



TO: The Chapel Hill Town Council

FROM: René Campbell, Executive Director of the Chapel Hill/Orange County Visitors Bureau

As you prepare the budget for 2005-2006, I ask that you consider restoring Chapel Hill/Orange County Visitors Bureau funding to 15% of the total collected in the Town of Chapel Hill room tax.

- The **total economic impact** of tourism in Orange County is **\$115.27 million**.
- Estimated number of **annual visitors: 1.3 million**
- **1710 jobs with a \$26.32 million payroll**
- **\$2.5 million in local taxes** (including county and city receipts from individual and corporate income tax, sales tax, excise and gross receipts taxes, and property taxes)
- For every **\$1** spent by the Visitors Bureau in 2002-2003, **\$170.55** was returned in economic impact. By restoring the roughly \$30,000 to the budget that was cut in FY 2004-2005, **\$5.116 million in additional economic** impact can be achieved.
- **Tax savings to residents: \$75/person**

The Chapel Hill/Orange County Visitors Bureau is beginning new ventures:

- New publications will focus on the “sense of place” for each community.
- Advertising in *Our State*, *Carolina Living* (a special section in *Southern Living*) and shared advertising with our local tourism partners in the NC Tourism, Film, and Sports Development visitors guide to increase more awareness of our destinations
- Upgraded web site development
- A promotion entitled “Food for Thought” that highlights local cuisine, farms, and cooking activities

If the Visitors Bureau receives 15% of the total amount of Chapel Hill collects in room tax, we can promote the area and generate additional local tax income that would benefit the Town and serve as tax relief for residents.

Thank you for your consideration. Please let me know if I can provide additional information to assist in your discussions.