



**Town of Hilton Head Island
Planning & Development Standards Committee
Special Follow Up Meeting
Monday, October 17, 2011 2:00p.m.
Benjamin M. Racusin Council Chambers**

AGENDA

As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting.

- 1. Call to Order**
- 2. Freedom of Information Act Compliance**
Public notification of this meeting has been published, posted, and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 3. Approval of Minutes** – Special P&DS Committee Meeting September 26, 2011
- 4. New Business**
Economic Development Strategy for the Town of Hilton Head Island.
A presentation and discussion will be facilitated by Town staff to guide Town leadership in outlining an economic development strategy, including recommendations on areas to focus economic and redevelopment efforts, proposed staffing and organizational structure, and economic development program elements
Presented by: Shawn Colin
- 5. Adjournment**

Please note that a quorum of Town Council may result if four or more Town Council members attend this meeting.

TOWN OF HILTON HEAD ISLAND
Planning and Development Standards Committee
Minutes of the Special Wednesday, September 26, 2011 Meeting
2:00pm – Benjamin M. Racusin Council Chambers

DRAFT

Committee Members Present: Chairman Bill Ferguson, Bill Harkins and Kim Likins

Committee Members Absent: Mayor Pro Tem Ken Heitzke

Council Members Present: Mayor Drew Laughlin, Lee Edwards and George Williams,

Town Staff Present: Shawn Colin, Comprehensive Planning Division Manager
Steve Riley, Town Manager
Charles Cousins, Director of Community Development
Jill Foster, Deputy Director of Community Development
Kathleen Carlin, Administrative Assistant

1) CALL TO ORDER

Chairman Ferguson called the meeting to order at 2:00p.m.

2) FREEDOM OF INFORMATION ACT COMPLIANCE

Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

3) NEW BUSINESS

A. Economic Development Strategy for the Town of Hilton Head Island

Mr. Shawn Colin presented introductory statements on behalf of staff. A presentation and discussion will be facilitated by Town staff to guide Town leadership in outlining an economic development strategy, including recommendations on areas to focus economic and redevelopment efforts, proposed staffing and organizational structure, and economic development program elements.

The Economic Development Workshop is programmed to educate Town Council and staff on the typical roles and functions of various Economic Development organizations and agencies in South Carolina, as well as determining the most suitable Economic Development strategy to implement for the Town of Hilton Head Island. The Economic Development Workshop responds to the following two directives included in the Policy Agenda for 2011 Targets for Action by Town Council: (1) Top Priority – *Redevelopment Authority/Community Development Corporation: Evaluation and Direction*; and (2) High Priority – *Economic Development Corporation Evaluation*.

Mr. Colin introduced the Workshop's four guest speakers: Ms. Kim Statler, Executive Director of the Lowcountry Economic Alliance; Mr. Greg Strait, Economic Development Analyst for the City of Greenville, SC; Mr. Stephen Turner, Director of Economic & Urban Development for the City of Rock Hill; and Mr. David Sebok, Executive Director of Myrtle Beach Downtown Redevelopment Corporation.

Mr. Colin stated that the speakers will share their thoughts and ideas on the following topics: (1) the role each organization plays in Economic Development in the areas of marketing, recruiting, incentives, public private partnerships and financing; (2) the geographic extent of economic development efforts in each jurisdiction; (3) the relationship to roles of the City, County and other area Economic Development organizations; (4) the support each receives from their host municipality; (5) the essential functions of municipal staff; (6) the advantages of supporting municipal Economic Development programs via an Economic Development Corporation, Redevelopment Authority.

The speakers will discuss their roles and functions in economic development, relationships to economic development authority, and/or redevelopment authority, and the typical level of involvement of municipalities in economic development. The speakers will address geographic areas of focus for economic development and redevelopment efforts for their respective jurisdictions and the financial resources dedicated for these efforts, including staffing and support for Economic Development Corporations or Redevelopment Authorities.

The staff will outline its recommendation on how to accomplish economic development objectives and direction for redevelopment and what the Town has engaged in to date to support economic development. Town Council will weigh in on what Economic Development means to the Town, areas to focus economic development efforts, the Town's specific role in Economic Development, and the tools and organizational structure that are best suited for Hilton Head Island. Mr. Colin then requested that the first speaker, Ms. Kim Statler, make her presentation.

Ms. Kim Statler, Executive Director of the Lowcountry Economic Alliance, stated that the Lowcountry Economic Alliance is a nonprofit, public-private organization that was created in 2008 to promote economic development in Beaufort and Jasper Counties. The Alliance was formed by the County Councils of both counties and is governed by a seven-member board, including business executives and public officials. The Alliance's mission is to promote and assist with quality growth and economic development, create career path opportunities for residents, and expanding the tax base of Beaufort and Jasper counties.

Their three-step approach to the strategic planning process is: (1) Competitive Assessment; (2) Target Cluster Selection; and (3) Cluster Strategies. The Lowcountry Economic Alliance and area leaders are working with national consultants to create a strategy aimed at increasing jobs, generating investment, and enhancing the economy. Being competitive requires a strategic, proactive approach. The Lowcountry Targeted Economic Development Strategy was developed in response to this need. Following Ms. Statler's presentation and discussion by the committee, Chairman Ferguson requested public comments. A couple of (*unidentified*) members of the audience presented comments.

Mr. Colin then presented introductory statements regarding the Upstate South Carolina Alliance. Formed in 2000, the Upstate South Carolina Alliance is a public-private regional economic development organization designed to market the 10-County Upstate Region. Mr. Colin introduced the next speaker, Mr. Greg Strait, Economic Development Analyst for the City of Greenville. Mr. Colin requested that Mr. Strait make his presentation.

Mr. Strait presented a brief history of the City of Greenville. The City of Greenville is home to a number of international companies. Through new initiatives, the City of Greenville is leading the way in innovative public-private partnerships dedicated to industrial and research development. The City of Greenville, with a population of nearly 60,000, has a strong workforce that is poised for future growth in this knowledge-based economy. Mr. Strait presented an overview of the city's population, labor force, and industry.

As Economic Development Analyst for the City of Greenville, Mr. Strait conducts research for Economic Development real estate projects and business recruitment including demographics, Geographic Information System (GIS) mapping and analysis, market statistics, financial impact analysis, small business assistance, and development project management. Mr. Strait serves as Assistant Secretary/Treasurer of Greenville Local Development Corporation and manages all of the corporation's projects and programs including loan and grant administration.

Prior to his position as Economic Development Analyst, Mr. Strait served as Management Analyst where he conducted operational and performance reviews of City of Greenville departments and developed performance measures for budgeting purposes. Operational reviews included the departments of Sanitation, Public Works, Purchasing, Police and Fire. Studies resulted in over \$2 million in identified cost savings and productivity enhancements.

Mr. Strait presented a power point presentation that included an Organizational Chart for the entire Economic Development Department, the relationship to the Greenville Local Development Corporation and other economic development entities in the Greenville region. Mr. Strait presented a brief review of the department's growth over the last 18 years.

Following Mr. Strait's presentation and discussion by the committee, Chairman Ferguson requested public comments. A couple of (*unidentified*) members of the audience presented comments. Mr. Colin then introduced the next speaker, Mr. Stephen Turner, Director of Economic & Urban Development for the city of Rock Hill. Mr. Colin requested that Mr. Turner make his presentation.

Mr. Stephen Turner, Director of Economic & Urban Development, stated that the City of Rock Hill is a thriving residential community. The city has received several awards for its outstanding schools, parks, and its southern hospitality. Rock Hill is the largest city in York County and the fourth largest city in the state, with a population of 71,459 (July 2011). Rock Hill's economy was once dominated by the textile industry, but the recent decline in that industry has decimated the local economy. The city is in its renovation from the textile industry to a retail and manufacturing industry bringing national and global companies to the city.

The city of Rock Hill has experienced rapid growth between 2000 and 2010 with a 39% growth rate. The forecast population for 2020 is near 100,000 residents (according to Rock Hill Economic Development). Rock Hill Economic Development Corporation is a non-profit organization committed to representing the business, educational and community interests of the city while promoting jobs and supporting growth. The purpose of Rock Hill Economic Development Corporation is to further economic growth and development of business matters, including small business concerns with the city. It is committed to promoting and assisting in the development of residential housing. The principal objective of the Corporation is to benefit the city economically by fostering increased

employment opportunities and by expansion of business and industry, thereby lessening the burdens of government and combating community deterioration.

The Rock Hill Economic Development Corporation's mission is to sustain and expand the city's role as a location for economic activity so as to benefit the city and its residents through the creation of new jobs, expansion of the tax base and growth in utility revenues. Strategic Goals are: (1) attract high quality jobs and businesses to Rock Hill, particularly manufacturing, corporate office and distribution facilities; (2) ensure availability of competitive sites and services for business location and expansion inside the city; (3) strengthen partnerships with Economic Development Allies; create and implement a redevelopment plan for the textile corridor; create and implement a redevelopment plan for the Highland Park Neighborhood; (4) implement a downtown master plan in order to strengthen downtown as the mixed-use hub for Old Town ; (5) create destinations and marketing programs designed to attract visitors to Rock Hill; (6) develop community amenities that provide diverse opportunities for local residents and that keep Rock Hill competitive within the Charlotte region for quality businesses and jobs; and (7) adopt a trails and greenways master plan and begin the development of an integrated trail system serving Rock Hill neighborhoods.

Following Mr. Turner's presentation and discussion by the committee, Chairman Ferguson requested public comments and none were received. Mr. Colin then introduced today's fourth and final speaker, Mr. David Sebok, Executive Director of Myrtle Beach Downtown Redevelopment Corporation. Mr. Colin requested that Mr. Sebok make his presentation.

Mr. David Sebok stated that the Downtown Redevelopment Corporation's mission is to initiate and facilitate the revitalization of downtown Myrtle Beach through strategic aesthetic, functional and business development goals, through the addition and enhancement of public infrastructure, including the boardwalk, through the creation of economic and other incentive programs and through partnerships with private investment and development sectors.

The Downtown Redevelopment Corporation was created by City Council in 1999 to implement the Pavilion Area Master Plan. The DRC is a not-for-profit corporation. The 11-member Board of Directors meets on a monthly basis. The goal is to create an environment as an incentive to private business investment. Tasks: (1) Public physical infrastructure; (2) Zoning incentives; (3) Assistance programs (financial, processing, entitlements); and Partnerships (funding, leasing, promotions). The Funding resources are: (1) Public Parking Program creation and management; (2) Hybrid Parking Leasing Program; (3) Private parking partnerships; (4) City enterprise funds (sewer and water); (5) TIF District; (6) Admissions Tax District; (7) Hospitality Tax and ATAX (competitive projects / support for private apps). Grants - State and Federal.

Mr. Sebok stated the following staff/relationships: (1) staff is small (2 plus interns). The department works closely with City staff and consultants. Results: Must be the "passionate advocate"; Must be persistent and patient; Must have private sector buy in and evidence of partnerships. Potential advantages of an EDA - Focused transaction body that is run as a business; Buffer political aspects of decision making; Takes advantage of specific private sector expertise and relationships.

Upon creation of the DRC in 2000 the City allocated start up administrative money to: (1) Hire an Executive Director; (2) Fund some operational expenses; (3) Fund some initial consultant studies. Mr. Sebok discussed the funding for the past several years.

At the completion of Mr. Sebok's presentation, Town Council expressed their appreciation to all four of today's guest speakers. The information presented today is very helpful to the staff and Town Council.

B. Economic Development Strategy for the Town of Hilton Head Island

Due to the lack of time, staff suggested that a follow-up meeting be scheduled to cover this section of the agenda. Chairman Ferguson agreed with this suggestion. Staff will contact Town Council to arrange a date and time for the follow-up meeting.

7. ADJOURNMENT

The meeting was adjourned at 4:55pm.

Submitted By:

Approved By:

Kathleen Carlin
Administrative Assistant

Bill Ferguson
Chairman



TOWN OF HILTON HEAD ISLAND

Community Development Department

TO: Planning & Development Standards Committee
FROM: Shawn Colin, AICP, *Comprehensive Planning Manager*
CC: Charles F. Cousins, AICP, *Director of Community Development*
DATE: October 10, 2011
SUBJECT: October 17, 2011 Economic Development Program Workshop

Recommendation: Staff recommends the P&DS Committee outline an Economic Development approach to implement for the Town of Hilton Head Island, based on information provided from Economic Development experts during the September 26, 2011 P&DS meeting and Town Staff during the programmed Economic Development workshop.

Summary: An Economic Development Workshop was conducted through a presentation to the P&DS Committee on September 26 2011, whereby representatives from the Lowcountry Economic Alliance, and the Cities of Greenville, Myrtle Beach and Rock Hill shared their thoughts and ideas through a presentation to the P&DS Committee on the following subjects:

- The role each organization plays in Economic Development in the areas of marketing, recruiting, incentives, public private partnerships, and financing
- The geographic extent of economic development efforts in each jurisdiction.
- The relationship to roles of the City, County and other area Economic Development organizations.
- The support each receives from their host municipality.
- The essential functions of municipal staff.
- Advantages of supporting municipal Economic Development programs via an Economic Development Corporation, Redevelopment Authority.

Due to time constraints, a recommendation was made to schedule an additional meeting of the P&DS committee to discuss the second part of the workshop agenda. This item was to provide an opportunity for Town Staff to guide the committee and Town Council members through a presentation and discussion to outline an Economic Development Strategy to implement for the Town. To further this effort the item has been programmed as the order of business for the P&DS Special Meeting scheduled for October 17, 2011.

Town staff will facilitate discussion with the Committee to outline an economic development strategy for the Town of Hilton Head Island. This will include identifying areas to focus economic development and redevelopment; including the role Town staff should play to implement an economic development strategy and the consideration of establishing an Economic Development Corporation or Redevelopment Authority to supplement Town efforts. To assist the Committee in outlining a strategy best suited for Hilton Head Island staff requests the Committee review and consider the following questions in advance of the meeting:

1. What does Economic Development mean in the context of Hilton Head Island?
 - Redevelopment of existing commercial areas
 - Development of smaller scale retail
 - Creation of new employment centers
 - Creating activity centers
2. What properties should be targeted for Economic Development and/or redevelopment?
 - Existing occupied commercial space.
 - Undeveloped commercial properties
 - Vacant businesses or commercial space.
 - Non-commercial properties

3. Should the scope of Economic Development and/or redevelopment be Town-wide or focused on specific areas?
4. What types of assistance should the Town make available?
 - Regulatory: Examples - MID, Graduated Density, TDR's
 - Financial: Examples - Grants, Loans, Infrastructure, Land Assembly/Banking
5. What are the roles of Town and role of other economic development partners (Chamber, Lowcountry Economic Alliance, Local Development Corporation)?
 - Marketing
 - Recruitment/Retention
 - Incentives
 - Public Private partnerships
 - Financing
6. What roles do property owners, tenants, and developers play in creating the strategies?

Background: This program is in response to the following items that were included in the Policy Agenda for 2011: Targets for Action by Town Council:

- Top Priority - *Redevelopment Authority/Community Development Corporation: Evaluation and Direction*
- High Priority - *Economic Development Corporation Evaluation.*

Please contact Shawn Colin at 341-4696 with questions.