



**The Town of Hilton Head Island  
Economic Development Committee  
Wednesday, June 13, 2012  
1:00 p.m.  
Conference Room 4**

**AGENDA**

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**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**
  - a. Approval of Economic Development Committee minutes June 6, 2012
- 4. New Business**  
**Discussion with other agencies regarding Economic Development**
  - a. Gary Kubic, Beaufort County Administrator
  - b. David Tigges, Lowcountry Economic Alliance
- 5. Adjourn**

**Please note that a quorum of Town Council may result if four (4) or more of Town Council members attend this meeting.**

TOWN OF HILTON HEAD ISLAND  
**ECONOMIC DEVELOPMENT COMMITTEE**

Wednesday, June 6, 2012 Minutes  
1:00p.m. – Conference Room 4

Committee Members Present: Jim Gant, Richard Cyr, Tom Lennox, Peter Parrott,  
Councilman Bill Harkins, *Ex-Officio*,  
John Salazar

Jim Collett

Absent: Terry Ennis

Town Staff Present: Steve Riley, Town Manager  
Charles Cousins, Director of Community Development  
Shawn Colin, Comprehensive Planning Division Manager

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**1) CALL TO ORDER**

Chairman Gant called the meeting to order at 1:10 p.m.

**2) FREEDOM OF INFORMATION ACT**

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

**3) APPROVAL OF MINUTES**

The Economic Development Committee minutes of May 8, 2012, May 15, 2012 and May 23, 2012 were approved as presented.

**4) NEW BUSINESS**

Chairman Gant stated that this Committee's objective is to try to define an entity for economic development on Hilton Head Island and to understand what other players are doing. Since tourism is such a large part of Hilton Head Island, the Committee thought it would be best to start with the Chamber of Commerce and get an overall strategy regarding tourism.

Mrs. Susan Thomas:

Coastal South Carolina USA was established back in the 1980s as a special niche to market to international visitors and consists of board members from Chamber of Commerce and Visitor & Convention Bureaus in the coastal areas: primarily Hilton Head Island, Myrtle Beach and Charleston, S.C. Coastal South Carolina USA is intended to be a voice of the private sector on helping to assist when the state goes into a new international market to bring that destination product awareness to the media, tour operators, trade shows and build relationships with packagers.

To measure results we look at internet traffic, package activity, media results from brand exposure and through talking with journalists. We brought quite a lot of broadcast and print media folks to Hilton Head Island. We had 80 tour operators here from Germany and we hosted five different groups over two weeks – each had a themed itinerary. That is how you build relationships and they get to know the product. Hilton Head Island and Charleston probably reap the highest benefit.

Hilton Head Island is a strong second tier destination. We do very well as a second, third or fourth trip for the European traveler.

The Town should work with those that want to redevelop property, build up a buzz and excitement for Hilton Head Island. Work as close as you can to encourage and move redevelopment plans along.

Corporate customers focus on hotels - is it tired looking? We could facilitate working with owners of hotels; long range plans to make sure their sales stay strong. It is the lodging and stay product and retail that the Town needs to focus on and reflect what the younger generation is looking for.

We have great amenities and attractions here. Visitors in their 30s and 40s have a more critical eye and need to be courted. They want technology and easy access to technology and Wi-Fi wherever they are. They want to connect with family: work while they play and play while they work. Need to market Hilton Head Island as a place to relax; a laid-back wonderful place to reconnect with people you care about. The average core travelling couple is in the 40-65 age range and they are affluent. After reviewing the Sonesta hotel plans, it will be the hippest hotel on Hilton Head Island.

Golf is a big part of our branding message, it is high end. Is that market shrinking in the U.S. – overbuilding of product? Recreation patterns and demand of activities are different. There isn't time to give 4 hours to a round of golf. Visitors are more geared toward family activities, biking trails and cultural events.

When visitors are asked why they go to a particular destination: visitors will say natural beauty, beaches, relaxation. What do they do while on vacation: shopping and dining. But that is not the motivating factor to get them here.

Vacation rental refurbishing. Short term rentals. How do you give people incentive to refurbish rental units?

- Rating each unit
- Customer expectations
- Revenues / loss of revenues
- Competition breeds enhancements

Hotel and accommodation folks have a clear vision of what is on the horizon. Smaller property management organizations do not have that luxury.

How do you incent small business to improve their parking lot or the façade unless there is revenue incentive? Will they spend money on something that may or may not improve their revenue stream? Take a segment or two of Hilton Head Island and focus on redevelopment. Once owners see the value it may motivate them to improve their site.

The Chamber of Commerce has a network of resources available to small businesses such as an online small business kit and web based tools. Mr. Jim Collett stated that he met with Mr. Bill Miles about approaching Hargray & Time Warner to have available for small businesses Wi-Fi packages that are instructional and educational.

Quality of life is big draw to bring small business here. Go after bringing meetings here. Work with hotels to go after hosting healthcare meetings. Healthcare is a growth sector. How can we partner on that?

Corporate retreat market: less than 20 people, think tank, more likely to be second home owners, they prefer high end items. We bring a fair amount of that business here and it does lead to more business.

Market Hilton Head Island as a place to come to nurture your body and your mind. We could leverage that for brand in leisure and corporate areas.

There was discussion about several businesses that chose to relocate to Hilton Head Island and have products that they distribute all over the world.

Mr. Parrott suggested that the Town, the Chamber of Commerce or this proposed new entity seek out these businesses on Hilton Head Island and publish their success stories. It would be a great advertising opportunity for Hilton Head Island.

**Upcoming:**

At the Economic Development meeting scheduled for June 13, 2012 we will be talking with Beaufort County and with the Lowcountry Economic Alliance to discuss what their focus is on economic development. The Committee feels this discussion will help in finding the best approach to take in pursuing economic and redevelopment opportunities for our area without duplicating efforts.

The following week Shawn Colin & Terry Ennis will share the Exemplar Study they put together after looking at what other communities do regarding economic development. When we finish that, we can talk about what the roles and responsibilities for this new entity should be. We will have looked at what the three major players in our area are doing. We will have reviewed the Exemplar Study. We will have a good amount of data to work with and sort out what this entity should do. The biggest challenge will be to narrow down to six reasonable things to define for this entity to do and to get the entity started and let it define how it evolves and then adjust based on what they learn.

**5) ADJOURN**

There being no further business, the meeting adjourned at 2:50 p.m.

Submitted by Eileen Wilson

Approved by: \_\_\_\_\_

Jim Gant, Chairman