



Town of Hilton Head Island  
**FINANCE & ADMINISTRATIVE  
COMMITTEE MEETING**  
**Tuesday, April 18, 2023, 1:00 PM**  
**Minutes**

**Present from the Committee:** Alex Brown, *Chairman*; David Ames, Steve Alfred, Glenn Stanford, *Members*

**Present from Town Council:** Patsy Brison

**Present from Town Staff:** Marc Orlando, *Town Manager*; Josh Gruber, *Deputy Town Manager*, Angie Stone, *Assistant Town Manager*; John Troyer, *Director of Finance*; Mac Deford, *General Counsel*; Bob Bromage, *Public Safety Director*; Todd McNeil, *Community Code Enforcement Officer*; Cindaia Ervin, *Interim Town Clerk*

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**1. Call to Order**

**2. FOIA Compliance**

Ms. Ervin affirmed compliance with FOIA

**3. Roll Call**

Attendance was confirmed by way of roll call.

**4. Approval of the Minutes**

**a. Regular Meeting – April 4, 2023**

Mr. Ames moved to approve. Mr. Alfred seconded. Motion carried 4-0.

**5. Appearance by Citizens**

Public comment was received by the Committee. Comments can be viewed through our website listed below.

**6. New Business**

**a. Review of the 2022 Hilton Head Island Destination Marketing Organization (DMO) Industry Metrics Report**

Josh Gruber informed the Committee staff has been working with the Visitor and Conventions Bureau along with the DMO over the past year developing the plan and information that will be presented. He noted there is an emphasis placed on ensuring that the marketing plan is community focused and connection with the Town's comprehensive plan ensuring that goals and objectives are aligned.

Ariana Pernice, Vice President of the Visitors and Convention Bureau conducted a detailed presentation focusing on the metrics within the contract which consists

of 1) Visitor and resident satisfaction; 2) Revenue available per room; 3) Occupancy rates; 4) Visitor spending studies; 5) Return on investment for visitor spending per dollar of investment; 6) Local tax revenues generated by visitors; 7) Number of visitors; 8) Number of referrals made to area businesses and number of website and click through(s) made to area businesses; 9) Numbers related to mail fulfillment and other contacts; 10) Industry awards received for marketing and public relations efforts; 11) Number of jobs created by tourism; 12) Events held and participation events by Chamber members; and 13) Update on its public relations efforts to include the number of media impressions and the dollar equivalent for media impressions. She noted the presentation was for the 2022 calendar year. She reviewed detailed results of each metric. The Committee asked questions and provided input regarding: clarification of referrals to businesses located on the website; the importance of reaching out to residents through a survey; concerns over traffic due to overdevelopment; short-term rental issues; the need for alignment with the Town's Comprehensive Plan; the need for quality of visitors and the quality of the marketing product; explanation as to the awards received are not paid for; the need for a balance regarding the number of tourists; the need to promote the benefits of the tourists; the need for emphasis on cultural tourism; a strong suggestion that we need more conventions, meetings and reunions held here; a request that points of concern are included in the metric report; a request for further explanation regarding the increase of jobs; request for an explanation on the number of visitors and whether it includes day visitors staying in surrounding areas; and concern over short term rentals and hotels and whether hotels are making enough for reinvestment in their properties.

**b. Consideration of Resolution Recommending the 2023-2024 Destination Marketing Organization (DMO) Marketing Plan & Budget**

Ariana Pernice, Vice President of the Visitors and Convention Bureau conducted a detailed presentation focusing on the DMA Marketing Plan and Budget. She explained that after meeting with members of Council, Staff and hearing from the public the need to work towards responsible and sustainable tourism. She stated that as a result of those meetings and conversations they need to provide more detail in what is being promoted regarding tourism. Ms. Pernice stated the plan has been adjusted to include a broader spectrum. She went through the plan in detail regarding the implementation of the 1) implementation of the Community Cornerstone Plan; 2) connecting the Marketing Promise with the On-Island Experience; 3) creating an understanding of and respect for our delicate ecosystem (residents and visitors); driving deeper discovery and exploration of our destination; 5) building brand awareness; and 6) enhancing leisure and group business through qualified visitation. The Committee asked questions and provided input regarding: discussions regarding the increase in the estimated 30% amount; discussion of the addition of supplemental requests to the comprehensive plan presented so they would not have to come back; the concern that they are the Chamber is operating off of current numbers and talking about adjustment to current numbers rather than justifying the budget; the need to come back to the Committee and justify the components of the budget; the need to measure success

of the program annually; the need to verify to the community of an effort made regarding the effectiveness of program; recognizing the challenge in dealing with ATAX funds to consider investment in more marketing or facilities and programming; and a request for an explanation of the increase in the budget in the form of a memo. After discussion, Mr. Ames moved to forward the resolution to Town Council for consideration regarding the 2023-2024 Destination Marketing Organization (DMO) Marketing Plan & Budget as presented. Mr. Alfred seconded. Motion carried 4-0.

- c. Consideration of a Proposed Ordinance 2023- 11 Amending Section 4-10-100 (Management and Use of Local Accommodation Taxes) of the Town of Hilton Head Island Code of Ordinances Pertaining to the Event Management and Hospitality Training Program Fund

Josh Gruber conducted an explanation of the amendment changing the funding from a fixed percentage to a proposed budget submitted annually for consideration as part of the town's budget adoption process. Mr. Ames moved to forward the proposed ordinance to Town Council for consideration as presented. Mr. Stanford seconded. Motion carried 4-0.

## **7. Adjournment**

The meeting adjourned at 2:22 p.m.

**APPROVED: May 16, 2023**

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The recording of this meeting can be found on the Town's website at [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov)