

Hilton Head Island – Our Future

June 23, 2017

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The challenge for the Think-Tank

- *Explore the future*
- *Ask the hard questions*
- *Think creatively*

The outcome is a new view of the future and consideration of the implications for the future of Hilton Head Island



Understanding Expectations

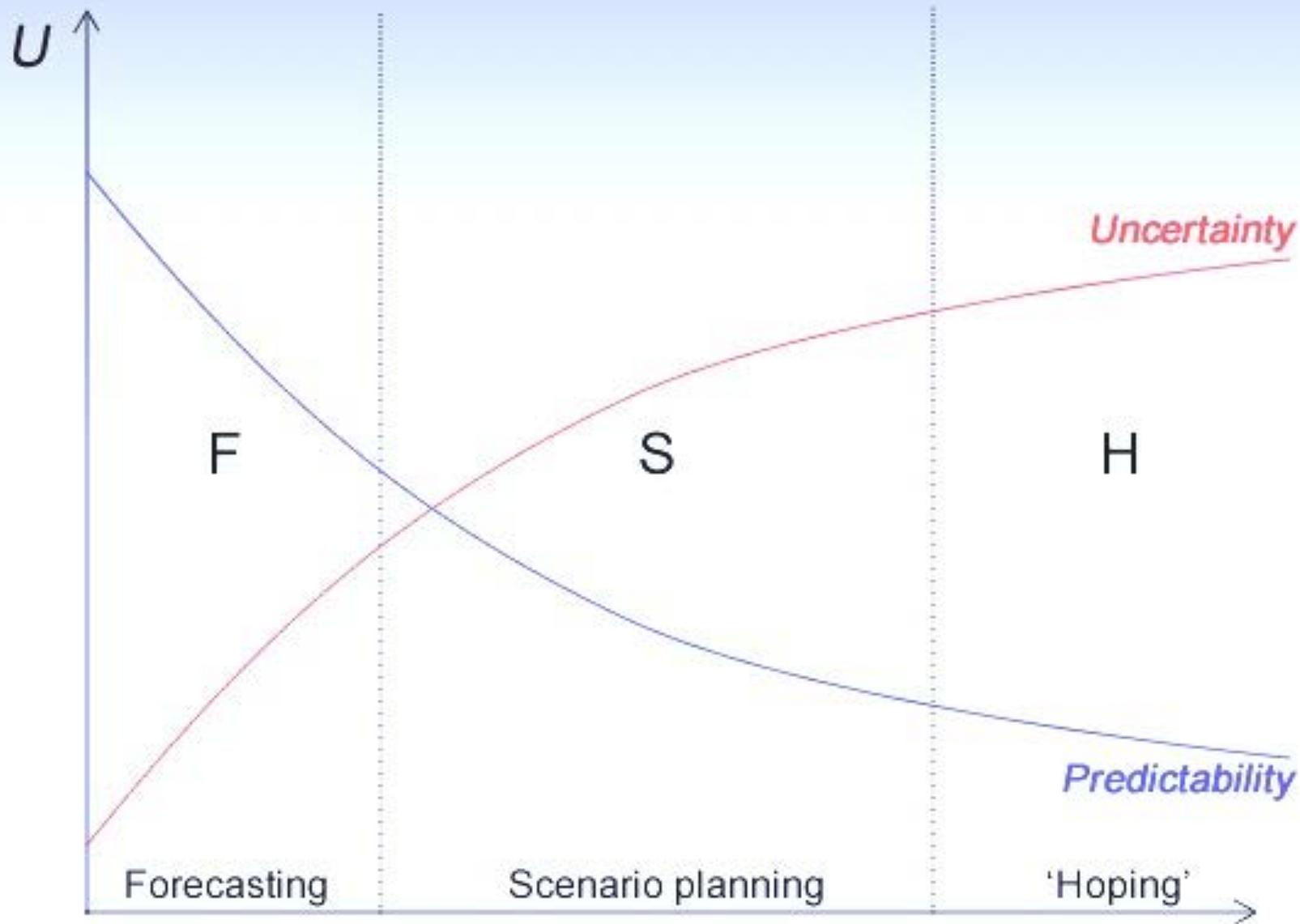
- Lets be ambitious and realistic. Breadth and depth of topic; transformational in thinking.
- What would you like to see come out of this workshop?
- What do you personally want from your participation in this workshop?



What is Scenario Planning?

- A tool best used to embrace an uncertain future
- Explores a range of plausible futures
- Allows for the consideration of complex and interrelated forces





Why conduct the think-tank?

An awareness of what are plausible futures happen helps us better decide what is our preferred future.

This scenario-based planning is a systematic method of exploring the future and assessing plausible outcomes.



Scenario Development



Explore Trends and Implications for Hilton Head Island

Identify 'Drivers' Shaping the future of Hilton Head Island

Develop four plausible scenarios

Examine implications for the future of Hilton Head Island

Plausible futures and next steps

Head Island
for Hilton
Implications
Trends and
Explore

Island
Hilton Head
future of
Shaping the
'Drivers',

scenarios
plausible
four
Develop

Island
Hilton Head
future of
for the
implications

next steps
futures and
Plausible

Friday, June 23 – Morning

7:30 am	Registration
8:00 am	Welcome and Introduction
8:15 am	Think Tank Workshop Overview
8:30 am	Future Trends and Emergent Issues
9:15 am	Survey results – key drivers
9:30 am	Outline Scenario Framework
10:00 am	Break
10:30 am	Scenario Narrative Development
12:00 noon	WORKING LUNCH

Friday, June 23 – Afternoon

1:00 pm	Scenario Group Presentations
2:00 pm	Exploring Scenario Corners
2:15 pm	Shocks and Opportunities
2:45 pm	Attributes exercise
3:00 pm	Break
3:15 pm	Future readiness
3:30 pm	Plausibility mapping
3:45 pm	Next Steps – Community Engagement
4:00 pm	FINISH

HILTON HEAD ISLAND – OUR FUTURE

Foresight Think Tank Workshop Agenda
Friday 23 June 2017
8:00 am – 4:00 pm





Forces impacting the world (and regions)

What are the emerging macro drivers..

Macro Trends and Forces of Change Related to . . .

- Demographics, population and urbanization
- Cities of the future
- Technology driving change



Demographics, population and mass urbanization

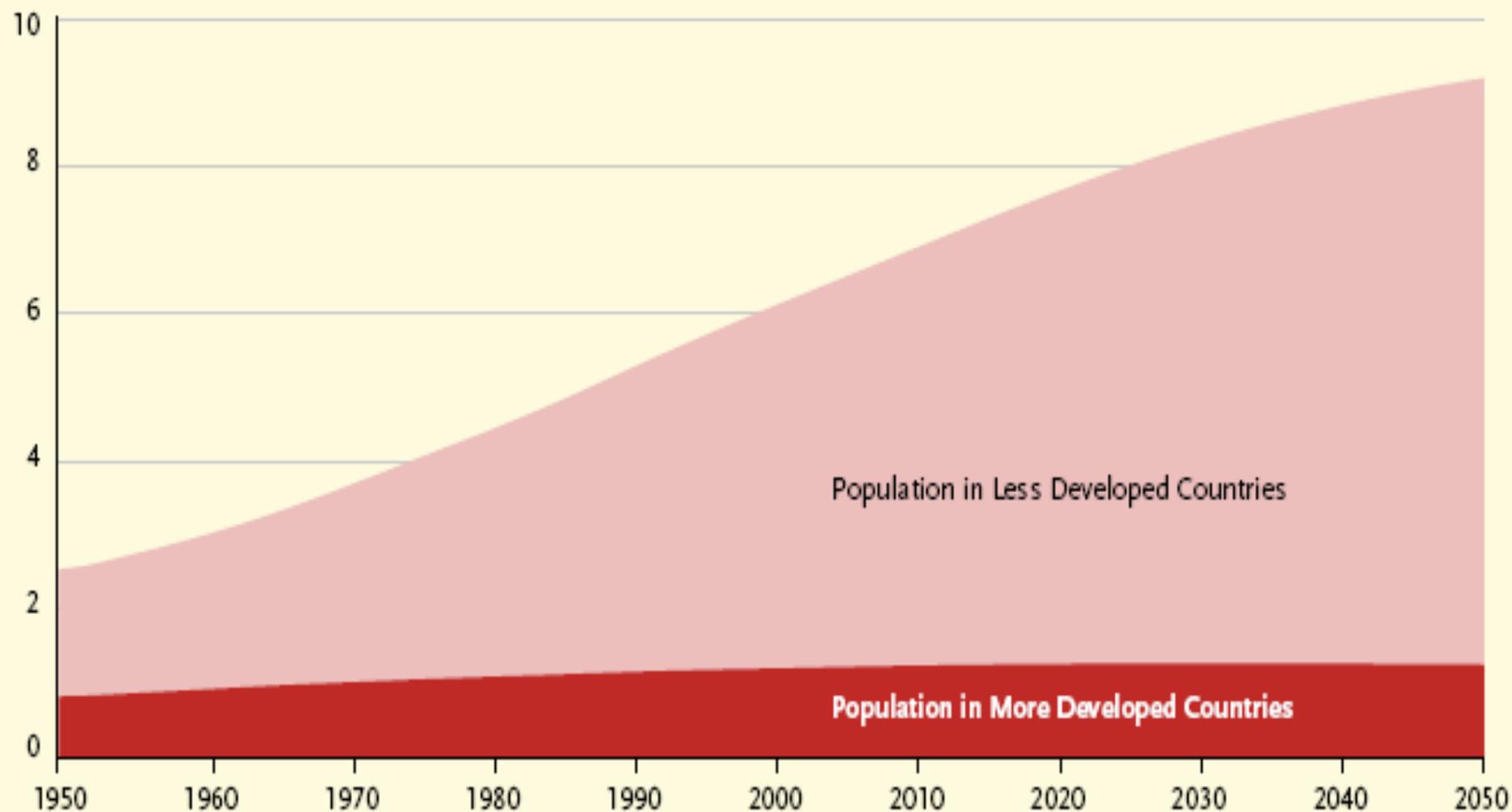
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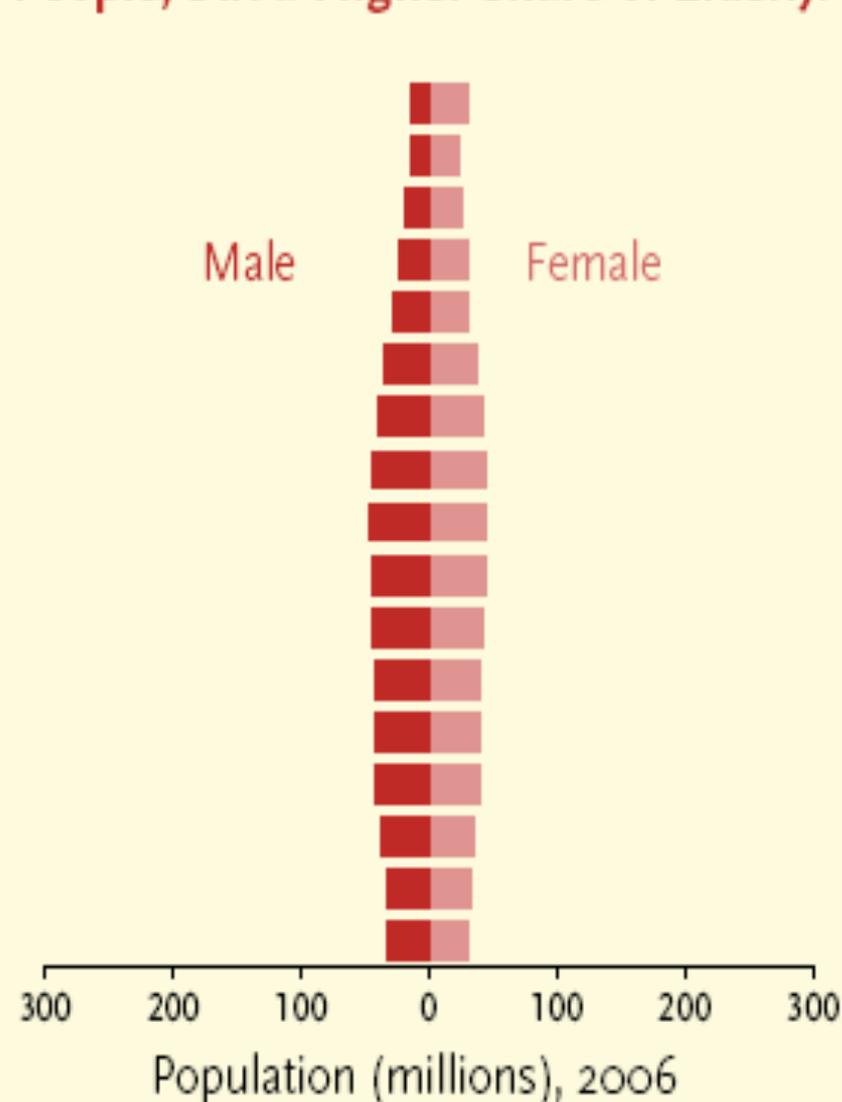
Global Population Growth Is Driven By Developing Countries.

World population in billions, 1950-2050 (projected)

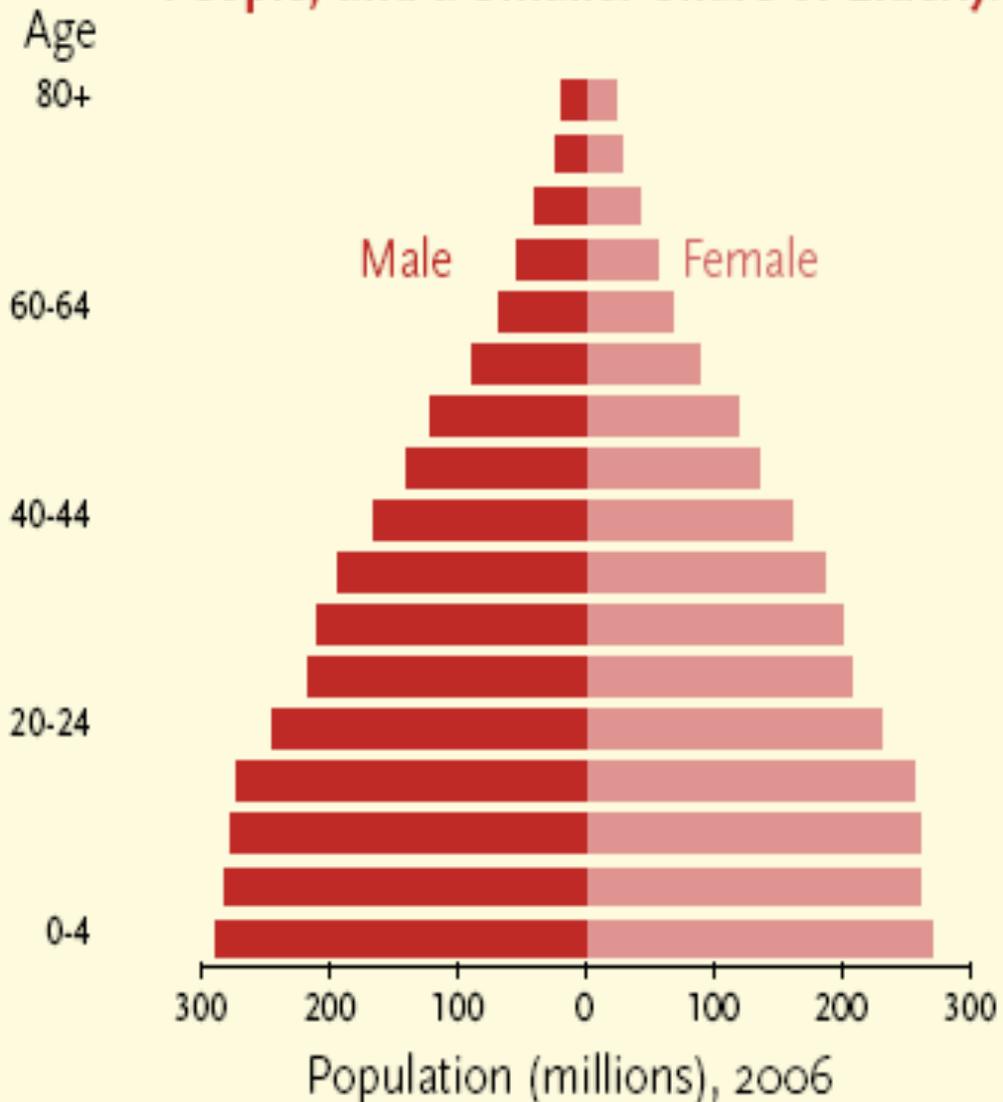


SOURCE: United Nations, *World Population Prospects: The 2006 Revision* (2007).

Developed Countries Have Fewer Young People, but a Higher Share of Elderly.

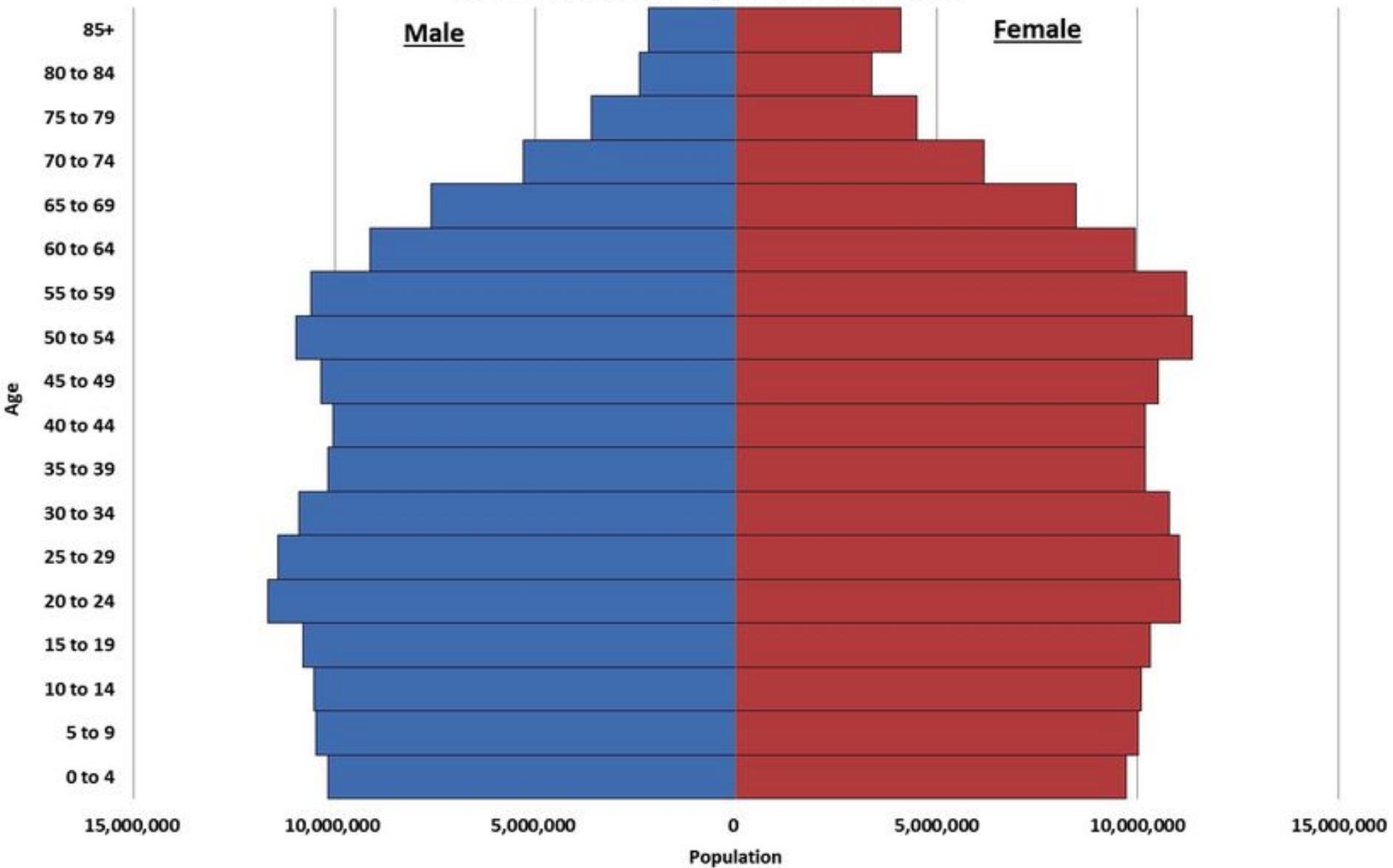


Developing Countries Have More Young People, and a Smaller Share of Elderly.

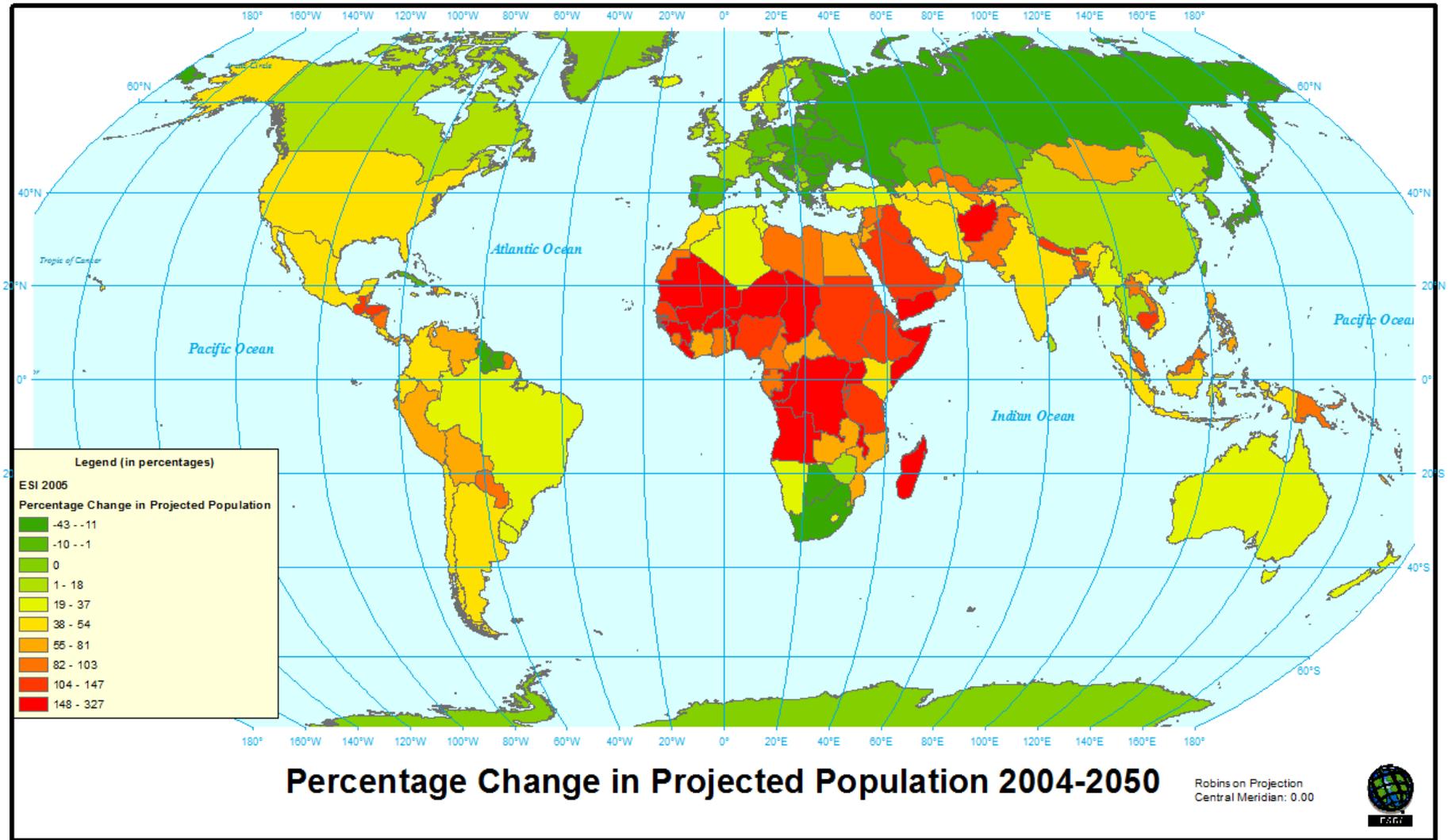


SOURCE: United Nations, *World Population Prospects: The 2006 Revision* (2007).

Chart 1: Population Pyramid of the U.S. Total Resident Population in 2015



Source: U.S. Census Bureau, Vintage 2015 Population Estimates.



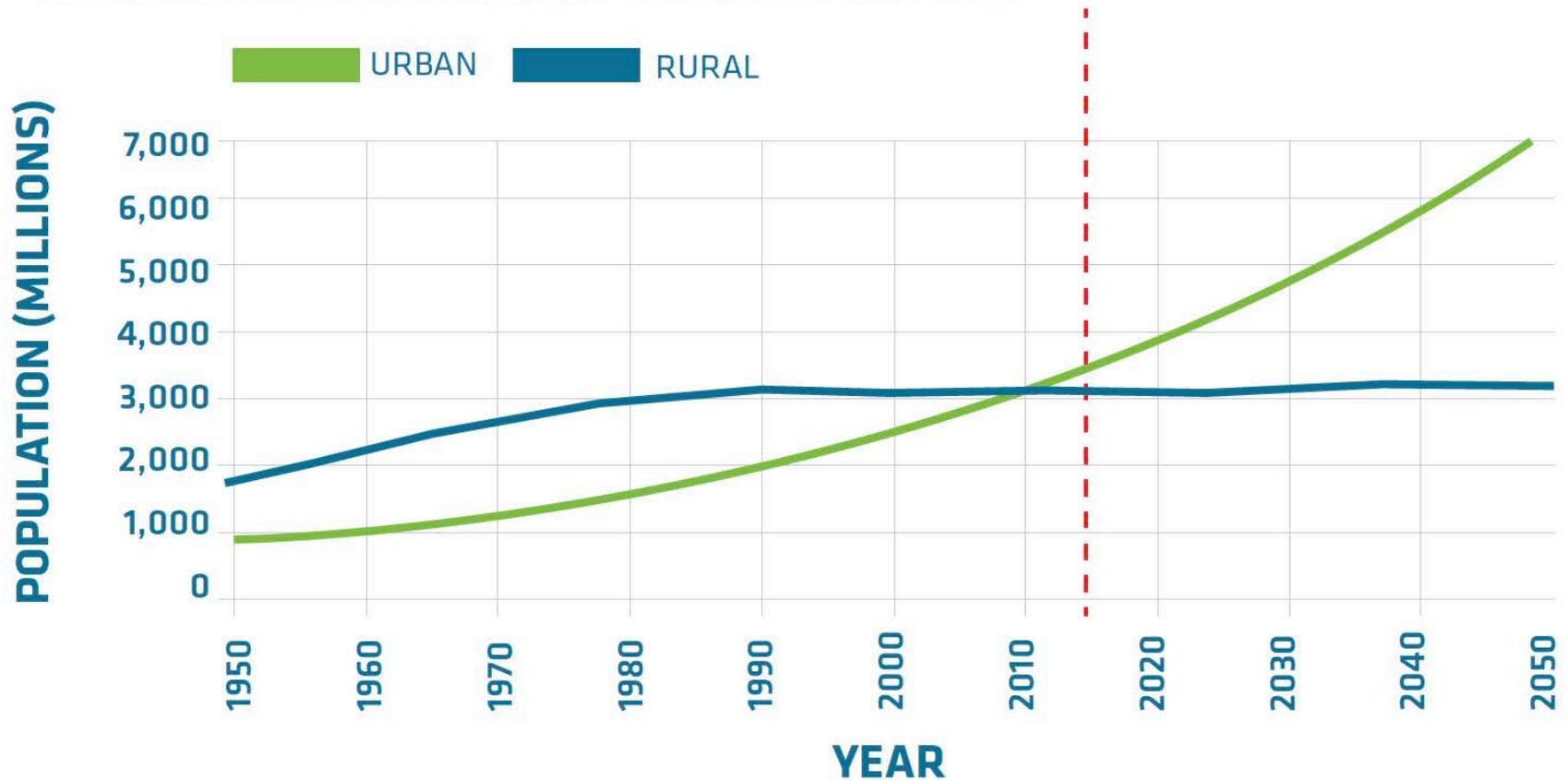
ESTIMATED MEDIAN AGE IN SELECTED COUNTRIES,



“The urban population in 2014 accounted for 54% of the total global population, up from 34% in 1960, and continues to grow.”

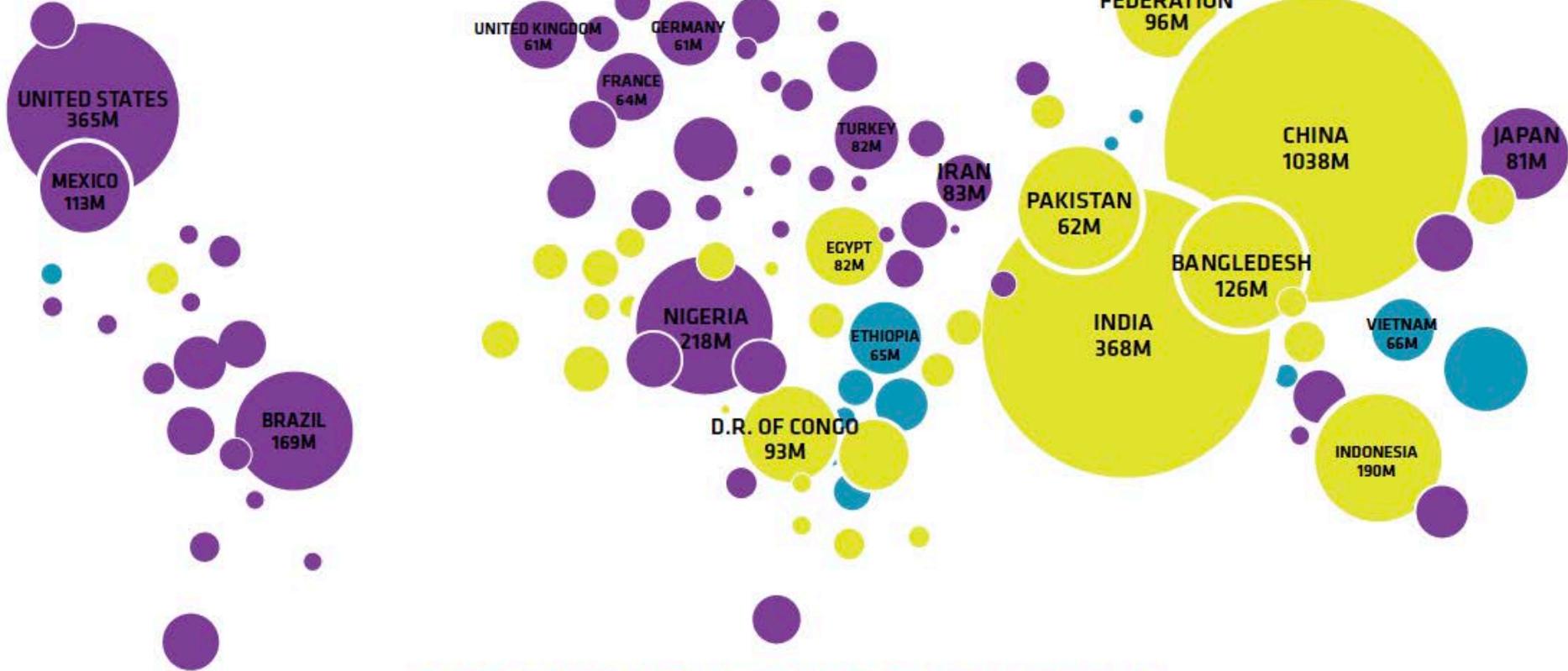
World Health Organization (2015)

URBAN AND RURAL POPULATION OF THE WORLD, 1950-2050



Source: United Nations, Department of Economic and Social Affairs. World Urbanization Prospects, The 2014 Revision.

2050



72% WORLD URBAN POPULATION

THIS GRAPHIC DEPICTS COUNTRIES AND TERRITORIES WITH 2050 URBAN POPULATIONS EXCEEDING 100,000. CIRCLES ARE SCALED IN PROPORTION TO URBAN POPULATION SIZE.

Within a 10 year period, India's working population increases by 250 million – to over 870 million people.



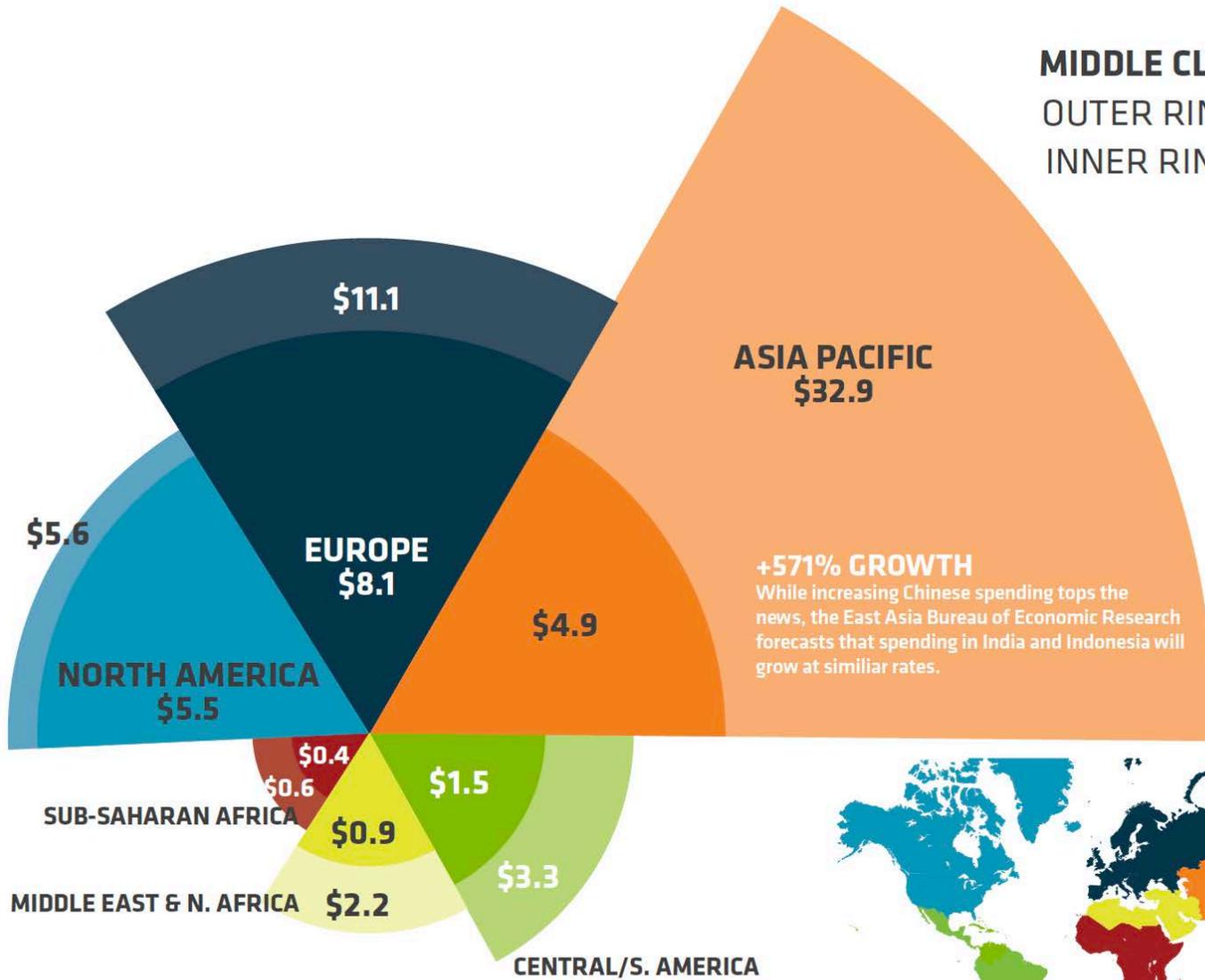
Within a 20 year period, half of all the new buildings in the world are being built in China.



MIDDLE CLASS CONSUMER SPENDING

OUTER RING: 2030 IN TRILLIONS, USD

INNER RING: 2009 IN TRILLIONS, USD



Source: Kou, L. 2013. The world's middle class will number 5 billion by 2030. Quartz. Figures based on OECD, 2012. An emerging middle class.

Global population growth and urbanization

- Increasing global population
- People are living longer
- Surge in younger cohorts
- Greater urbanization and mega cities
- Changing demographics

Global population growth and urbanization

What does this mean for Hilton Head Island?



Cities of the future

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CITIES OF THE FUTURE

ANTICIPATING TRENDS AND POSSIBILITIES

CITIES OF THE FUTURE
ANTICIPATING TRENDS AND POSSIBILITIES

Built Environment is a Direct Reflection of the Underlying Economy



Agriculture Economy

- 1st version of the American Dream
- “40 Acres and a Mule”



Industrial Economy

- 2nd version of the American Dream
- Drivable Sub-urban... “See the USA in Your Chevrolet”

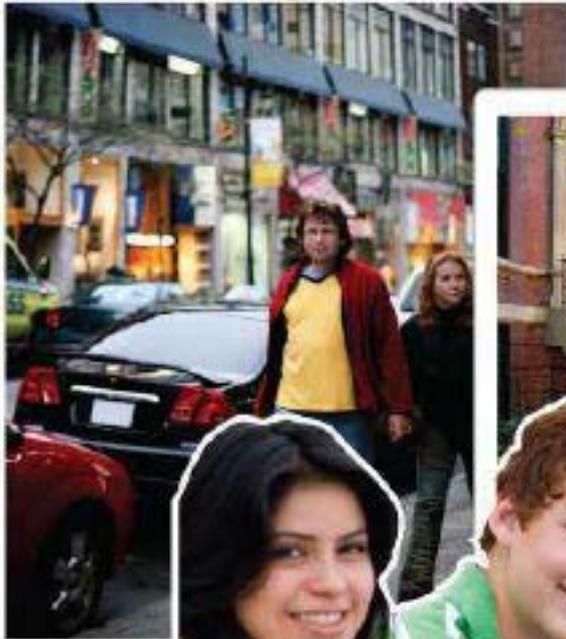


Knowledge/Experience Economy

- Current/Future version of the American Dream
- *Option* of Walkable Urban and Drivable Sub-urban

connectivity

HIGHER



MORE walkable areas



- 41% - plan to rent for at least 3 years.
- 77% - plan to live in urban walkable area.

2/3

say that living in a walk able community is important

1/3

will pay more to walk to shops, work, and entertainment



Gen Y will shift toward homeownership in 2012

Gen Y seeks diversity, walk ability, and proximity to jobs

In-town areas and inner suburbs will remain on an upward trajectory

Decline of households with children, 1960-2025

▲ Households with children
■ Households without children



Population characteristics are changing

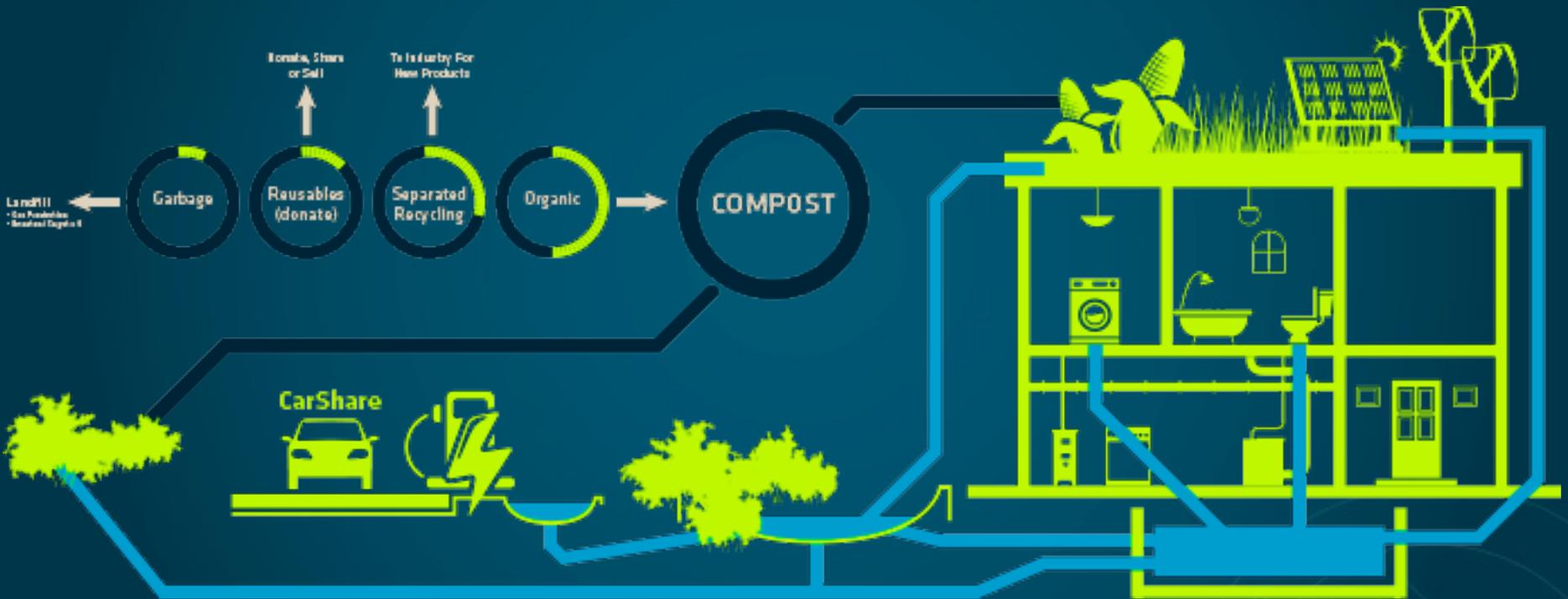
Older, more singles, more immigrants, fewer households with children.

Integrated (and shared) transport and utilities systems (and autonomous vehicles)



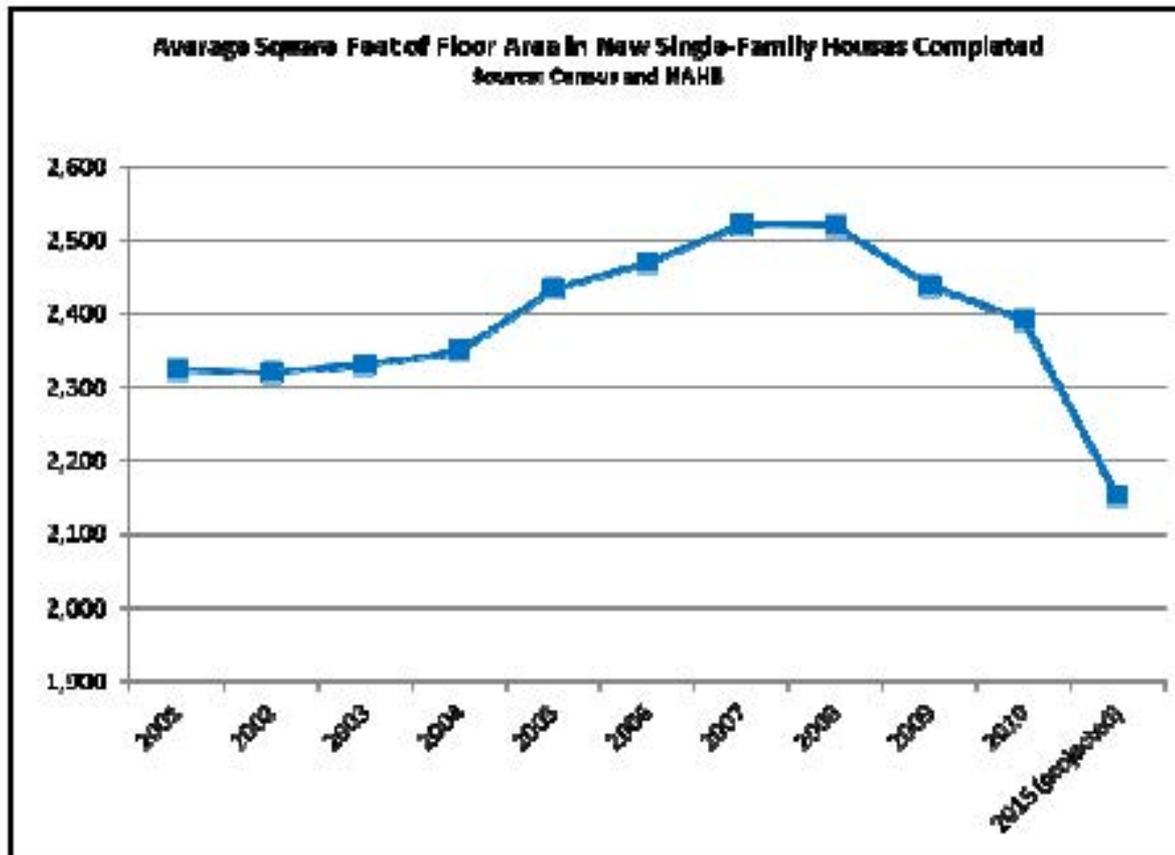
CITIES OF THE FUTURE
ANTICIPATING TRENDS AND POSSIBILITIES

Closed loop and 'Cradle to cradle'



CITIES OF THE FUTURE
ANTICIPATING TRENDS AND POSSIBILITIES

Change in Housing Choice



- In a national survey, 6 out of 10 prospective homebuyers chose a higher-density, mixed use community.

• Source: Smart Growth America & National Association of Realtors



Urban Land
Institute

Minnesota

Active elderly – mobile healthcare



CITIES OF THE FUTURE
ANTICIPATING TRENDS AND POSSIBILITIES

Boomers seeking communities that:

Have a village or town center with destinations and services close by

Have flexible office space in a town-center environment

Facilitate making new friends

Are low-maintenance



Baby Boomers seeking active lifestyles, more interaction
Boomers have made "third places" like Starbucks, Barnes and Noble, and Borders their "community center"

National Association of Realtors, Smart Growth America, 2004.
Robert Charles Lesser Company.

'Local' food and economic systems



CITIES OF THE FUTURE
ANTICIPATING TRENDS AND POSSIBILITIES



GENERATION Y



Overall, it is estimated that Gen Y influences "as much as half of all spending in the U.S. economy"

Over 35% of Gen Ys households earn above **\$75,000**

They represent **\$1.6 trillion** in earning power

Over **80million** Gen Ys today (1979-96)

~75million Baby Boomers (1946-64)



Gen Y represents the greatest magnitude and spending power

Represents almost 30% of today's population

Increased awareness of environmental impact and health



CITIES OF THE FUTURE
ANTICIPATING TRENDS AND POSSIBILITIES

Local integrated and smart energy systems



LOCAL ENERGY



CITIES OF THE FUTURE

ANTICIPATING TRENDS AND POSSIBILITIES

City of the future

What does this mean for
Hilton Head Island?



Technology – driving and enabling accelerated change

Technology – a catalyst for change



An analysis of the history of technology shows that technological change is exponential,

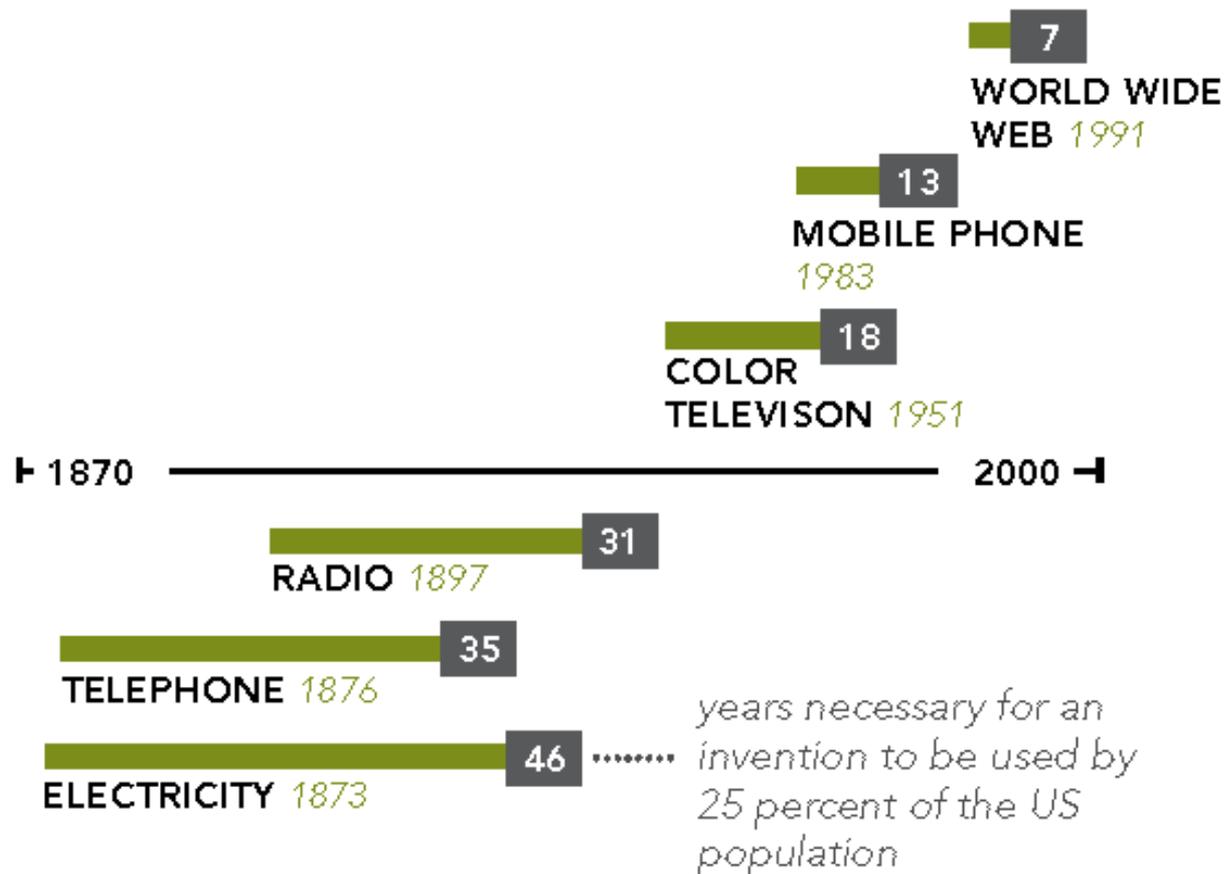
Imagine the last 100 years of technological change and the impacts on our lives.

The next 100 years of progress in the 21st century.....

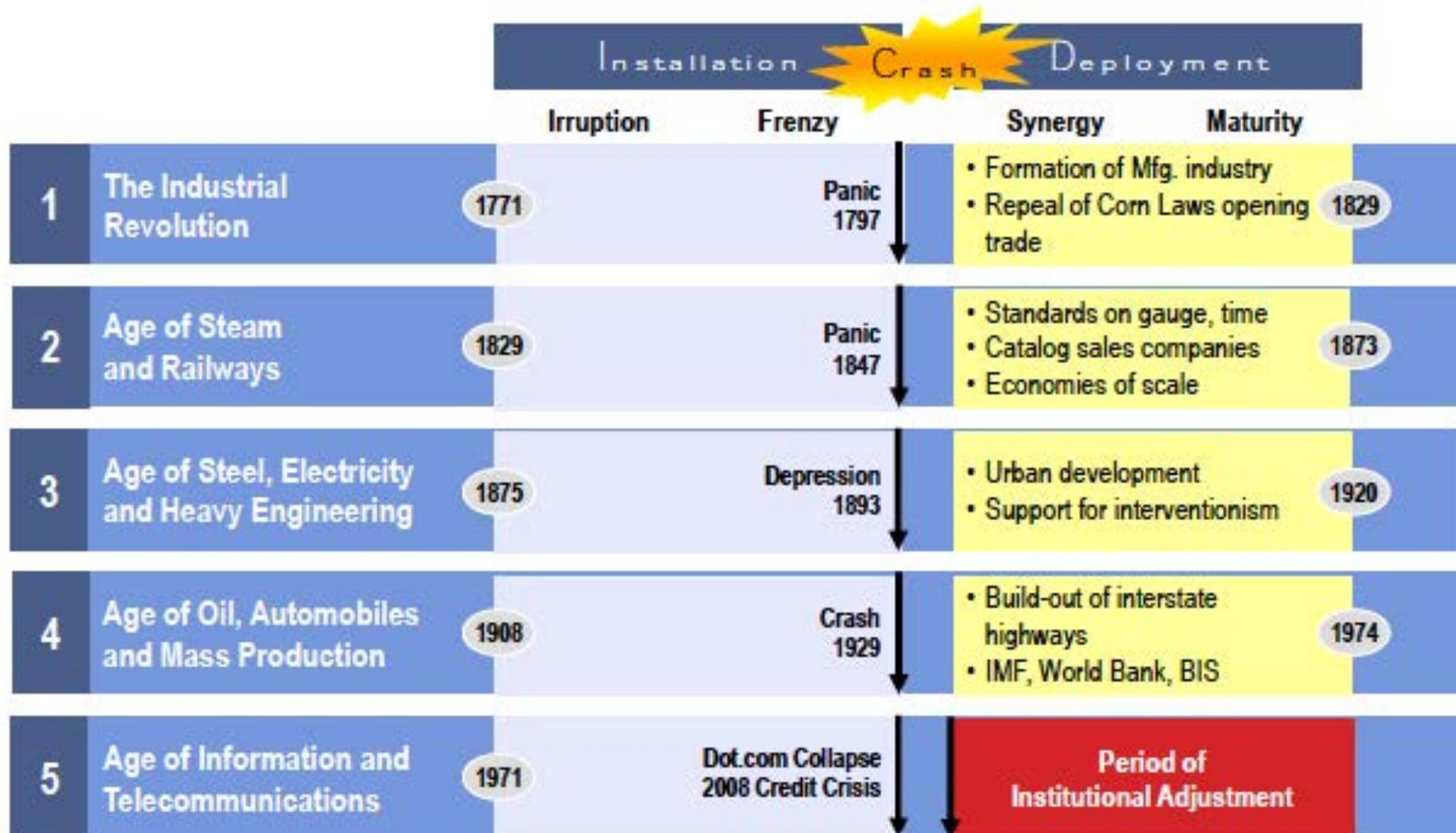
will be more like 20,000 years of progress (at today's rate)

Development and adoption of new technologies is more rapid than ever.

Developing companies, organizations and countries will be able to leapfrog stages that current and advanced had to pass through

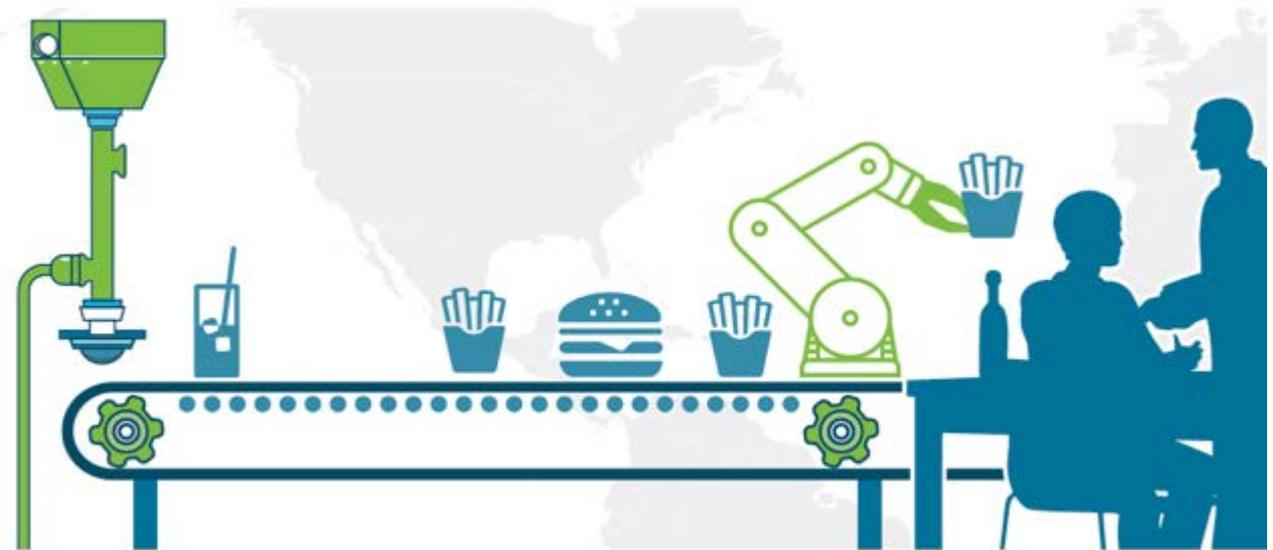


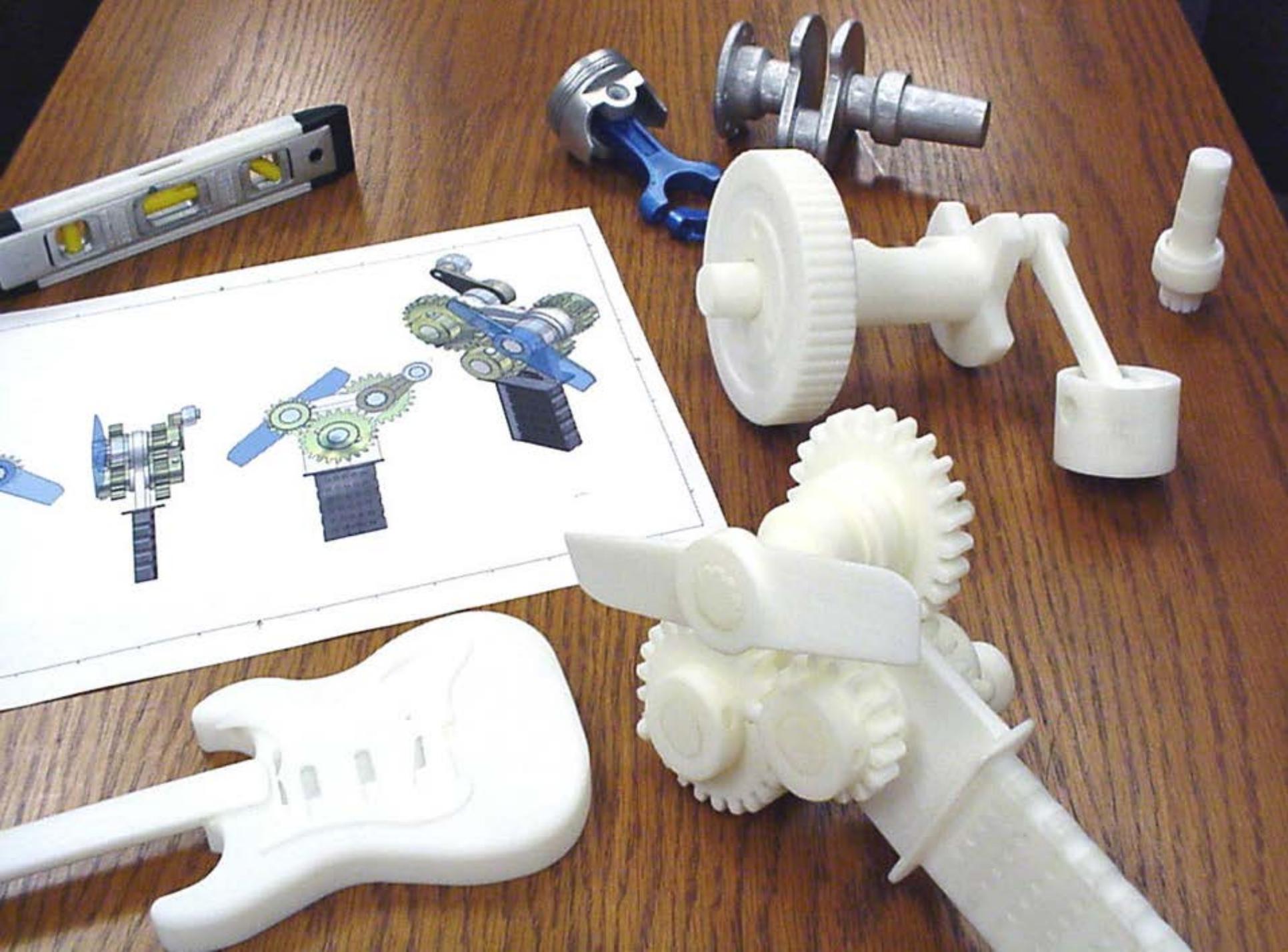
Five Technological Revolutions in 240 yrs



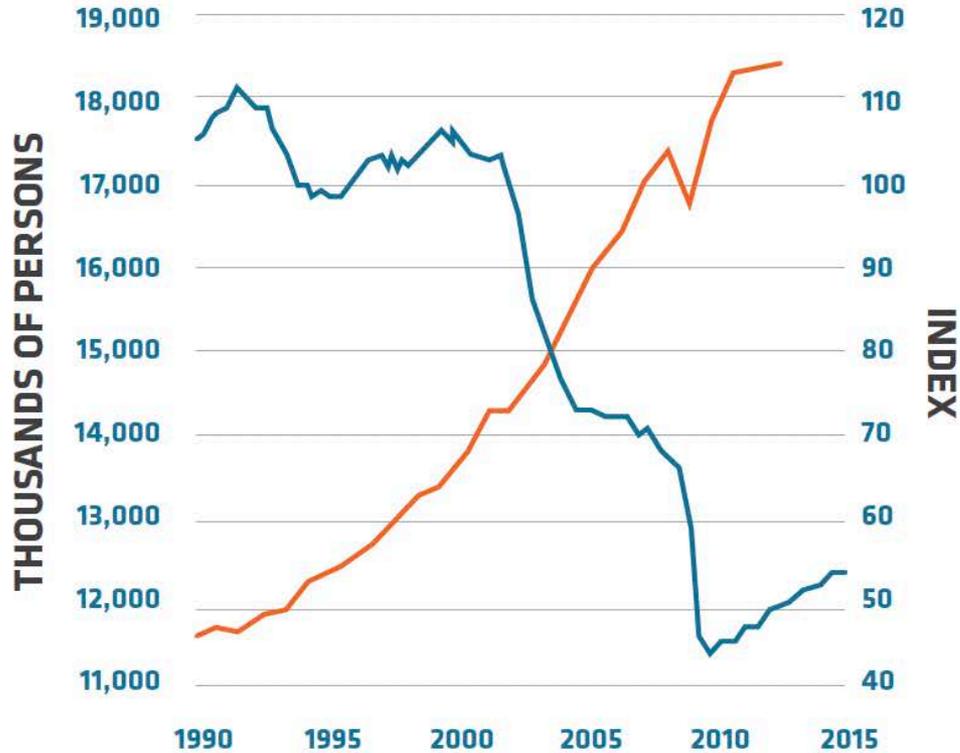
Preparing for the Next Industrial Revolution

Advanced Manufacturing, Robotics and Life Sciences



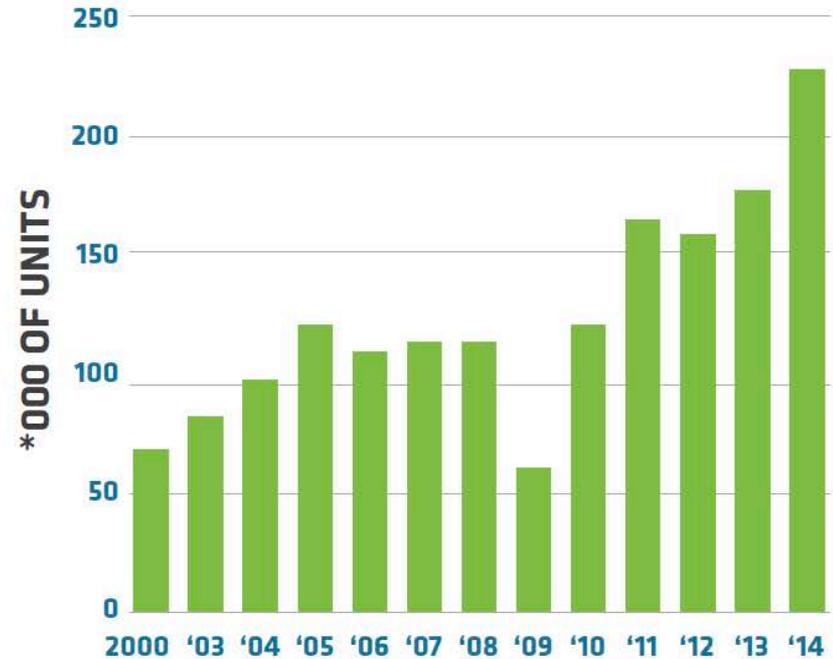


■ ALL EMPLOYEES: MANUFACTURING (LEFT)
■ MANUFACTURING: OUTPUT PER HOUR OF ALL PERSONS, 2007 = 100 (RIGHT)



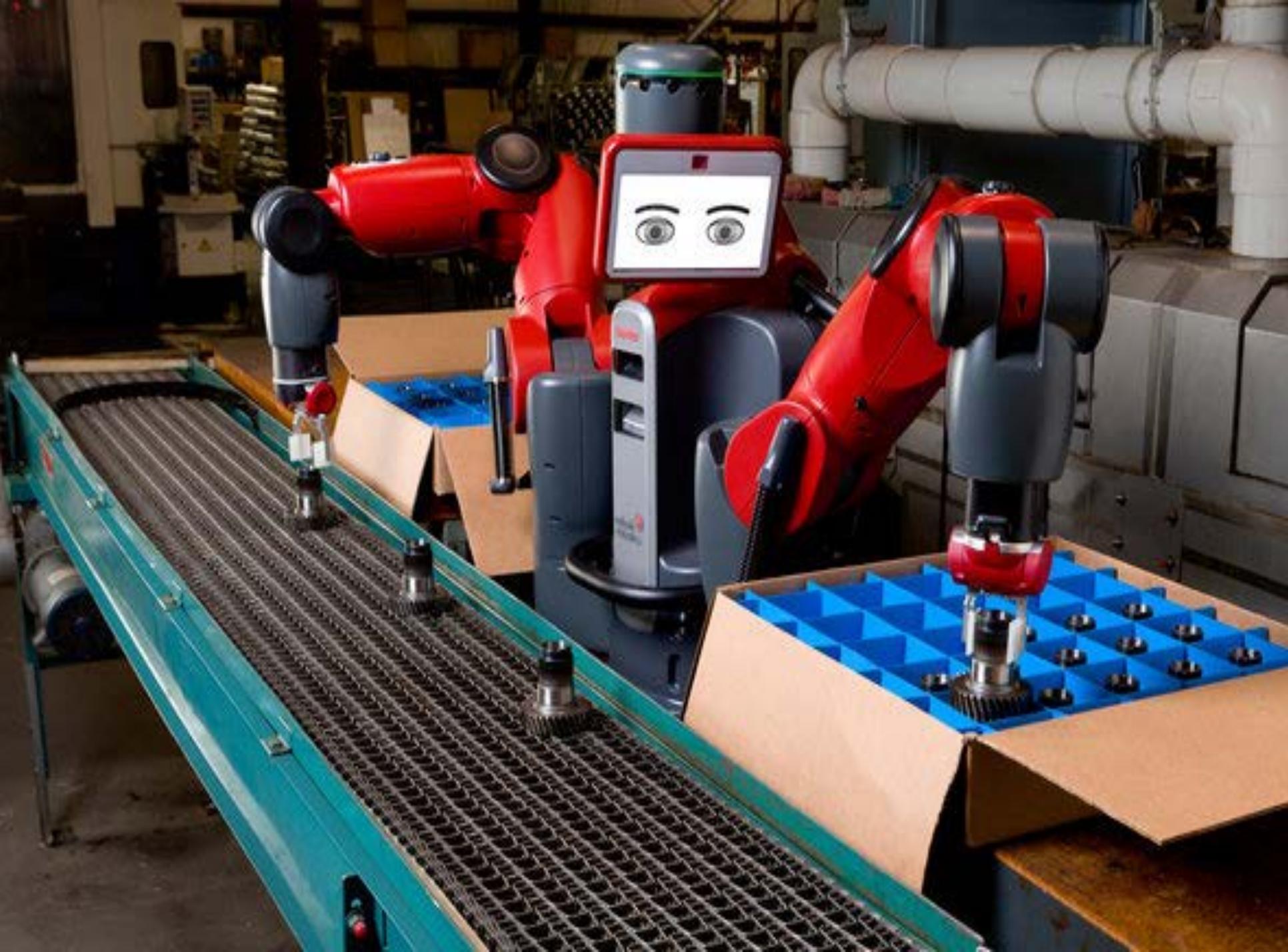
Source: FRED Economic Data. 2015. Economic Research, Federal Reserve Bank of St. Louis.

ESTIMATED WORLDWIDE ANNUAL SUPPLY OF INDUSTRIAL ROBOTS



Source: International Federation of Robotics. 2015.





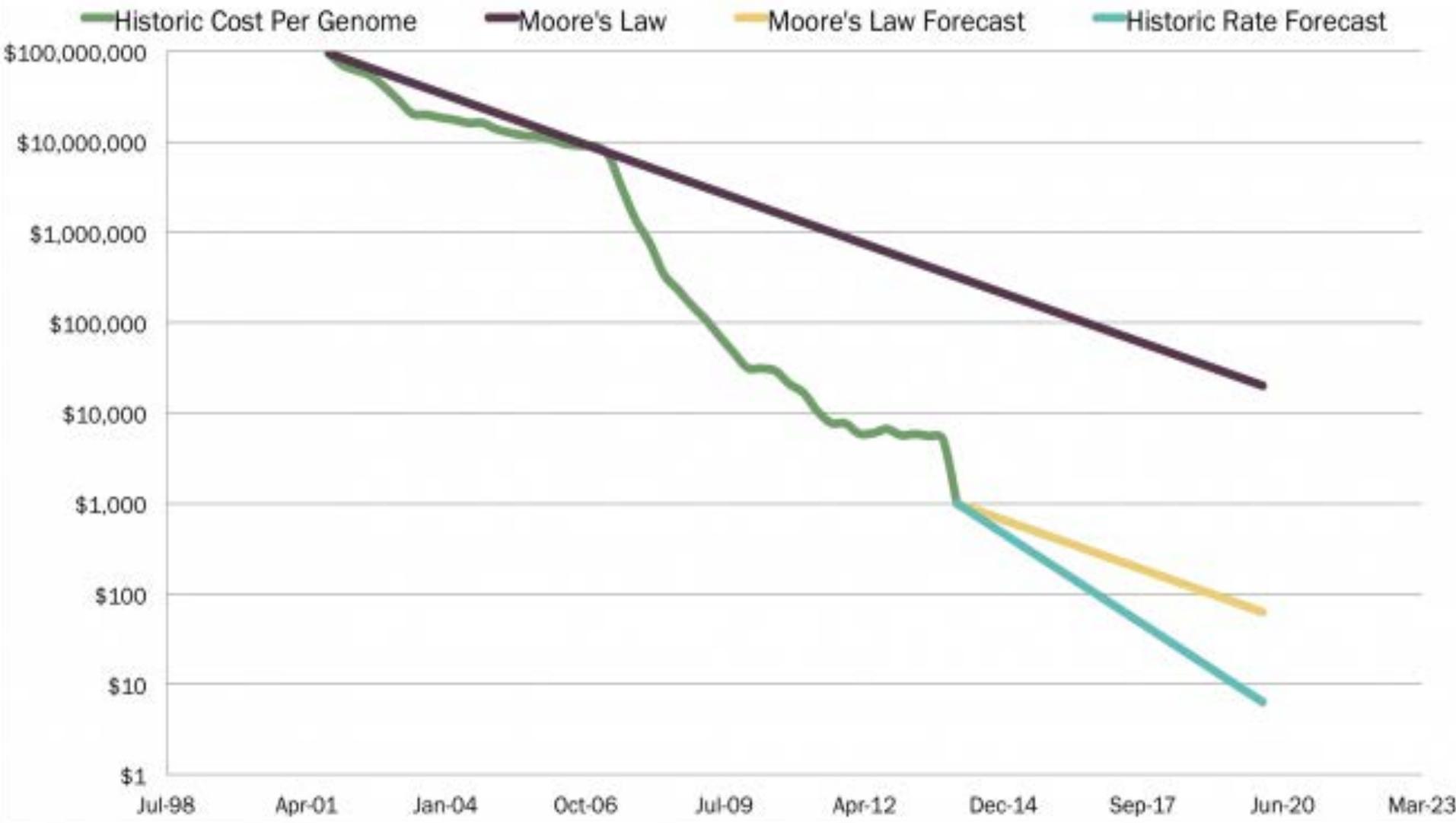
Technology impact – ‘Mining of the future’



Remote operations centre; mines thousands of kilometers away



Cost Declines of Genome Sequencing



Industrial ‘Internet of things’



Factory Performance

- Maintenance
- Production Timing and Changeover



Logistics Optimization

- Real Time Network Planning
- Shipment Visibility
- Security

Connected Machines & People



Energy Use Optimization

- Smart Grid



Product Performance

- Quality Assurance
- Future Design Improvements

By 2020 – between 25 and 100 billion things will be connected to the internet

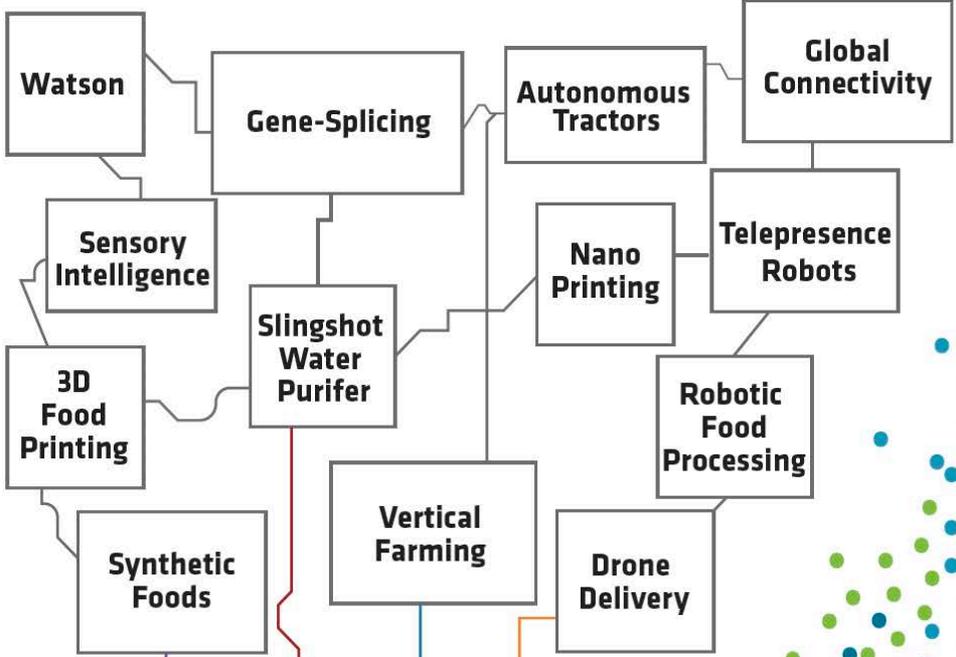
SPEED OF TECHNOLOGICAL CHANGE

Technological Development
Moore's Law: The power of chips, bandwidth and computer doubles appr. every 18 months.

The Human Factor
Technological dev. feeds and enables various trends in society: Democratisation, Social Connection, DIY, Decentralisation.

EXPONENTIAL TECHNOLOGIES

- Biotech
- Neurotech
- Nanotech
- New Energy & Sustainability
- ICT & Mobile Technology
- Sensing
- 3D Food Printing
- Artificial Intelligence
- Robotics
- Drones



FROM LINEAR TO EXPONENTIAL GROWTH TRAJECTORY

Adapted from: Source: Deloitte. 2014. Industry 4.0 Challenges and solutions for the digital transformation and use of exponential technologies

Expanding skills gap

2015 **2 MILLION** 2025
are expected to go unfilled due to the skills gap

2.7 million

baby boomer retirements

700k manufacturing jobs expected from economic expansion

3.4 MILLION

manufacturing jobs are likely to be needed over the next decade

Only 1.4 million jobs are likely to be filled

*leading to an expected **2 million** manufacturing jobs unfilled due to the skills gap*



By 2025 the skills gap is expected to grow to **2 million people** in 2011, 600k jobs were unfilled due to the skills gap

SKILLS IN WHICH MANUFACTURING EMPLOYEES ARE MOST DEFICIENT



70%
*technology/
computer skills*



69%
*problem
solving skills*



69%
*basic technical
training*



60%
math skills

Source: Deloitte and Manufacturing Institute. 2015. The skills gap in U.S. manufacturing 2015 and beyond. Deloitte analysis based on data from U.S. Bureau of Labor Statistics and Gallup Survey; Manpower Group. 2013. The Future of the Manufacturing Workforce – Report One: Technology and the Workforce

Technology – driving and enabling accelerated change; Impact on workforce

- Impacting every corner of our lives.
- Capacity to radically disrupt systems.
- Drives transparency and connections.

**Technology - driving and enabling
accelerated change**

**What does this mean for
Hilton Head Island?**



What internal trends are happening (or are emerging) that could be game-changers for the future of Hilton Head Island?



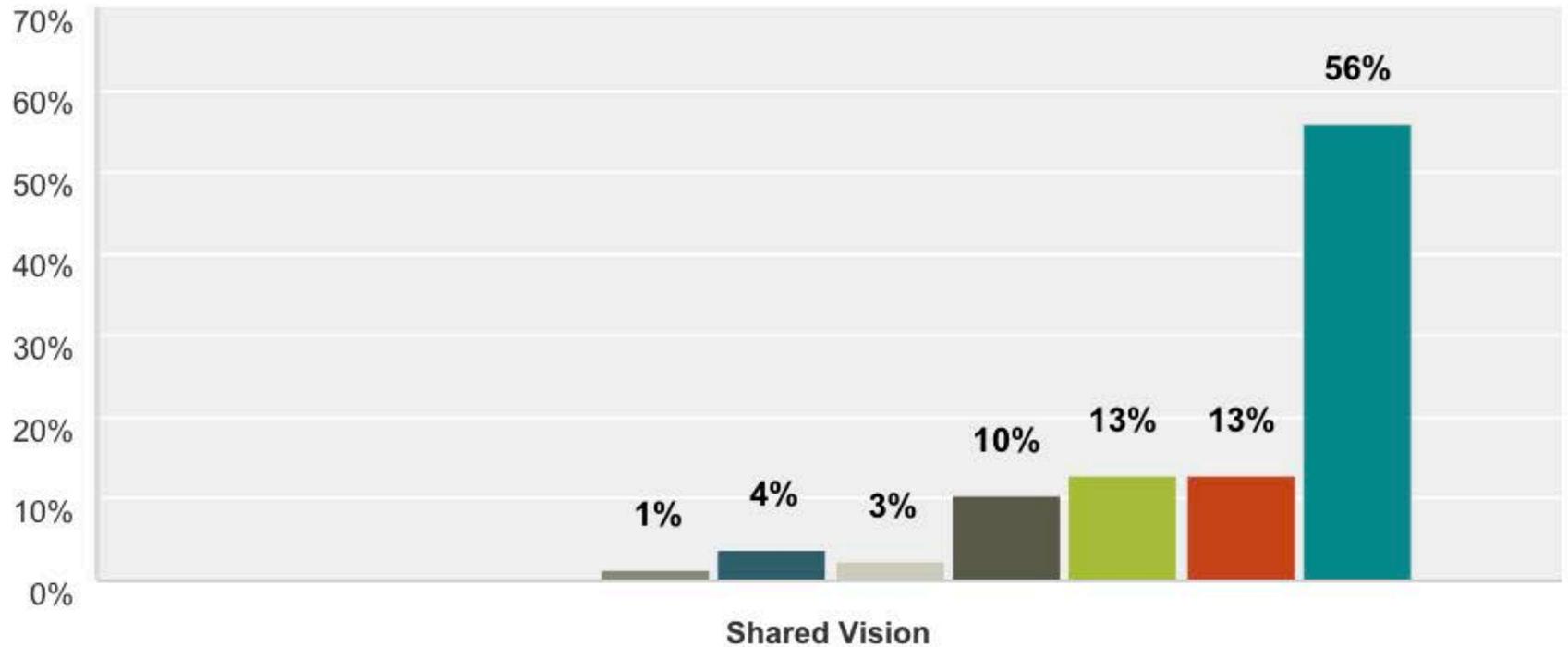
Surveys

Hilton Head Island- Pre-Think Tanks Survey n=77
Community Survey n = 1,465



How important do you think it is to have a shared vision for the future of the community of Hilton Head Island?

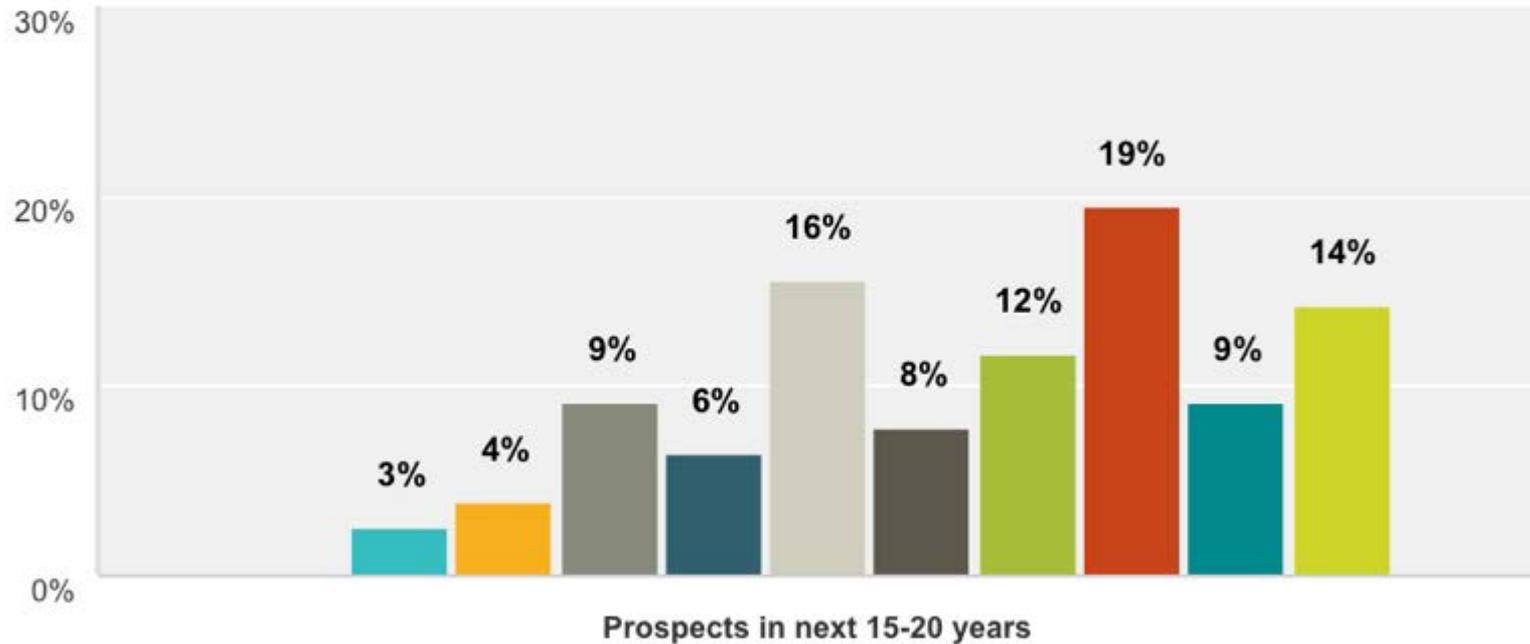
Answered: 77 Skipped: 0



- 1 Not Important
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10 Highly Important

How do you feel about the future prospects for Hilton Head Island in the next 10 to 20 years?

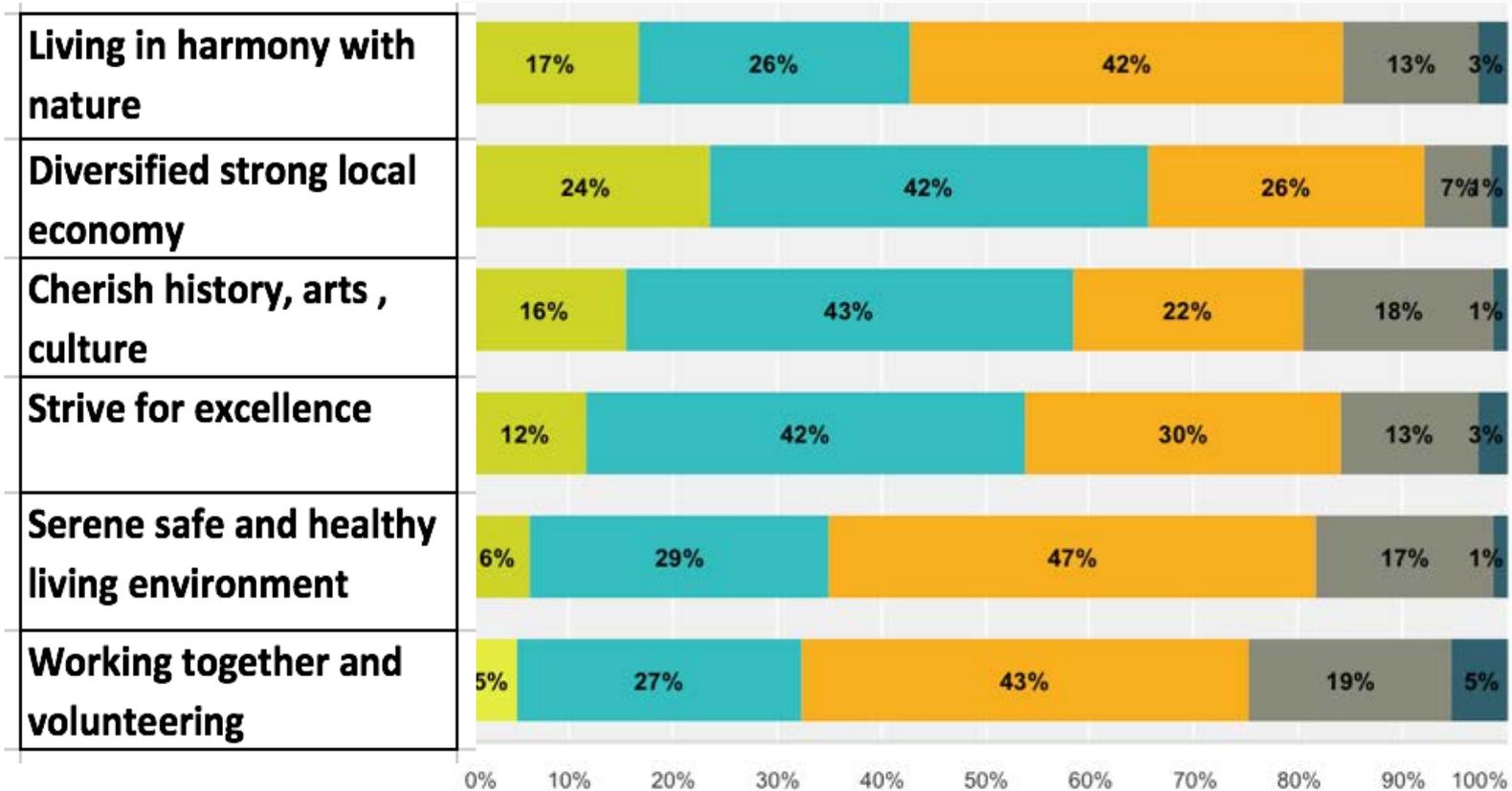
Answered: 77 Skipped: 0



-5 Highly Pessimistic -4 -3 -2 -1 Neutral 1
2 3 4 5 Highly Optimistic

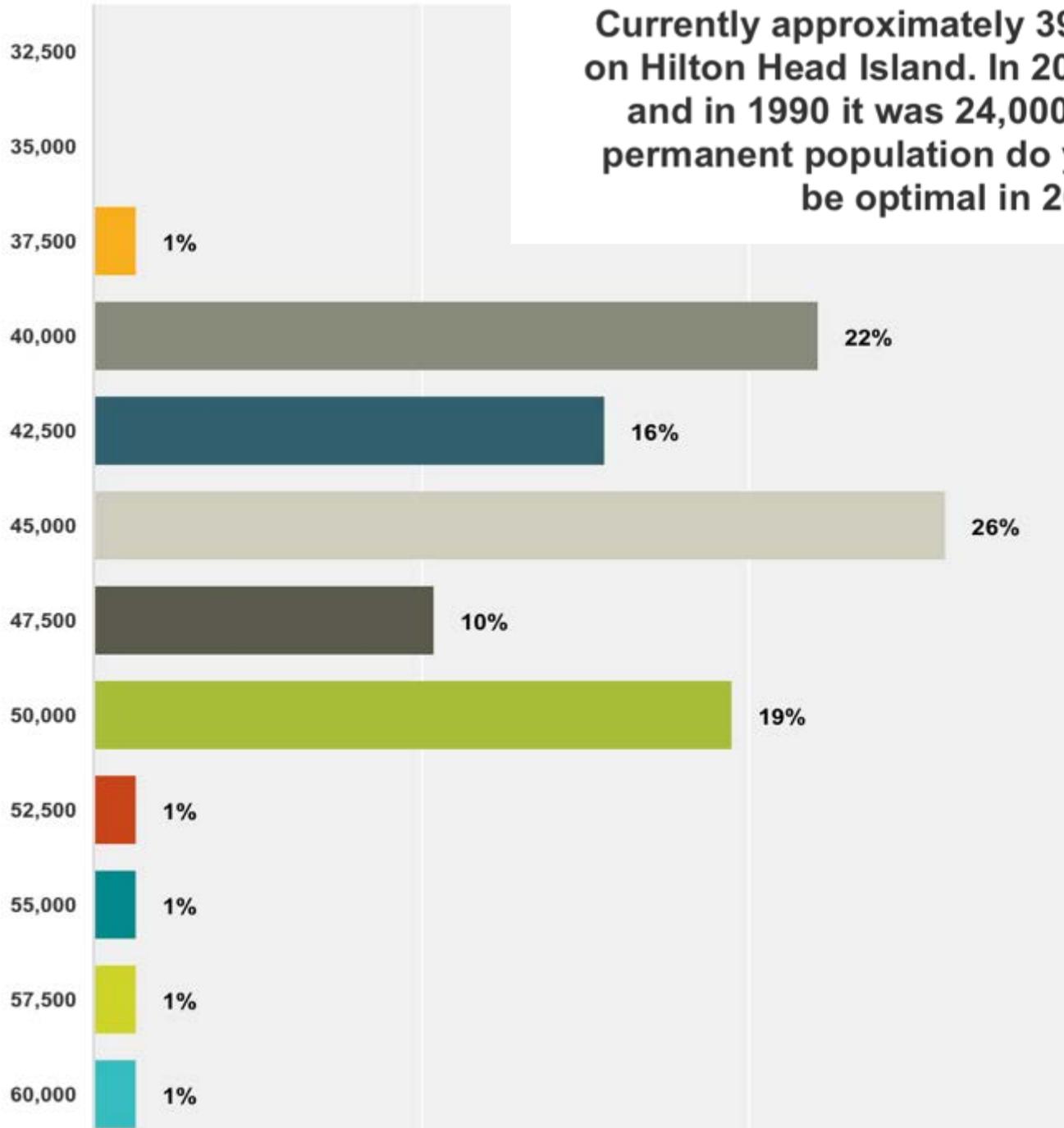
In the 2014 Hilton Head Island Strategic Plan, the following Guiding Principles were defined for the 2030 Vision. How satisfied are you with the progress that has been made on each of these key areas?

Answered: 77 Skipped: 0



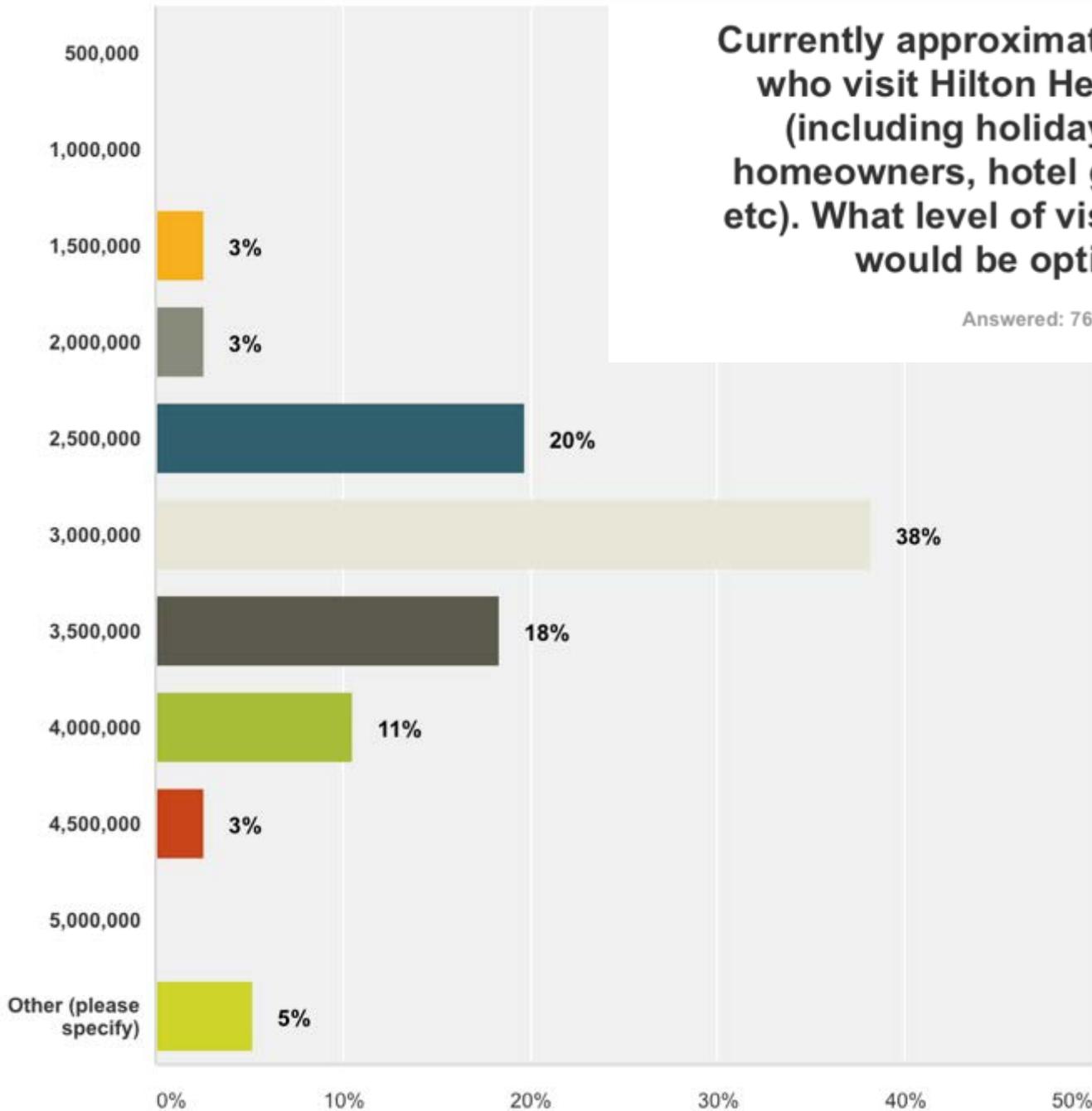
■ Poor progress; we are falling behind
 ■ Some progress; but not enough
■ About where we should be; on track.
 ■ Satisfactory progress; slightly ahead
■ Excellent progress; exceeding expectations

Currently approximately 39,000 people live on Hilton Head Island. In 2000 it was 34,000, and in 1990 it was 24,000. What level of permanent population do you think would be optimal in 2040?



Currently approximately 2,600,000 people who visit Hilton Head Island annually (including holiday rentals, second homeowners, hotel guests, day trippers etc). What level of visitation do you think would be optimal in 2040?

Answered: 76 Skipped: 1



Community survey

Most Critical Issues:

- Workforce and Skills Shortage
- Workforce, Housing and Transportation
- Traffic Issues - Daily Commute
- Protection of Eco-system/environment
- Traffic Issue - Tourism

These are all seen as critically important and affecting citizen's lives **NOW.**



Community survey

Biggest Opportunities for HHI in 10yrs – *(overview of open ended answers)*

- Control of Growth and Management of Development
- Tourism - quality not quantity. Avoid 'mass tourism'
- Maintenance of HHI appeal and character
- Attraction of young professionals and families
- Improve access to Island - expand airport, improve bridges
- Improve worker housing



Community survey

Threats to HHI in 10yrs – *(overview of open ended answers)*

- Loss of diverse community
- Workforce and skills shortage
- Tourism – too much – mass impacts
- Traffic - congestion
- Social economic problems
- Severe weather patterns
- Over population of Island



Scenario Development Framework (refer Think Tank Report)



Hilton Head Island - Our Future

THANK YOU!

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