37 am.

Minutes reviewed by:
Laurie Paolicelli, Executive Director

Date

Minutes accepted by:
Anthony Carey, Chairman

Date