



**The Town of Hilton Head Island**

**Regular Town Council Meeting**

**February 16, 2016**

**4:00 P.M.**

**BENJAMIN M. RACUSIN COUNCIL CHAMBERS**

**AGENDA**

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**As a Courtesy to Others Please Turn Off/Silence All Mobile Devices During  
the Town Council Meeting**

- 1) Call to Order**
- 2) Pledge to the Flag**
- 3) Invocation**
- 4) FOIA Compliance** – Public notification of this meeting has been published, posted and distributed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.
- 5) Proclamations and Commendations**  
None
- 6) Approval of Minutes**
  - a. Town Council Meeting, January 19, 2016
  - b. Town Council Workshop, February 8, 2016
- 7) Report of the Town Manager**
  - a. Semi-Annual Update of the Parks and Recreation Commission – Heather Rath, Chairman
  - b. Semi-Annual Land Acquisition Update
  - c. Town Manager's Items of Interest
    - (1) Town News
    - (2) Noteworthy Events
- 8) Reports from Members of Council**
  - a. General Reports from Council
  - b. Report of the Intergovernmental Relations Committee – Bill Harkins, Chairman
  - c. Report of the Community Services Committee – Kim Likins, Chairman
  - d. Report of the Public Planning Committee – Tom Lennox, Chairman
  - e. Report of the Public Facilities Committee – Lee Edwards, Chairman
  - f. Report of the Public Safety Committee - Marc Grant, Chairman
  - g. Report of the Finance and Administrative Committee - John McCann, Chairman
  - h. Report of the Circle to Circle Committee - Tom Lennox, Town Council Liaison

**9) Appearance by Citizens**

**10) Unfinished Business**

None.

**11) New Business**

**a. Consideration of a Resolution – Venue Committee**

Consideration of a Resolution of the Town Council of the Town of Hilton Head Island, South Carolina, creating the Venue Committee as a sub-committee of the Community Services Committee; and providing a goal and objectives for the committee.

**b. Consideration of a Recommendation – USCB-John Salazar/Clemson Analysis**

Consideration of a Recommendation of a USCB-John Salazar/Clemson Analysis estimating the effect of a Hilton Head Island performing arts center on property values with an emphasis on residential property.

**12) Executive Session**

**a. Land Acquisition**

Discussion of negotiations incident to the proposed sale, lease or purchase of property:

(1) related to granting an easement on a parcel near the corner of Dillon Road and Summit Drive.

(2) related to a parcel on Squire Pope Road.

(3) related to a parcel in the Stoney area.

(4) related to a parcel in the Coligny Area.

**b. Legal Matters**

Receipt of Legal Advice

(1) related to pending litigation concerning permitting procedures.

(2) related to Sea Pines beach issues.

**13) Possible actions by Town Council concerning matters discussed in executive session.**

**14) Adjournment**

**THE TOWN OF HILTON HEAD ISLAND**  
**REGULAR TOWN COUNCIL MEETING**

**Date:** Tuesday, January 19, 2016

**Time:** 4:00 P.M.

**Present from Town Council:** David Bennett, *Mayor* Bill Harkins, *Mayor Pro Tem*; Marc Grant, Tom Lennox, Kim Likins, John McCann, Lee Edwards, *Council Members*

**Present from Town Staff:** Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Jill Foster, *Deputy Director of Community Development*; Scott Liggett, *Director of Public Projects & Facilities/Chief Engineer*; Jeff Buckalew, *Town Engineer*; Darrin Shoemaker, *Traffic & Transportation Engineer*; Brad Tadlock, *Fire Chief*; Ed Boring, *Deputy Fire Chief – Support Services*; Brian Hulbert, *Staff Attorney*; Susan Simmons, *Director of Finance*; John Troyer, *Deputy Finance Director*; Jennifer Ray, *Urban Designer*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant/Town Clerk*

**Present from Media:** Zach Murdock, *Island Packet*

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**1) CALL TO ORDER**

Mayor Bennett called the meeting to order at 4:03 p.m.

**2) PLEDGE TO THE FLAG**

**3) INVOCATION**

**4) FOIA Compliance** – Public notification of this meeting has been published, posted and distributed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

**5) Proclamations and Commendations**

Native Islander Gullah Celebration Month

Mr. Charles Young and Mr. Curtis Barnwell were present to accept the proclamation.

**6) Approval of Minutes**

**a. Town Council Meeting, January 5, 2016**

Mr. Harkins moved to approve. Mr. McCann seconded. Mayor Bennett noted that on page 2, the end of the last sentence needed to read “creates two of something from one dwelling unit.” Mr. Harkins moved to amend the minutes with the correction. Mr. McCann seconded. The amended minutes of the January 5, 2016 regular Town Council meeting were unanimously approved by a vote of 7-0.

**7) Report of the Town Manager**

**a. CAFR and Audit Presentation for Fiscal Year Ended June 30, 2015– Don Mobley, Scott & Company**

Mr. Riley invited Susan Simmons to approach the dais. Ms. Simmons noted that with two key positions vacant, her entire staff worked diligently to complete the audit. She thanked the members of her staff for their hard work and efforts. She introduced Mr. Mobley of Scott & Company. Mr. Mobley reviewed key points of the audit noting that Hilton Head Island conducts the audit in the correct manner and he appreciated the cooperation and labors in completing the audit.

- a. Semi-Annual Update of the Board of Zoning Appeals – Glenn Stanford, Chairman  
Mr. Stanford reviewed the activities of the board for the previous six months.
- b. Semi-Annual Update of the Design Review Board – Jake Gartner, Chairman  
Mr. Gartner reviewed the activities of the board for the previous six months.  
Mayor Bennett thanked Mr. Stanford and Mr. Gartner for their service.
- c. Quarterly Update on USCB  
Mr. Riley briefly reviewed the updates contained in the packet provided by USCB and Town staff.
- d. Town Manager's Items of Interest  
Mr. Riley reported on the items of interest listed below.
  - (1) Town News
  - (2) Noteworthy Events

## **8) Reports from Members of Council**

- a. General Reports from Council  
Mr. McCann requested that the Mayor continue to update Council on items he is working on with other Mayors and County Council. Mayor Bennett stated he would be happy to do so.
- b. Report of the Intergovernmental Relations Committee – Bill Harkins, Chairman  
Mr. Harkins stated the Legislative Liaison of the Municipal Association of South Carolina will be the featured speaker at the upcoming Committee meeting.
- c. Report of the Community Services Committee – Kim Likins, Chairman  
Mrs. Likins noted her enthusiasm for New Business Item 11.c. and, if approved, there would be a recommendation that Council form a citizens committee to look at the venue issues and assured Council that the Committee is ready to move forward with that as soon as possible.
- d. Report of the Public Planning Committee – Tom Lennox, Chairman  
Mr. Lennox stated that Thursday, February 4 at 3:00 p.m. is the regular meeting of the Committee. He added that on Thursday, February 11 at 4:00 p.m. there will be a Special Meeting of the Committee which will consist of a presentation from Steven Ames regarding the Vision and Master Plan process going forward.
- e. Report of the Public Facilities Committee – Lee Edwards, Chairman  
Mr. Edwards reported the Committee would be meeting on Monday, January 25 at 10:00 a.m. to review the proposed fishing ban on the beach.
- f. Report of the Public Safety Committee - Marc Grant, Chairman  
Mr. Grant said the Committee would be holding a Special Meeting on Wednesday, January 20 at 10:00 a.m. to discuss Xanadu and South Forest Beach area.

**g. Report of the Finance and Administrative Committee - John McCann, Chairman**

No report.

**h. Report of the Circle to Circle Committee - Tom Lennox, Town Council Liaison**

Mr. Lennox noted that Wednesday, January 27 at 8:30 a.m. the Committee will meet and be introduced to the urban planning consultant.

**9) Appearance by Citizens**

Karl Engelman addressed Council regarding the USCB project.

Larry Myers addressed Council regarding governance.

Mayor Bennett called for a brief recess at 4:34 p.m. Council left the dais. Mayor Bennett reconvened the meeting at 4:51 p.m. Mr. McCann moved for Council to allow Mr. Hoagland to speak with the understanding that he follow the Town ordinance and that he not refer to anybody on Council by name, but address the Council as a whole. Mr. Harkins seconded. Mr. Edwards stated that any citizen needs to have the right to speak. Mayor Bennett stated he felt taxpayers have an expectation that an orderly meeting will be conducted, business will be done as efficiently and effectively as possible and for someone to repeat the same things over and over works against that. The motion was approved by a vote of 6-1. (Mayor Bennett was opposed.)

Skip Hoagland addressed Council regarding free speech and the Hilton Head Island – Bluffton Chamber of Commerce contract.

**10) Unfinished Business**

**a. Second Reading of Proposed Ordinance 2016-02**

Second Reading of Proposed Ordinance 2016-02 to repeal Chapter 1 of Title 17 of the Municipal Code of the Town of Hilton Head Island, South Carolina and to reenact a new Chapter 1 of Title 17, adoption by reference of Beaufort County Ordinance Chapter 14, Article II Animal Control; and providing for severability and an effective date.

Mr. Harkins moved to approve. Mr. McCann seconded. Mare Deckard spoke in opposition to the proposed ordinance. The motion was unanimously approved by a vote of 7-0.

**b. Consideration of potential Capital Project Sales Tax Commission list.**

Mr. Riley stated that following the Finance and Administrative Committee's meeting on January 12 a memo was prepared with recommendations for a Capital Project Sales Tax list. He referenced a brief summary of the recommendations, including a suggested add-back of the gateway improvements as a joint County-Town initiative. He distributed the summary of the Gateway improvements; summary of acquisition and paving of dirt roads in the Sewer Master Plan area; a write-up done by Mayor Bennett regarding the Arts, Entertainment & Cultural Campus; and materials provided by Mitchelville. He invited Scott Liggett to conduct an overview of the gateway improvements. Mr. Liggett reviewed the proposed projects with Council and answered questions regarding such.

Karl Engelman suggested extending the TIF to cover the costs for the projects.

Larry Myers supported extending the TIF and taking one project at a time.

Curtis Barnwell expressed concern for safety of families living in the Squire Pope Road area earmarked in the gateway improvements.

Ed Barry expressed concern about traffic congestion after the improvements.

Mr. Riley explained the deadline for submittals is February 1 and Council would need to approve their recommendations at the present meeting.

After lengthy discussion, Mrs. Likins moved to submit the following list to the Beaufort County Capital Project Sales Tax Commission for consideration:

- Initial Design of a Replacement Bridge to the Mainland/Gateway Improvements - \$18 million
- Arts, Entertainment & Cultural Campus - \$30 million
- Dirt Roads - \$7 million
- Mitchelville - \$210,000

Mr. McCann seconded.

Mr. Paul Krunkleton spoke in support of the dirt roads but expressed concern about earmarking funds for the Arts, Entertainment & Cultural Campus due to a question of sustainability.

Mr. Walt Graver spoke in support of the Arts, Entertainment & Cultural Campus adding that the study done by Community Vision addressed sustainability of such a campus.

Shirley Peterson spoke in support of the pavilion at Mitchelville noting they are working on the issue of sustainability at this time.

The motion was unanimously approved by a vote of 7-0.

## 11) New Business

**a. Consideration of a Recommendation to Accept the Assistance to Firefighters Grant (AFG) in the amount of \$471,306 for the purchase of twelve (12) cardiac monitors.**

Mr. Harkins moved to approve. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

**b. Consideration of a Recommendation from the Finance & Administrative Committee for approval of the Public Communication Firm Work Request Process.**

Mr. McCann reviewed the process. After discussion regarding crisis management, Mr. McCann moved to approve. Mr. Harkins seconded. The motion was unanimously approved by a vote of 7-0.

**c. Consideration of Recommendations from the Arts & Cultural Strategic Planning Committee.**

Mayor Bennett invited Jane Joseph to the podium. Mrs. Joseph referenced a power point presentation highlighting specific information gathered by the Committee. She noted they utilized previous studies, documents and heard from arts organizations including individual artists from the community. She detailed their findings and answered questions from Council.

After lengthy discussion and review of the recommendations, Mr. Edwards moved to adopt the recommendations of the Arts & Cultural Strategic Planning Committee and to task the Community Services Committee with developing recommendations of a venue committee scope, purpose and membership. Mrs. Likins seconded.

Mrs. Likins wanted to clarify that Item #2 of the recommendations regarding supporting and funding of the recommended Hilton Head Island Culture and Arts Network (HHICAN) be included in the motion for the Community Services Committee to begin working the with Arts & Cultural Strategic Planning Committee in moving forward. Mr. Edwards confirmed it was part of his intent with the motion.

Larry Myers supported the concept but noted the Town cannot afford to financially support the arts completely.

Lisa Snider, a member of the Arts & Cultural Strategic Planning Committee spoke in support of the recommendations.

Skip Hoagland suggested using the funds earmarked for the Hilton Head Island – Bluffton Chamber of Commerce to support the arts.

Hannah Horne of the Hilton Head Island-Bluffton Chamber of Commerce offered to answer any questions regarding the Chamber's support of the arts, noting arts events have an economic impact on all businesses on Hilton Head Island.

Bob Lee, a member of the Arts & Cultural Strategic Planning Committee supported the recommendations and stated arts and culture is an economic driver in the community.

The motion was unanimously approved by a vote of 7-0.

## **12) Executive Session**

Mr. Riley stated he needed an executive for land acquisition; discussion of negotiations incident to the proposed sale, lease or purchase of property: 1) related to potential acquisition of property in the Coligny Area; 2) related to potential acquisition of property in the Sea Pines Circle Area; 3) related to potential acquisition of property in the Palmetto Bay Road Area; and for legal matters; specifically, discussion of pending litigation concerning permitting procedures.

At 7:16 p.m. Mr. Harkins moved to go into executive session for reasons as stated by the Town Manager. Mr. McCann seconded. The motion was unanimously approved by a vote of 7-0.

## **13) Possible actions by Town Council concerning matters discussed in executive session.**

Mayor Bennett called the meeting back to order at 8:05 p.m. and stated there was no action taken during executive session and no business to take up as a result of executive session.

**14) Adjournment**

Mr. Edwards moved to adjourn. Mr. McCann seconded. The meeting was adjourned at 8:06 p.m.

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Vicki L. Pfannenschmidt  
Executive Assistant/Town Clerk

Approved:

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David Bennett, Mayor

DRAFT



**THE TOWN OF HILTON HEAD ISLAND**  
**TOWN COUNCIL WORKSHOP**

**Date:** Monday, February 8, 2016

**Time:** 5:00 P.M.

**Present from Town Council:** David Bennett, *Mayor* Bill Harkins, *Mayor Pro Tem*; Marc Grant, Tom Lennox, Kim Likins, John McCann, Lee Edwards, *Council Members*

**Present from Town Staff:** Steve Riley, *Town Manager*; Greg DeLoach, *Assistant Town Manager*; Susan Simmons, *Director of Finance*; Brian Hulbert, *Staff Attorney*; Melissa Cope, *Systems Analyst*; Vicki Pfannenschmidt, *Executive Assistant/Town Clerk*

**Present from Hilton Head Island-Bluffton Chamber of Commerce:** Bill Miles, Jay Wiendl, Steve Birdwell, Charlie Clark, Ariana Pernice, Hannah Horne, Ray Deal

**Present from Media:** None

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**1) CALL TO ORDER**

Mayor Bennett called the workshop to order at 5:00 p.m.

**2) PLEDGE TO THE FLAG**

**3) FOIA Compliance** – Public notification of this meeting has been published, posted and distributed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

**4) Presentation by the Hilton Head Island-Bluffton Chamber of Commerce: How the Destination Marketing Plan is Developed**

Bill Miles reviewed the role of the Hilton Head Island-Bluffton Chamber of Commerce as the Designated Marketing Organization (DMO). He reviewed the funding and explained the breakdown on taxes, the marketing plan process and the process for metrics. Mr. Miles noted the revenue per available room has increased approximately 20% in the past two years. He explained the overall health of tourism has increased noting that every dollar Hilton Head Island puts in they receive a \$49.37 return.

Ariana Pernice explained the process for tourism markets and reviewed the brand promise noting it was a collaborative effort of many. She explained the Chamber is ever present on the web, social media, digital media and print media focusing on leisure marketing, arts, culture and history marketing and international marketing and gave a detailed review of the process in achieving the goals of such. She concluded noting that tourism is up, the workforce in growing, meetings and group business in thriving and capital and private investment has increased which contributes a successful brand. Ms. Pernice stated that the Hilton Head Island Brand is one of the Chamber's greatest assets.

Hannah Horne covered the advocacy aspect of the DMO. She reviewed the many initiatives they have undertaken.

Charlie Clark covered the public relations success and the earned media program. She stated it was very difficult to earn but very powerful. She reviewed the 2015 public relations success and media highlights.

There was an informal questions and answer session with Council and Chamber representatives covering the DMO relationship, tax collections, home values, golf and tennis advertising, matching grant opportunities and the emergency advertising fund that is available.

**5) Public Comment**

Randy Tardy, Kumar Viswanathan, Eric Sommerville, Jane Joseph, Tom Gardo, George Paletta made comments and had their questions answered by the representatives of the Chamber.

At the conclusion of Public Comment, Mayor Bennett stated that Council Member Lee Edwards had requested to make an announcement.

Mr. Edwards said that, effectively immediately, he is resigning his position on Town Council and will continue to serve until a replacement is elected or appointed. He explained that he and his wife have purchased a home outside of Ward 3. Mr. Edwards stated he has thoroughly enjoyed serving on Council.

**6) Adjournment**

Mayor Bennett adjourned the workshop at 7:24 p.m.

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Vicki L. Pfannenschmidt  
Executive Assistant/Town Clerk

Approved:

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David Bennett, Mayor

**TO:** Town Council  
**FROM:** Susan M. Simmons, Director of Finance  
**VIA:** Stephen G. Riley, Town Manager  
**DATE:** February 4, 2016  
**RE: Land Acquisition Update**

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**Available Funding – FYE December 31, 2015**

The Town's Land Acquisition Program has the following available funds at December 31, 2015.

2010 GO Referendum Bonds	\$1,546,041
Sale of Land Account	<u>3,168,259 *</u>
Total	<u>\$4,714,300</u>

\* Significant transactions between July 1 and December 31, 2015:  
Sale of Pineland Station and Transfer of Net Proceeds to HHIEDC

Land and Park transactions related to the Shelter Cove Park and Development Agreement are **not** reflected above. GO Bonds will be issued in FY 2016 for the Town's portion of the park costs.

## **Land Acquisition Program Update since October 2015**

**On January 20, 2016, the Town terminated the sales and purchase agreements for the 2 properties below:**

<b>Name</b>	<b>Acreage</b>	<b>Location</b>	<b>Cost</b>	<b>Source of Funding</b>	<b>Use</b>
Target Road/Palmetto Bay Road Area (The Bridge Shops)-purchased from Palmetto Bay Holdings, LLC	3.75 acres (4 parcels) and a 21,042 square feet commercial building and warehouses	Target Road/Palmetto Bay Road	\$1,930,000.00	Resell of Property Account	To be determined
Target Road/Palmetto Bay Road Area-purchased from Caheti 3-Dry, LLC	.57 of an acre	Target Road/Palmetto Bay Road	\$550,000.00	Resell of Property Account	To be determined

### **SOLD PROPERTIES ANNOUNCED**

- ❖ **Announced the sale of .472 of an acre to the SCDOT/Spanish Wells Road area for the bridge replacement over Jarvis Creek/Sale is scheduled to close on February 29, 2016.**



# ITEMS OF INTEREST

## FEBRUARY 16, 2016

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### Town News

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The Town is revising the traffic signal phasing at the intersection of William Hilton Parkway with Shipyard and Wexford Drives to improve safety, installing new left turn phases to serve both side approaches. Motorists will no longer be allowed to turn left from either side street onto William Hilton Parkway on a circular green light while yielding to oncoming traffic. In serving the side streets, the signal will display left-turn green arrow signals directing left-turning motorists from both sides to proceed. These left turn signals will turn yellow then red, prior to circular green indications being illuminated to direct through and right-turning motorists to proceed. The pedestrian signals serving the crosswalk across William Hilton Parkway on the off-island side of the intersection will display a WALK signal with the latter side street phase only. This revision will result in reductions of the green time provided to William Hilton Parkway through traffic on the order of ten to twenty percent. This work is expected to begin in mid-February and should be complete by the end of the month. The Shipyard and Wexford communities will be made aware of this change and a media release will be distributed to advise the motoring public of the signal phasing change in advance of its implementation.

**(Contact: Darrin Shoemaker, Town Traffic and Transportation Engineer,  
[darrins@hiltonheadislandsc.gov](mailto:darrins@hiltonheadislandsc.gov) or 843-341-4774)**

### Noteworthy Events

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Some of the upcoming meetings at Town Hall:

- Planning Commission – February 17, 2016, 3:00 p.m.
- Public Facilities Committee – February 22, 2016, 10:00 a.m.
- Board of zoning Appeals – February 22, 2016, 2:30 p.m.
- Design Review Board – February 23, 2016, 1:15 p.m.
- Construction Board of Adjustments and Appeals, February 23, 2016, 5:30 p.m.
- Circle to Circle Committee – February 24, 2016, 8:30 a.m.
- Finance and Administrative Committee – March 1, 2016, 2:00 p.m.
- Town Council – March 1, 2016, 4:00 p.m.

(Additional meetings may be scheduled and all meetings are subject to change and/or cancellation. Please visit the Town of Hilton Head Island website at [www.hiltonheadislandsc.gov](http://www.hiltonheadislandsc.gov) for Committee meeting dates and agendas.

# 2016 Hilton Head Island Events

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February 20 & 21, 2016 9:00am – 6:00pm	Hilton Head Island Gullah Celebration	Honey Horn
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# **TOWN OF HILTON HEAD ISLAND**

## *Community Development Department*

<b>TO:</b>	Stephen G. Riley, ICMA-CM, Town Manager
<b>FROM:</b>	Kim Likins, Councilman; Jane Joseph, Chairman ACSP Committee
<b>CC:</b>	Charles Cousins, Director
<b>DATE</b>	February 08, 2016
<b>SUBJECT:</b>	Resolution creating the Venue Committee

**Recommendation:** That Town Council adopt the attached Resolution to create the Venue Committee, as a sub-committee of the Community Services Committee, as recommended by the Arts and Culture Strategic Planning Committee and to define their objectives.

**Summary:** The sub-committee is proposed to consist of 9-12 members of the public, inclusive of one representative from each of the following organizations: Arts Center of Coastal Carolina, the Coastal Discovery Museum, Community Vision of Hilton Head, the Hilton Head Island Symphony Orchestra and the Arts & Cultural Strategic Planning Committee. Other sub-committee members should represent a broad diversity of the community. Desirable experience includes those with background in finance, arts, art education, technology, development or operations of arts venues, real estate and hospitality-related businesses and who are familiar with the future wave of arts and culture as desired by the younger generations.

**Mission:** To assist Town Council in supporting the advancement of Hilton Head Island as a rich and diverse arts and cultural destination that enriches the lives of our residents and guests.

**Goals for the Sub-Committee:**

- Recommend the Structure and Funding of Venue(s) which satisfy the needs of the Community and the Arts, Cultural and History organizations and support the Capital Sales Tax requirements. This should include specific recommendations regarding the Arts Center of Coastal Carolina's venue requirements.
- Recommend the role, if any, of Town Government and other entities in supporting the Venue(s) recommendation.

**Specific Objectives for the Sub-Committee:**

- 1) Usage/Programming Objective: Determine the types of programming and usage that are needed in the future to satisfy the Town's residents and visitors as well as the Arts, Cultural and History organizations.

- 2) Facility Objective: Determine what facilities and features are needed in the future to support the usage and programming requirements of the Town's residents and visitors as well as the Arts, Culture and History organizations.
- 3) Financial Objective: Determine the costs and revenues associated with the facilities and features as well as the usage and programming and determine if and in what areas the Town Government or other entities should financially support the Venue(s) recommendation.
- 4) Community Objective: Determine the amount and type of support by the community for Venue modifications (new and existing), and the expected impact to the community.
- 5) Reports: Monthly committee updates are to be provided to the Community Services Committee, and a Final Report is to be delivered within 9 months from the time the Venue Committee is appointed.

**Background:**

On January 19, 2016, the Town Council approved support of the recommendations made by the Arts & Cultural Strategic Planning Committee (ACSP). These recommendations supported the Town Council's adoption in 2015 Target for Action: "Arts and Culture Collaborative Strategy."

Although not in scope of the ACSP Committee's Objectives, the constraints imposed on Arts, Culture & History organizations by the lack of appropriate venues was a common theme in their research. The Committee recommended that Town Council address the venue issues impacting a significant number of Arts, Culture & History organizations and support a research effort to address venue issues and challenges and define a path forward. The Town Council has supported the creation of a sub-committee with knowledgeable citizens which would enhance their ability to resolve major questions pertaining to this recommendation.



## Venue Committee

### Scope of Work

#### ***Town Arts and Cultural Mission Statement***

***To support the advancement of Hilton Head Island as a rich and diverse arts and cultural destination that enriches the lives of our residents and guests.***

#### ***Goals:***

- ***Recommend the Structure and Funding of Venue(s) which satisfy the needs of the Community and the Arts, Cultural and History organizations and fulfill the Capital Sales Tax requirements. This should include specific recommendations regarding the Arts Center of Coastal Carolina's venue requirements.***
- ***Recommend the role, if any, of Town Government and other entities in supporting the Venue(s) recommendation.***

#### **Objectives**

***Usage/Programming Objective: Determine the types of programming and usage that are needed in the future to satisfy the Town's residents and visitors as well as the Arts, Cultural and History organizations.***

- Identify the current usage and programming that Arts, Culture and History organizations are producing.
- Understand the potential usage and programming changes that the existing organizations could make to help them improve their future potential if they had facilities that are not currently available.
- Identify possible performers or performance companies that could be brought to the Island if more extensive facilities were available.
- Determine what new events or space usage could be developed if different facilities were made available.
- Consider what other activities could be undertaken to make use of an arts campus type of space (e.g. weddings, parties, lobby exhibits, rental of space, etc.)
- Consult with professional venue managers to determine optimal programming to meet the needs of the communities.
- Provide parameters, if appropriate, to address usage issues that might compete with local businesses.

***Facility Objective: Determine what facilities and features are needed in the future to support the usage and programming requirements of the Town's residents and visitors as well as the Arts, Culture and History organizations.***

- Identify the existing facilities and the space, features services and financials associated with them.
- What types of facilities are available in other towns that have similar demographics to Hilton Head Island (size, seating, multi-purpose space designs) and how they are managed, financed and programmed?
- What facilities and features would the current Arts, Culture and History organizations need to satisfy their potential usage and programming requirements?
- What facilities and features would the current and future residents and visitors in the community need to satisfy their potential usage and programming expectations?
- What are the specific design components that would result from the evaluation of facility and features?

- What are the location options for new or improved venue(s) and what are the recommendations for this element?

***Financial Objective: Determine the costs and revenues associated with the facilities and features as well as the usage and programming and determine if and in what areas the Town Government or other entities should financially support the Venue(s) recommendation.***

- What would be the cost to plan and construct the facility(s)?
- What would be the cost to operate (include personnel and management fees), maintain, and program the facility(s)?
- What is the expected revenue from facility usage? (Includes all usage categories and pricing assumptions)?
- What are the financing structures that are possible for the planning, construction, operations, and maintenance of the venue(s)? (e.g. Bonds, endowment, foundations, business and individual donors)?
- Who should be responsible for raising funds from the community and how would that be accomplished?
- What should the role of the Town be in financial support and other support?
- What other entities should be involved in support of such a project and what should their role be?

***Community Objective: Determine the amount and type of support by the community for Venue modifications (new and existing) and the expected impact to the community.***

- Assess the financial, volunteer and attendance support from the community that the Town could expect if the decision were made by the Town to financially support improved facilities.
- What should the financial support of the community be to ensure the success of such a project?
- What would the economic and quality of life impact of the recommended venue proposal be to the Island?
- What effect would improved venue options be on tourism?
- What would the consequences be to the Island if the Town did not support improvements in the Arts, Culture and History venue(s)?

#### ***Expectations:***

1. Monthly update reports will be provided to the Community Services Committee.
2. Presentations to the Community Services Committee will be made upon request.
3. A final report will be provided to the Community Services Committee upon completion of the sub-committee's defined objectives.
4. The sub-committee's work will be completed in the timeframe determined by the Community Services Committee.

#### ***Final Report:***

***The final report should address all objectives and questions***

1. There should be a section of the report making recommendations for each of the defined objectives.
2. The final section of the report should indicate the resolution to the Goals.

#### ***General Information:***

1. Discussion should include both profit and non-profit Arts, Cultural and History organizations and individual artists.
2. The sub-committee should be knowledgeable of the work taking place by the Arts & Cultural Strategic Planning Committee and the Heritage Tourism Task Force and work in concert with these efforts.
3. Funds will be made available to cover the fee of a professional planner.
4. If the sub-committee finds certain issue arise that merit consideration but do not fall within the defined objectives, they should document them and request direction from the CSC. If they feel certain issues should be addressed at a future time they should be documented and so noted in the final report.

#### Committee Selection Process:

The sub-committee is proposed to consist of 9-12 members of the public, inclusive of one representative from each of the following organizations: Arts Center of Coastal Carolina, the Coastal Discovery Museum, Community Vision of Hilton Head, the Hilton Head Island Symphony Orchestra and the Arts & Cultural Strategic Planning Committee. Other sub-committee members should represent a broad diversity of the community. Desirable experience includes those with background in finance, arts, art education, technology, development or operations of arts venues, real estate and hospitality related businesses and who are familiar with the future wave of arts and culture as desired by the younger generations.

The Application invitation should be posted in appropriate media with a deadline of March 4<sup>th</sup> for the application. The selection of Venue Committee members should be recommended to Town Council by the members of the CSC committee and 3 people from ACSP committee. Target for committee members to be presented at the March 15, 2016 Town Council Meeting.

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, CREATING THE VENUE COMMITTEE AS A SUB-COMMITTEE OF THE COMMUNITY SERVICES COMMITTEE; AND PROVIDING A GOAL AND OBJECTIVES FOR THE COMMITTEE.**

**WHEREAS,** Town Council has adopted “Arts and Culture Collaborative Strategy” as one of its 2015 Top Priority Targets for Action, and “Arts and Cultural Planning” as one of its 2016 Key Priorities; and

**WHEREAS,** Hilton Head Island enjoys a variety of arts and cultural opportunities including, but not limited to, the Arts Center of Coastal Carolina, the Choral Society, the Art League of Hilton Head Island, the Coastal Discovery Museum, the Hilton Head Island Symphony Orchestra, and more; and

**WHEREAS,** Town Council recognizes the importance of arts and cultural events and opportunities to our Island; and

**WHEREAS,** Town Council believes that enhanced arts and cultural opportunities will help diversify our economy and draw additional patrons to our region; and

**WHEREAS,** Town Council wishes to support the mission to advance Hilton Head Island as a rich and diverse arts and cultural destination that enriches the lives of our residents and guests; and

**WHEREAS,** Town Council supported the Arts, Cultural and Strategic Planning Committee’s recommendations that the Town should address the venue issues impacting a significant number of Arts, Cultural & Historical organizations by supporting a research effort to address venue issues & challenges and define a path forward; and

**WHEREAS,** Town Council desires to create a sub-committee composed of members with diverse arts and cultural experience and background to recommend the Structure and Funding of Venue(s) which satisfy the needs of the Community and the Arts, Cultural and History organizations and support the Capital Sales Tax requirements and the role, if any, of Town Government and other entities in supporting the Venue(s) recommendation.

**NOW, THEREFORE, BE IT, AND IT HEREBY IS, RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HILTON HEAD ISLAND, SOUTH CAROLINA, THAT** there shall be created the Venue Committee, which will be a sub-committee of the Community Services Committee.

Membership: 9-12 members of the public, inclusive of one representative from each of the following organizations: Arts Center of Coastal Carolina, the Coastal Discovery Museum, Community Vision of Hilton Head, the Hilton Head Island Symphony Orchestra and the Arts & Cultural Strategic Planning Committee. Other sub-committee members should represent a broad diversity of the community. Desirable experience includes those with background in finance, arts, art education, technology, development or operations of arts venues, real estate and hospitality-related businesses and who are familiar with the future wave of arts and culture as desired by the younger generations.

Goals:

- Recommend the Structure and Funding of Venue(s) which satisfy the needs of the Community and the Arts, Cultural and History organizations and support the Capital Sales Tax requirements. This should include specific recommendations regarding the Arts Center of Coastal Carolina's venue requirements.
- Recommend the role, if any, of Town Government and other entities in supporting the Venue(s) recommendation.

Objectives:

- 1) Usage/Programming Objective: Determine the types of programming and usage that are needed in the future to satisfy the Town's residents and visitors as well as the Arts, Cultural and History organizations.
- 2) Facility Objective: Determine what facilities and features are needed in the future to support the usage and programming requirements of the Town's residents and visitors as well as the Arts, Culture and History organizations.
- 3) Financial Objective: Determine the costs and revenues associated with the facilities and features as well as the usage and programming and determine if and in what areas the Town Government or other entities should financially support the Venue(s) recommendation.
- 4) Community Objective: Determine the amount and type of support by the community for Venue modifications (new and existing) and the expected impact to the community.
- 5) Reports: Monthly committee updates are to be provided to the Community Services Committee, and a Final Report is to be delivered within 9 months from the time the Venue Committee is appointed.

**MOVED, APPROVED, AND ADOPTED THIS \_\_\_\_\_ DAY OF February, 2016.**

\_\_\_\_\_  
**David Bennett, Mayor**

**ATTEST:**

**By:** \_\_\_\_\_

**Victoria L. Pfannenschmidt, Town Clerk**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**Gregory M. Alford, Town Attorney**

**Introduced by Council Member:** \_\_\_\_\_

February 11, 2016

The Finance and Administrative Committee will be considering the attached proposal estimating the effect of a Hilton Head Island performing arts center on property values with an emphasis on residential property by USCB-John Salazar/Clemson at their February 15, 2016 meeting at 1:30 p.m.

## **The Proposed University of South Carolina Beaufort and Clemson University Hedonic Analysis for Hilton Head Island, SC**

Researchers from University of South Carolina Beaufort (USCB) Lowcountry and Resort Islands Tourism Institute (LRITI) and Clemson University (CU) Strom Thurmond Institute are pleased to respond to the hedonic analysis research request submitted by the Town of Hilton Head Island. Researchers from both Institutes have conducted studies for various federal, state, and local government agencies, nonprofit and non-government organizations. Since 2005, the Institutes at USCB and CU have collaborated on multiple tourism, economic, and real estate research projects for the Lowcountry region. Those projects include (but are not limited to): the economic impact of the RBC Heritage Golf Tournament, the economic impact of tourism on Hilton Head Island, economic impact of bicycling on Hilton Head Island, Act 388 and school funding in Beaufort County, and site assessment and feasibility study for Hilton Head National Golf Course.

### **The Study**

The proposed analysis will estimate the effect of a Hilton Head Island performing arts center on property values with an emphasis on residential property. Because amenity values (for example, view sheds, clean air/water, or proximity to cultural amenities) are often not *explicitly* priced in the market, they can be difficult to quantify. However, the hedonic approach theorizes that the value of such amenities are factored into the price of residential property that is located close by. Specifically, hedonic models operate on the premise that the value of a given property is a function of the following factors:

1. The property's specific attributes, for example, lot size, age of home, square footage, etc.;
2. Neighborhood characteristics, such as the location within a subdivision and proximity to shopping, business centers, etc.;
3. Proximity to cultural and recreational amenities, like a golf course or, specific for this study, a performing arts center, and
4. Proximity to environmental amenities, such as a greenspace, beach, etc.

Our analysis will use a hedonic model that will examine factors such as those above in order to approximate the impact of each on property values in Hilton Head, holding constant for all of the others. The analysis will incorporate a spatial analysis using GIS modeling in order to account for distance from various amenities. The analysis will require from the Town a GIS shapefile containing property attributes and sale dates and prices for all parcels located on the island. Mr. Dan Morgan from the Beaufort County Mapping and Geographic Services has already approved the use of the Hilton Head Island GIS data.

An example (using hypothetical numbers) of the type of finding that may be generated by a hedonic model would be that a home located within 0.5 miles of a golf course will sell for some \$10,000 more than the same home located two miles from a golf course, holding constant for all of the other factors listed above. Likewise, a home with a beach view will sell hypothetically for \$30,000 more than an identical home located inland away from the beach, all else equal.

***Lori Dickes, Ph.D.***

Dr. Dickes has Bachelors and Master's Degrees in both Applied Economics and Political Science from the University of Central Florida and a PhD in Policy Studies from CU. Her research and academic work has focused on regional and rural economic development and the economic and social impacts of natural resource policy and management. She is Program Director of the CU Masters in Public Administration Program and Assistant Director of the SC Water Resources Center.

***David White, Ph.D.***

Dr. White has a background in developing, planning, and implementing activities in support of Geographic Information Systems (GIS). His most recent efforts are focused on the design of real-time data quality control solutions for Internet of Things (IoT) and analytics. He has a strong background in desktop GIS focused on the development of analytical data sets for mining of demographic and socio-economic values at multiple scales (local to national).

**Cost**

The project cost for the hedonic analysis is \$35,000. The cost will cover the research labor for both the USCB and CU research team. Consequently, two separate invoices will be sent from the individual institutions. The cost breakout is as follows:

USCB LRITI	\$17,500.00
CU Strom Thurmond Institute	<u>\$17,500.00</u>
Total cost	\$35,000.00

**Timeline**

The total time to complete the study will be approximately eight weeks after the contract is awarded. Once completed, the research team will present the results to the Town of Hilton Head Island.

**Contact Information**

John Salazar, Ph.D., CHE  
Phone: 843-208-8217 Email: jsalazar@uscb.edu



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## **The Research Team**

### ***USCB Lowcountry and Resort Islands Tourism Institute***

#### ***John Salazar, Ph.D.***

Dr. Salazar is a Professor of Hospitality Management at USCB. He is also the Director of the Lowcountry and Resort Islands Tourism Institute. Dr. Salazar has participated in city, county, state, and regional tourism and economic development projects throughout the US. He has conducted research that has been funded by corporations, universities, regional and state tourism bureaus, various farm bureau initiatives, and the US Department of Transportation.

#### ***Nancy Hritz, Ph.D.***

Dr. Hritz, has been a faculty member and researcher at USCB since the fall 2015. Prior to that she was at the University of North Carolina Wilmington for nine years where she was Coordinator and Director of the Coastal Hospitality Research Group. She has completed multiple research projects that include visitor profiles, conversion studies, and impact studies with organizations such as the Wilmington and Beaches Convention and Visitor Bureau, Town of Wrightsville Beach, NC, Cape Fear Museum of History and Science, Moore's Creek National Battlefield (US National Park Service) and United States Masters Swimming.

#### ***Serkan Catma, Ph.D.***

Dr. Catma holds a bachelor's degree in Economics from Istanbul University; MBA and a PhD in Natural Resource Economics from West Virginia University. He is an Associate Professor of Economics at USCB. His research has focused on three areas: Environmental Economics, Economics of Higher Education, and Public Policy Analysis. Dr. Catma has been conducting public policy and economic impact analyses since 2013.

#### ***Anton Abraham, MS***

Anton Abraham is a visiting research associate from Germany. He studied Sociology and History in Dresden, Bordeaux and Berlin and earned his Master's Degree in Sociology in 2013 at the University of Technology in Dresden, Germany. During his graduate studies, he worked in various research coordination positions. He also worked several years at the Dresden Airport Holding.

### ***CU Strom Thurmond Institute***

#### ***Rob Carey, Ph.D.***

Dr. Carey is director of the Regional Economic Analysis Laboratory (CU-REAL) at the Strom Thurmond Institute. CU-REAL performs economic and fiscal (government revenue/expenditure stream) impact assessments for both public and private sector clients. Dr. Carey has been at the Strom Thurmond Institute since 2005. He has been performing economic impact analyses since 2006 and has been director of CU-REAL since 2009. To date, he has authored in excess of fifty economic impact studies, including those conducted through CU-REAL and his private consulting practice, Regional Transactions Concepts, LLC.

***Lori Dickes, Ph.D.***

Dr. Dickes has Bachelors and Master's Degrees in both Applied Economics and Political Science from the University of Central Florida and a PhD in Policy Studies from CU. Her research and academic work has focused on regional and rural economic development and the economic and social impacts of natural resource policy and management. She is Program Director of the CU Masters in Public Administration Program and Assistant Director of the SC Water Resources Center.

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