

# TOWN OF HILTON HEAD ISLAND PUBLIC FACILITIES COMMITTEE

Date: March 24, 2009

Time: 4:00 P.M.

Members Present: John Safay, George Williams, Drew Laughlin

Members Absent: None

Staff Present: Steve Riley, Scott Liggett, Charles Cousins, Jill Foster, Randy Nicholson, Jayme Lopko

Others Present: Walter Graver, Dan Castro, *Community Vision of Hilton Head*, Kathy Bateson, *Arts Center of Coastal Carolina*, Gregg Russell, *High Tide Entertainment*

Media Present: Daniel Brownstein, *The Island Packet*

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**1. Call to Order.**

The meeting was called to order at 4:00 P.M.

**2. FOIA 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. Committee Business:**

Councilman Laughlin moved to approve the Minutes of November 5, 2008. Councilman Williams seconded the Motion. The Minutes of November 5, 2008 were unanimously approved.

**4. Unfinished Business:**

**5. New Business**

**Community Vision of Hilton Head Consideration for Performing Arts Center.**

Mr. Walter Graver, founder and current President of Community Vision of Hilton Head thanked the Committee for the opportunity to make this presentation. Community Vision was formed late in 2006 as a 501(c)3, not-for-profit corporation to initiate and fund a professional assessment of the long range performance facility needs of the greater Hilton Head area.

Community Vision engaged the Arts Consulting Group (ACG) in June, 2007 to conduct a three phase study of the need for and feasibility of new performing arts facilities.

ACG is conducting the three phase study to answer the following questions:

### **Phase I**

What are the needs and desires of the audience market and the needs of the proposed user organization for new facilities?

### **Phase II**

If a need for a new facility or facilities is indicated, what type and size, where, and what would be estimated costs of design, construction, operation, and maintenance of the proposed facility?

### **Phase III**

Once the capital and operating requirements are identified, study the feasibility for success in a capital fundraising effort.

Phase I has been completed and the Board of Community Vision has met with ACG and has reviewed in detail the report which suggested, among other things:

1. Consider the construction of an indoor/outdoor performance venue on Hilton Head Island.
2. Support the ultimate construction of a performance venue on the Bluffton campus of USCB.
3. Give careful consideration to needs and desires of the very large visitor population.
4. Keep in mind the changing demographics off Island.
5. Be sure that our planning is compatible with the Town's objectives.

Mr. Dan Castro, Board Member of Community Vision of Hilton Head stated they were here today to talk about a new industry, not just entertainment and expansion of facilities, but something that impacts a broad spectrum of the economics of Hilton Head Island. The group understands that there are big obstacles, particularly financing. There was a study done that said the local arts group with their current programs could not justify building such a center with the number of programs and performances they have today. These observations were based upon an existing Island scenario, it wasn't looking forward as to what could be.

After his presentation, Mr. Castro concluded the following:

- Hilton Head Island's major musical performing arts groups need a professional venue.
- Financing and building support for the Performance Center is a huge challenge.
- The Second Season opportunity taps into the peak tourist season with enormous volume potential – the outdoor lawn seating feature drives revenue potential.
- There is a huge upside market for Hilton Head Island as an arts destination and supporting infrastructure is in place, but it won't happen without a Performance Center.
- Other Arts Groups not requiring large seating capacity benefit from increased marketing.
- Chamber of Commerce as the marketing arm has new, tangible features to promote.

- Financial spillover into Island tourist industries is strong, and a potential boost to real estate with a fresh vision as a culture laden retirement destination.
- Funding is driven by tourist and visitor participation in high end attractions with a family flair.

Councilman Safay thanked both Mr. Graver and Mr. Castro for their interesting and enlightening presentation.

Councilman Williams voiced his concern and stated in his opinion the only way something like this could work is a large capital and operating support from the Government entity. Mr. Graver stated unquestionably financing is always a problem with anything the community does. If the consultant says this project is not feasible, I will take Community Vision and fold it up and take the money that is left and give it to the Community Foundation.

Mr. Laughlin asked how much big a tract of land would need and Mr. Graver responded they would need approximately 12-15 acres.

Mr. Safay asked if anyone in the general public had any comments.

Ms. Kathy Bateson from the Arts Center of Coastal Carolina stated she believed it was an extremely noble effort on Community Vision of Hilton Head's part and without the kind of vision that this group has had, the Arts Center might not have been built. I think that if they are able to explore this further and find the funding it is an interesting thing to do. We absolutely believe and support that the visitors participate in the arts in the summer.

Mr. Gregg Russell from High Tide Entertainment stated that he also believes this to be a noble cause, but believes the live performance concert touring business is changing dramatically. Part of the problem here is who not only builds and supports the facility, but who takes the risk on any given night. It takes an entity with large pockets to stand up and say that regardless of weather and regardless of anything, we will take the risk and have these folks come in. It takes a very large footprint and we are all very well aware of the noise ordinances. Mr. Russell advised he would love to see it if it is financed properly.

Councilman. Safay stated clearly the Phase I report does not encompass the kinds of things that decisions can be made upon. There is a great deal of work that needs to be done should Town Council get to a position that it would even then get closer to endorsing or making decisions. Who would manage it, what is the structure, who would make the decisions, who would maintain it, where would the funding come from? These are all questions that have to be addressed before we could even dream of going any further. The questions become does this project fit the vision that the Town sees for itself in the future.

At this stage, I believe that we should make a report to the Mayor and the rest of Town Council as soon as possible as to what we have heard here today and let the Mayor, who sets the Agenda, decide if he wants to have yet another presentation or

leave it where it is essentially, an encouragement to proceed with the understanding that there is absolutely no commitment from the Town at this stage.

**6. Adjournment:**

Councilman Williams moved to adjourn the meeting. Councilman Laughlin seconded the motion. The meeting was adjourned at 5:15 p.m.

Respectfully Submitted,

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**Karen D. Knox**  
**Senior Administrative Assistant**