



Town of Hilton Head Island
**Accommodations Tax Advisory
Committee Meeting**

Thursday, April 1, 2021, 9:00 a.m.

MEETING MINUTES

Present from the Committee: Andrew Brown, James Fluker, Stephen Arnold, Richard Thomas, Julie Martin, James Berghausen and John Farrell

Present from Town Council: David Ames, Tamara Becker, Tom Lennox and Glenn Stanford; Council Members

Present from Town Staff: John Troyer, *Director of Finance*; Jenn McEwen, *Director of Cultural Affairs*; Marcy Benson, *Senior Grants Administrator*; Erica Madhere, *Budget Analyst*; Cindaia Ervin, *Finance Assistant*

Present from the Media: None

1. Call to Order

The Chairman called the meeting to order at 9:00 a.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. Roll Call- See as noted above

4. Approval of Agenda

Vice Chairman Fluker asked for a motion to approve the agenda. Mr. Berghausen made a motion to approve the agenda as submitted. Mr. Thomas seconded. By way of roll call, the motion was approved by vote of 4-0-0.

5. Approval of Minutes

a. Regular Meeting, November 5, 2020

Vice Chairman Fluker asked for a motion to approve the agenda. Mr. Berghausen made a motion to approve the agenda as submitted. Mr. Thomas seconded. By way of roll call, the motion was approved by vote of 4-0-0.

6. Citizens Comments

Public comments concerning today's agenda items were to be submitted electronically via the Town's Open Town Hall portal. The public comment period closed the day prior to the meeting at Noon. At the conclusion of the Open Town Hall there were no comments; however, there was one caller that signed up to address the Committee at today's meeting.

Skip Hoagland: Addressed members of the Committee via phone regarding his thoughts of the Hilton Head Island-Bluffton Chamber of Commerce.

7. Unfinished Business- None

8. New Business

- a. Hearing regarding the Hilton Head Island-Bluffton Chamber of Commerce/Visitor & Convention Bureau's proposed 2021-2022 Marketing Plan & Budget of Expenditures of the 30% Allocation of State Accommodations Tax Funds for the Advertising and Promotion of Tourism.

Ariana Pernice, VP of the HHIVCB, shared information with Accommodations Tax Advisory Committee regarding the number of visitors to Hilton Head Island, website visits, social engagement, public relations ad equivalency and Hotel/Home & Villa statistics. The statistics showed positive records for Hilton Head Island thru their continuous strong marketing efforts. The vision of the DMO is to be a welcoming, world-class community embracing nature, culture and economic vibrancy for residents and visitors. The mission of the Destination Marketing Organization is to stimulate the regional economy while enhancing the quality of life for all. The Hilton Head Island Visitor & Convention Bureau continues to design campaigns to reach Hilton Head's target audience through continuous marketing. Mrs. Pernice was also able to speak about the HHIVCB's marketing plan, strategic plan and destination management plan for Hilton Head Island. One topic that has been on the minds of many is the impact that Covid-19 has had on the local, state and national levels. Mrs. Pernice was able to share statistics that on a National level that hotel occupancy was down 33% from the previous year, the State was down 35% in domestic & international spend, and locally Hilton Head was down 2.9% in the total number of visitors over the previous year. Having a "Path Forward" plan allowed the HHIVCB to work with local businesses to restore the community. The HHIVCB formed a steering committee called "Path Forward". The Committee was able to reach out to over 1,600 members to find out how they were doing, utilize and share on social media as well as communicate to keep members informed and assist local businesses with guidelines to keep customers and their workforce safe during COVID-19.

2020 Year in Review:

Year in Review			
 <p>WEBSITE VISITS HiltonHeadIsland.org</p>	<p>2.5M WEBSITE VISITORS</p>	<p>1.2M LINKS TO PARTNERS</p>	<p>48% CONVERSION RATE</p>
 <p>SOCIAL MEDIA</p>	<p>2.2M TOTAL ENGAGEMENT</p>	<p>56.7M TOTAL IMPRESSIONS</p>	<p>24.8% INSTAGRAM GROWTH YOY</p>
 <p>PUBLIC RELATIONS</p>	<p>1.9K STORIES/ MENTIONS</p>	<p>8.1M IMPRESSIONS</p>	<p>\$19M AD VALUE</p>
 <p>HOTEL / HOME & VILLA</p>	<p>47.7%% OCCUPANCY</p>	<p>\$275 ADR</p>	<p>\$131 REVPAR</p>

Source: VERB Interactive, Weber Shandwick and 2 Source Report

Jan – Dec 2020

Fiscal Year 2022 Goals:

- Develop and implement resident and visitor satisfaction surveys.
- Grow hotel and occupancy by 10% and RevPAR by 12%.
- Grow home & villa occupancy by 4.2% and RevPAR by 5%.
- Develop a comprehensive Meetings & Groups strategy.
- Grow funding by 12% with industry partners.
- Increase website sessions by 10% and website conversions/partner referrals by 5%.

The Committee was impressed with the content of the 2021-2022 Marketing Plan & Budget. Continuing to stay relevant on the visitor’s mind with the marketing tools provided has shown a positive effect year over year. There was a general question and answer session between the Committee and Mrs. Pernice related to the presentation and the marketing plan of which the Committee collectively had positive feedback. In addition, the Committee commended Mrs. Pernice how well she and her team have consistently prepared for and handled providing relevant information to the Committee. The Committee remains encouraged with the direction of the Island’s destination marketing efforts and applauds the HHIVCB’s extensive tourism research and continuous forward thinking and planning. The path to continue dealing with the Global Pandemic of Covid-19 will be a difficult road; however, we are confident in the HHIVCB’s plan to continue to market effectively and responsibly. Mr. Fluker asked for a motion to approve the Hilton Head Island-Bluffton Chamber of Commerce/Visitor & Convention Bureau’s proposed 2021-2022 Marketing Plan & Budget. Mr. Berghausen moved to approve the Hilton Head Island-Bluffton Chamber of Commerce/Visitor & Convention Bureau’s proposed 2021-2022 Marketing Plan & Budget. Mr. Arnold seconded. By way of roll call, the motion was approved by vote of 6-0-1 with Mr. Brown recusing himself from the vote and discussion.

b. Proposed 2021 Accommodations Tax Out-of-Cycle Grant Process & Calendar

Cindaia Ervin, Finance & Administrative Committee Secretary, provided background information regarding the proposed out-of-cycle grant process. Ms. Ervin stated that in December 2020, Town council voted to award the 2021 Accommodations Tax Grants with one provision: the surplus of \$380,983 to be available to be used at a later date for out-of-cycle grants. Ms. Ervin brought forward a proposed out-of-cycle grant submission process and calendar for the Committee's review and consideration. Depending on the amount of submissions received, Ms. Ervin proposed three meeting dates for hearings which includes the review and recommendation by the ATAC Committee. If this process is approved, application submittals can start at 8:00 am on April 26th with the deadline ending at 4:30 pm on May 7th. All out-of-cycle grant requests will only be accepted via email to Ms. Ervin. She explained that this process would also include a staff review for applicant eligibility that will be provided to the Committee prior to the hearings. This process will not have a formal application form like the annual grant process but is meant to be more of a narrative style submittal to include the requested information to appropriately consider those that are applying. The Committee was pleased with the information that Ms. Ervin provided them and are looking forward to reviewing the applications for out-of-cycle funds. Mr. Brown asked for a motion to approved the 2021 Out-of-Cycle Accommodations Tax grant process and calendar. Mr. Fluker made a motion to approve the 2021 Out-of-Cycle Accommodations Tax grant process and calendar. Mr. Arnold seconded. By way of roll call, the motion was approved by vote of 6-0-0.

9. Adjournment

At 10:08 a.m. Mr. Brown adjourned the meeting.

Submitted by: Cindaia Ervin, Secretary

Approved: May 19, 2021