Agenda
Tourism Board Regular Meeting

5:30 PM November 06, 2023
Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

1. **Call to order**

2. **Agenda changes and approval**

3. **Minutes review and approval**
   A.   September 12, 2023

4. **Action items**
   A.   Tourism Board Partnership in Downtown Parking Study ($2,500)

5. **Discussion items**
   A.   Tourism Board Funding Discussion (continued..)

6. **Monthly reports and comments**

7. **Adjournment**

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Tourism Board Regular Meeting Agenda | 1 of 1

1

Minutes
TOURISM BOARD

Regular meeting
5:30 p.m. September12, 2023
Board Meeting Room of Town Hall Annex, 105 E. Corbin St.

Present:	Chair Matt Hughes, Rainbow Cabbage, Barry Hupp, Victoria Pace, Smita Patel and Scott Czechlewski
Absent:	Barney Caton, Megan Kimball, Eryk Pruitt
Staff:	Planning and Economic Development Manager Shannan Campbell

1. **Call to order**
   Chair and Commissioner Matt Hughes called the meeting to order at 5:32 p.m. Planning and Economic Development Manager Shannan Campbell confirmed the presence of a quorum.

2. **Agenda changes and approval**
   No changes were proposed.

Motion:	Board member Scott Czechlewski moved to approve the agenda as presented. Board member Victoria Pace seconded.
Vote:	6-0

3. **Minutes review and approval**
   Minutes from regular meeting on August 7, 2023

Motion:	Board member Barry Hupp moved to approve the minutes as submitted. Czechlewski seconded.
Vote:	6-0

4. **Presentations**

A. Special Project/Partnership Funds: Orange County Arts Commission Paint It Orange Plein Air Paint Out

Neil Stutzer of the OCAC explained he was filling in for commission director Katie Murray, who was on vacation. He noted this was the program's seventh year. Last year 66 artists participated, 22 paintings were sold on opening night, and parties came from four states. This year the commission was adding two new components: 1) Local middle and high school students have been invited to participate, and the art department of the winners' schools will receive $400 worth of art supplies. 2) Farms in Orange County have been invited to open their properties to artists. Sixteen farms have signed up so far.
Stutzer concluded by saying the commission was requesting $1,000 for sponsorship from the board.

2

Hughes asked Campbell if the Tourism Development Authority was sponsoring the program. Campbell said it had in the past because the event occurs over several days an promotes 'heads in beds', but Murray thought it was appropriate to ask the Tourism Board for funds because the event is based in Hillsborough and the artists and those in town for the subsequent events purchase food and beverages during the event.

Stutzer said the commission is also inviting the families of the school participants to come to town and enjoy its amenities. Board member Patel asked how the event is being publicized. Stutzer said Murray advertises in Plein Air magazine, targeting the artists themselves, and that he was working with Orange County and Chapel Hill Carrboro City schools.

Campbell explained the board had not previously allocated any unassigned special project and partnership funds and would have to make a budget amendment to pay for proposal from the fund balance.

Board member Rainbow Cabbage asked about the board's fund balance. Campbell said the latest draft audit report showed a balance of $512,225. Hughes noted he'd received the final unaudited tax report, which showed $502,231, which was an increase of $63,528 over the previous year. Cabbage asked how much was left in unspent funds. Campbell said the board had spent $85,825 of the $512,225. Hughes said the next audit for FY2023 should be available by the end of the year.

Pace said she'd previously voted not to fully fund the Burwell School's request so the board could support a variety of other programs. Since tax revenues will likely be higher than projected, she said she favored funding the proposal. Czechlewski asked about other sponsors. Stutzer said the presenting sponsor was William Travis Jewelry of Chapel Hill, which had donated $2,500. There were also two smaller sponsorships of $100 and $200. Asked by Pace about the sponsorship deadline of September 8, Stutzer said that was not firm. Hughes noted that the board had budgeted $400,000 for the food and beverage tax in FY2023 but collected $102,000 above that amount.

> Motion: Hupp moved to fund the request as proposed by doing a budget amendment to move $1,000 from fund balance to the Special Projects/Partnerships line item. Pace seconded.
> Vote: 6-0

B. Tourism Funding Workshop/Discussion
Campbell said she'd included an overview of the grant process and RFP process in the agenda packet. She said the board had previously decided that it made more sense to use a RFP process rather than asking partners to submit a grant application to be competitively scored every year. In contrast, the grant process is intended to fund new programs and events and is more competitive.

Hughes suggested starting with RFP process since the grant process involved smaller amount of funds. Campbell summarized the RFP process: each contract partner is sent a scope of work document that outlines actions the board expects the partner to take, and the organization responds by explaining how it is going to perform these duties with an expected budget for doing so. Each partner is asked to make a quarterly report letting the board know how they are fulfilling their contractual duties. Then, in February that process starts again. The board sends the organizations a scope of work and they respond. They may ask for increased funding, which requires they submit a justification form. Of late, organizations have been asking for very large increases.

Section 3, Item A.

Hughes asked if the Submittable platform might be used for submitting contract partner requests and quarterly reports. Campbell said that was a possibility and she would explore it. She said if so that it may be really helpful to do it this way. Hughes said some partners start to build their budgets in April and that asking them to project plans for each quarter 12 to 18 months in advance seemed burdensome. Campbell said partners' plans do sometimes change and that she spot-checks the quarterly reports, which she said are informative about where organizations are working and how they might coordinate. Cabbage asked if there was a penalty for not meeting a requirement. Campbell read the "failure to perform" clause in the contract and noted the board could ask that funds be returned if a group didn't perform a duty.

Hughes asked Campbell if she could share the form that is sent out to partners. Campbell shared the "Contract Scope of Work Update" documents for the Burwell School and the Alliance for Historic Hillsborough. She noted the form is essentially a "RFP by invitation only," not a traditional RFP. Pace said she thought the partners find the quarterly reports a little tedious and liked the idea of using the Submittable platform. She invited partners who were present to share their thoughts.

Hughes noted a provision in Arts Council contract to coordinate with West Hillsborough and said the board may want to check to make sure that was happening. He asked Campbell how partners might ask for changes to the scope of work. She said it doesn't happen often, but the Orange County History Museum once asked to modify their scope so they could hold ticketed events. Hughes suggested the board might want to ask partners how their work aligns with the board's strategic plan, adding they might use a tool like Estimate to calculate their ROI or economic impact. Cabbage said having something quantifiable would be helpful.

Hughes asked Stutzer for feedback. Stutzer said starting early in the year was not manageable: it's difficult to anticipate later changes and time consuming to write the applications, which requires consulting with staff and program organizers, at the same time partners are applying for other grants. He said it would be more feasible for the board to ask if the partner had met a few major goals.

Amanda Boyd, executive director of the Alliance for Historic Hillsborough, agreed that it would be helpful for partners if the reports could be condensed, adding that a general question about successes and challenges could serve that end. Hughes asked what the board wanted partner reports to look like, noting that some are 30-page presentations, while others are more concise. Boyd said asking partners how their work aligns with the board's strategic plan would help streamline the reports, followed by a check-in once a year. Stutzer said that having that conversation six months out before planning gets underway would be helpful.

Campbell noted the board hadn't had a retreat recently as it did when it last revised the strategic plan. She suggested a retreat might be held in the spring in lieu of a meeting. Any new strategic or work plan would apply to the following fiscal year. Czeckiewski said as a new board member, he'd be interested in having a retreat. Hughes suggested January might be a good time to hold one. Scott recommended scheduling it early in the day. Hughes said that was feasible and suggested the board choose a date and time at the next meeting.

Campbell brought up ROI again. Cabbage said that should be weighed in when assessing funding requests.

Campbell asked if the board wanted to require partners to hold one fund raising event a year because she'd heard concerns that some partners are not doing enough fundraising because they are adequately supported by the board. She said when legislation establishing the food and beverage tax was conceived, the intent was to assist

4

contract partners but probably not fully fund their operations . The grant program, on the other hand, was conceived as seed money.

Cabbage said because the future of the tax was uncertain, the board should encourage partners to be more sustainable. Pace shared written comments submitted by board member Megan Kimball, who noted that the contract partners serve functions usually served by government in other municipalities.

Campbell returned to the question about a fundraising requirement, citing reservations by some local business owners. Pace approved of the idea. Hughes said the current process doesn't allow the board to understand partners' overall budgets and other sources of revenue. Cabbage said it would be more responsible to encourage partners to become self-sustaining. Scott said he agreed but didn't think the organizations could ever be fully self-sustaining. Pace agreed the board should encourage partners to expand their fundraising but said it shouldn't expect them to be fully self-sustaining.

Hughes concurred with Kimball's comment, noting the town has chosen to privatize some tourism services. Campbell noted the town saves considerable expense by having an outside organization run the visitors center, because there are many regulations governments must follow, benefits, pensions, etc. She said she thought the partners offered a more authentic tourism experience than some run by governmens. Pace suggested the board move to the grant application process.

Czechlewski suggested the scoring rubric be revised to include measures for tourism impact. Cabbage and Hupp questioned the usefulness of using a rubric. Hughes, Czechewski, Patel and Pace said they found a rubric useful, but agreed it needed revising. Campbell noted that this year was the first time the board received a well-written application that didn't meet the board's tourism goals. She suggested the board could adjust the weight allotted to each category. Hughes proposed that Czecklewski and Cabbage help Campbell revise the scoring guide. They agreed to do so.

Campbell summarized the board's next steps: explore the Submittable platform for FY25 RFPs, require partners to submit an economic impact estimate and more concise quarterly reports, require partners to hold one fundraising event per year, set financial or growth goals for each partner, update the scoring rubric language and weight of scores, and hold a tourism retreat in January.

Cabbage asked about measures to ensure accountability. Hughes pointed out that board members sit on boards of several partner organizations and provide some oversight. Czechlewski suggested each partner explain which goals they didn't reach in their quarterly reports. Stutzer noted that the board once required partners to hold a fundraising event as part of their general budgets, adding that the board had previously advised the Arts Council to raise its revenues, which he thought was valuable in showing the organization was fiscally responsible.

5. **Monthly reports and comments**
A. Tourism Staff Report
   Campbell reported that the total revenue from the food and beverage tax for FY2023 was projected to be $502,231, an increase of $63,528. She said the board would have to pay more this year for website services because it had significant traffic increase to the website, largely due to marketing and social media reach.

B. Visitors Center Updates, & OC Visitors Bureau Updates
   There were no updates.

C. Board comments and updates

Cabbage asked why board meeting minutes posted on the town website were not up to date. Hughes explained the town was moving decades of minutes to one site and that these took precedence over minutes of more recent meetings. Campbell noted the town is required to make them available to the public and said she could send any missing month to Cabbage. Cabbage indicated that she had asked someone else to reach out and ask for them and there was no response. Campbell asked Cabbage to email her directly and indicated she would get her any needed minutes. She said the minutes for FY23 would be uploaded soon to support the audit.
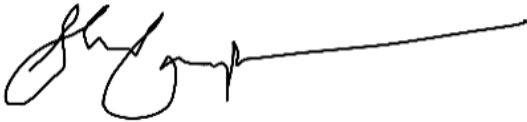
Hupp said his wife had recently joined the Hillsborough Arts Council and asked if he should recuse himself from votes concerning that organization. Campbell thought that wasn't necessary since he was not himself on the council board and his wife was not employed with the Hillsborough Arts Council.

6. Adjournment

Motion: Hupp moved to adjourn at 7:40 p.m. No one seconded.
Vote: 6-0

Respectfully submitted,

Shannan Campbell
Planning and Economic Development Manager
Staff support to the Hillsborough Tourism Board

Approved: Month X, 202X

6

STAFF REPORT
Hillsborough Tourism Board
November 6, 2023

PRESENTER/INFORMATION CONTACT

Tourism Program Manager, Shannan Campbell

ITEM TO BE CONSIDERED

Subject: Tourism Board Partnership in Downtown Parking Study ($2,500)

Attachments:

1. None.

Summary:

In late 2019, town staff identified that a new parking study was needed for downtown. The last parking study was done in 2014 and had come to the end of its useful life. A new study was needed to identify the current and future parking needs downtown and how the town and tourism program could plan to meet those. The Town, Tourism Board, and Tourism Development Authority had preliminary conversations about cost sharing the study and it was funded in FY21 in the amount of $50,000 with a cost share still being worked out. Unfortunately, the pandemic halted the completion of the study because people were not coming downtown and attending events like they were previously. Attendance at restaurants, businesses, and events has returned to close to pre-pandemic levels and it is needed to conduct the parking study. The new estimated cost for having the parking study done is $75,000 in FY24 due to inflation and the rising costs of services. The MPO (metropolitan planning organization) is being asked to fund $50,000 of this cost, the Town is being asked to fund $10,000, and Tourism Board and TDA are both being asked to contribute $2,500 each.

Financial impacts:

One time budget amendment of $2,500.

Staff recommendation and comments:

Staff recommends approval. As events and the town grow in popularity more parking will be needed somewhere to support the businesses and tourism economy. It's better to try to plan for future parking than

Action requested:

Approve, Approve with conditions, or deny a budget amendment for $2,500 from fund balance to Special Projects/Partnerships.

STAFF REPORT
Hillsborough Tourism Board
November 6, 2023

PRESENTER/INFORMATION CONTACT

Tourism Program Manager, Shannan Campbell

ITEM TO BE CONSIDERED

Subject: Tourism Board Funding Discussion (continued..)

Attachments:
1. Revised/Updated Draft FY24 Quarterly Report Questionnaire
2. Revised/Updated Draft FY25 Grant Scoring Rubric
3. Revised/Updated Draft FY25 Budget Justification Form

Summary:
In 2015 the Tourism Board moved from having only one method of funding (grants) to having three methods of funding (grants, contracts, special projects/partnerships) in order to fund different kind of projects/programs/and operations that supported the overall tourism program. The Tourism Board identified that it was asked, from what are now contract partners, for roughly the same amounts of money year over year for the same projects/programs/operations year over year. The board identified that it wanted a structured traditional competitive grant program for new/innovative ideas to start new events or projects as well as a way to be nimble and fund smaller asks that pop up through the year (special projects/partnerships). They also determined that asking the historic sites and the Alliance to apply for a competitive grant program every year was not the most effective and that these relationships should transition to contracts for tourism services.

The Tourism Board has been perfecting all three of these funding processes over the years to see what works, what doesn't, and what kind of questions and reporting should be provided in order to ensure that the tourism funds are being spent effectively to grow tourism in town.

At the last meeting it was requested for the grant scoring rubric to be refined, additional questions to be added to the quarterly report document, and investigation into shifting the RFP process to submittable platform that the board also uses for grants. The FY25 Budget Justification Form was also updated for clarity on how multiple forms are needed for multiple budget increase requests.

There were also several questions raised such as: Should the board move from requiring quarterly to bi-annual reports? Can organizations accurately identify their needs and programming in February for upcoming July-June fiscal year? How does the Tourism Board become better informed of organizations' goals and fundraising?

Financial impacts:
N/A

Staff recommendation and comments:

Staff has updated some key documents and included more questions regarding ROI/economic impact and fundraising.

Hillsborough Tourism Board
FY2024 Contract Quarterly Report & Evaluation

Organization Information		
Organization Name:		
Contract Contact Person and Title:		
Contact Person Email:	Contact Person Phone:	
Organization Street Address:		
City:	State:	ZIP Code:
Organization's Annual Operating Budget: $		
Contract General Information		
Contract Quarter for Report: ex. 3rd Quarter (Jan-March)	Amount of Contract Funding: $	
Outline/Overview of this quarter's tourism events/programs/activities: Please explain how the organization successfully promoted tourism in Hillsborough:		

1

Contract Partner Tourism Impact	
Please estimate the number of residents the contract partner served for this quarter:	Please estimate the number of tourists the contract partner brought to Hillsborough this quarter:

Please describe how the actual number of residents and tourists served was measured (ie. registration/pre-registration, ticket sales either prior to the event or at the event gates, via turn style data, counters from volunteers, wristband tracking, counts at the site):

Please describe how the contract partner joined with local hotel/motels to increase occupancy rates this quarter (if applicable):

Please describe how the organization partnered and informed local businesses of the partner's events/program/exhibits/etc. (if applicable):

Please calculate the overall economic impact of any events/programs held this quarter (if applicable):

Section 5, Item A.

How many volunteers did the contract partner utilize this quarter:	How many volunteer hours were logged at the contract partner for this quarter:

Quarterly Reflections

Please explain some 'successes' this quarter and/or things that went well and some preliminary ideas on how the organization can expand on those:

Please explain any ways that the organization ran into unexpected roadblocks or difficulties and/or some preliminary ideas on how the organization can overcome those in the future (if applicable):

Marketing and Sustainability

Please explain how the organization marketed and promoted themselves as a tourism destination and/or promoted their events/programming/projects for this quarter (please include copies or photos of any flyers, advertisements run, banners/signs printed and hung, and any press coverage the project may have received):

Please provide any information on any fundraising the organization did this quarter and how that supports the long-term, sustainable, financial goals of the organization:

Budget Adjustments (if applicable, do not include if there are no changes)

a. Item	b. Amount Needed via Contract Funding in FY21 (for each item)	c. Amount Contributed by Organization (for each item)	d. Other Funding Sources	e. Total Contract Budget (add columns b-d)
Ex: Revolutionary War Re-enactors	Ex: $1,000	Ex: $2,000		
i.e. Personnel Costs- .5 FTE- Part Time Coordinator (10 hours p/w)	Ex: $6,500	Ex: $1,000	Ex: $500	$8,000
1. Operations- Utilities	$	$	$	
2. Operations- Staffing/Administration Site Manager (30 hours per week @ $15.00 per hour) = $23,400	$	$	$	
3. Operations- Insurance/Safety Items	$	$	$	
4. Advertising- Social Media/Online	$	$	$	
5. Advertising- Print Ads, Brochures, Postcards	$	$	$	
6. Data Processing- Website Maintenance, E-newsletters	$	$	$	
7. Exhibits/Displays/Attraction Development	$	$	$	
8. Special Projects/Events Admin	$	$	$	
9. Bands	$	$	$	
10.	$	$	$	
11.	$	$	$	
12.	$	$	$	
13.	$	$	$	
14.	$	$	$	
15.	$	$	$	
TOTALS (sum of each column)	$	$	$	

** PLEASE PROVIDE ADDITIONAL SHEETS (**USING THE SAME FORMAT**) IF THERE IS NOT ENOUGH ROOM TO ACCOMMODATE YOUR FULL BUDGET **

14

Section 5, Item A.

Signatures

I hereby certify that the information contained in this quarterly report is true and accurate to the best of my knowledge. I understand that providing false or misleading information may disqualify this organization from receiving future funding from the Tourism Board.

EXECUTIVE DIRECTOR	
Signature:	Date:
Printed Name:	
BOARD CHAIRPERSON	
Signature:	Date:
Printed Name:	
CONTRACT CONTACT PERSON (if different than Executive Director)	
Signature:	Date:
Printed Name:	

DRAFT UPDATED Hillsborough Tourism Board
2024 Grant Scoring Guide (FY25)

Grant Application Area Being Evaluated		OVERALL SCORE NUMBERS AND DEFINITIONS				
	Weight	8- Excellent 7	6- Good 5	4- Average 3	2- Needs Improvement 1	0- Insufficient
General Information and Description	5%	Description of the project is clear, concise, and easy to understand. The project is of a very original or creative nature.	Description of the project is clear and most aspects can be understood. The project is of an original or creative nature.	Description does not fully explain or articulate the project. The project contains few original ideas or creative concepts.	Description is difficult to understand, too verbose, hard to follow and does not contain any original ideas or creative concepts.	The applicant did not provide sufficient information such that it could be scored alongside other projects.
Tourism Impact	50%	The goals, impact to tourism both locally and regionally, and returns on investment are clearly defined. Partnerships with other organizations are businesses are clearly defined and explained. A Tourism Plan objective is identified, and it is clearly being achieved by this project.	The goals, impact to tourism both locally and/or regionally, and returns on investment are significant. Partnerships with other organizations and businesses are outlined loosely. A Tourism Plan objective is identified and is being met.	The goals, impact to tourism, and returns on investment low. Partnerships with other organizations and businesses have not been thoroughly explored. A Tourism Plan objective is identified, and the project loosely meets it.	It is not clear what the project goal is and/or project will have little or no impact to tourism. Partnerships with other organization and businesses are not well planned or established. A Tourism Plan objective is not identified, and/or it is not clearly being met.	The applicant did not provide sufficient information such that it could be scored alongside other applications.
Sustainability & Marketing	35%	The project applicant has a clear and concise plan for long-term sustainability and/or future impacts as well as a well-defined and innovative local and regional marketing plan.	The project applicant has strategies for developing long-term sustainability and/or future impacts and a good plan for how to market the project locally and regionally.	The project applicant has considered sustainability and/or future impacts but does not clearly outline how it will be achieved and does not have a strong plan for local and regional marketing.	It is not clear how the project applicant intends for the project to become sustainable and/or be impactful in the future. There is little to no explanation on how the project will be marketed.	The applicant did not provide sufficient information such that it could be scored alongside other applications.
Proposed Budget & Financing	10%	The project budget has no mathematical mistakes, line items and dollar amounts are reasonable, and the project match is clearly met or exceeded and outlined in the budget.	The project budget has little to no mathematical mistakes, line items and dollar amounts are reasonable, project match is met and outlined in the budget.	The project budget has a few mathematical mistakes, line items and dollar amounts don't always align, the project match is met correctly the way it is outlined in the budget.	The project has numerous mathematical mistakes, line items and dollar amounts do not make sense, it is unclear whether or not the project match is being met as outlined in the budget.	The applicant did not provide sufficient information such that it could be scored alongside other applications.

16

FY25 Tourism Contract Budget Increase Justification Form:

Explain any increase in the requested contract line item amounts or any added line items from the previous fiscal year. Use multiple sheets for multiple budget increases or requests. For example, if you're asking for additional funds for marketing AND additional funding for a new staff member, you would submit two separate budget justification forms.

Request Overview: Example: We need to increase the Advertising line item by $1,000 because the last time we produced a rack card was 5 years ago.

Prioritize Requests as 1, 2, or 3 (1=Must do; 2=Should do; and 3=Could do):
Example: Advertising=2 Should do

Explain rational, ie. We should increase advertising and create a new rack card because ours is 5 years old. The information is very outdated and we are down to our last 10 cards. We do not want to reprint an outdated rack card.

Line-item where funds are requested (number from budget and description of line-item):
i.e. Advertising- requesting $1,000 increase

Describe request:

ie. who is going to design the rack card, in house or graphic designer? How many are you going to print? How long should those last you? Etc.

Discuss how the request links to the Strategic Tourism Plan Goals/Implementation Projects:

Choose a goal/strategy that relates.

Alternatives & impact if request is not funded:

ie. We could create a virtual rack card but it would not be as impactful.

Additional information:
Include any pertinent information that wasn't already covered about the request.