



Town of Hilton Head Island FINANCE AND ADMINISTRATION COMMITTEE MEETING Tuesday, February 13, 2024, 10:00 AM Minutes

Call to Order

Chair Alex Brown called the meeting to order at 10:00 a.m.

Committee Members Present: Alex Brown, Chair, Ward 1; Steve Alfred, Ward 5; David Ames, Mayor ProTem, Ward 3; Glenn Stanford, Ward 6 (attending remotely)

Council Member Present: Mayor Alan Perry; Tamara Becker, Ward 4

Adoption of the Agenda

David Ames moved to approve the agenda as presented. Steve Alfred seconded. Motion carried 4-0.

Approval of the Minutes

David Ames moved to approve the regular meeting minutes of January 11, 2024 as presented. Steve Alfred seconded. Motion carried 4-0.

Appearance by Citizens:

Skip Hoagland addressed the Committee regarding drafting the contract with the Chamber of Commerce as the Designated Marketing Organization (DMO.) He spoke about the need to have a CPA on Council as well as on the Finance and Administration Committee. He also noted that there are Town Council members who are part of the Greater Island Council.

Skip Hoagland addressed the Committee on behalf of Lynn Greenly regarding the DMO Chamber funding. It was noted that the DMO funding from the Town has paid for the Chamber's website, designated as 'Hilton Head Island.org.'

Presentations and Recognitions

Presentation and Overview of the Upcoming FY24-25 Destination Marketing Plan and DMO Budget Creation, Review Process, and Timeline - Angie Stone, Assistant Town Manager, Community Engagement

Angie Stone, Assistant Town Manager, Community Engagement, addressed the committee regarding the presentation and overview of the upcoming FY24-25 Destination Marketing Plan and DMO budget creation, review process, and timeline. She began with the specifics for the timeline for this year's marketing plan and budget creation including when each item will be submitted and presented to the

Town Council. Ms. Stone noted that the Town of Hilton Head Island contracted with the Hilton Head Island- Bluffton Chamber of Commerce Visitor and Convention Bureau to serve as its Destination Marketing Organization (DMO) in December of 2020. The contract is slated to expire in December 2025. The contract outlines the specific requirements for the DMO, including the budget, the creation of a marketing plan and the financial audit requirements. In addition to the contractual requirements, Town staff will receive quarterly reports. Those reports will be shared with Town Council immediately upon receipt. The DMO will also present a quarterly report based on that data at a subsequent Town Council meeting.

Ms. Stone further described that the DMO created the 2024 Official Vacation Planner which features Arts & Culture, Ecotourism, History, Recreation and Wellness. The focus is to educate the visitors about what is important to the Town, including our history, historical places, the Gullah culture, and ecotourism. It will also focus on the Arts & Culture scene along with the Town's hidden treasures of public art, music, and the beauty of the island with the historical scenery and places to visit.

The Committee asked questions and made comments regarding the new focus of the Official Vacation Planner; what are the community metrics that deal with pride of place, strengthen our place in the world; continuing to focus on what is important to the Town; assistance from the DMO in creating the community metrics that relate to the Town's comprehensive plan to include arts, tourism, ecotourism, and history; questioning if those community metrics will lead in the direction that will bring what residents want and what tourists receive in alignment; not waiting until the 2025 contract to address the question of new metrics; the community's response to day-trippers and understand the concerns associated with them; communicating the new metrics to the ATAX Committee; and Destinations International's focus and how it aligns with the DMO in terms of community interest and Island visitors.

Chair Brown asked if there were any public comments on this presentation.

Skip Hoagland addressed the Committee regarding the idea of what the Chamber should and should not do with the tax funds provided by the Town. He stated that the Chamber should operate as a Chamber and another organization should operate as the Town's DMO.

Chair Brown brought the matter back to the dais and thanked Ms. Stone for her presentation.

There was no action taken on this matter.

New Business

Review and Discussion of the Town of Hilton Head Island's Affiliated Agency Funding Request Applications for Fiscal Year 2025 - Jeff Herriman, Interim Finance Director

Jeff Herriman, Interim Finance Director, addressed the committee regarding a review and discussion of the Town of Hilton Head Island's Affiliated Agency funding request applications for Fiscal Year 2025. He began with the presentation for the affiliated agency's process and timeline. He provided some background on when the process began in August 2021 with Town Council approving the decision to establish a process to accept and consider affiliated agency applications. It was explained that affiliated agencies are integral partners contracted by the Town to deliver services that benefit the public on the Town's behalf. A funding review process is conducted with a commitment to transparency and accountability. The process is guided by the following criteria: a clear public goal or benefit; who is the primary beneficiary; a speculation level; and the probability of public interest. The purpose of this program is to provide a transparent process to consider grant requests using public funds and to document the proposed public benefit of each funding request. It is the intention of this program to make limited grants to agencies and non-profit organizations providing services for public benefit that are not tourism related. Mr. Herriman went through the specific requirements that were established and where

Town of Hilton Head Island Finance and Administration Committee

Meeting Minutes

2/13/2024

the Town is in the process currently.

The list of applications are as follows: Hilton Head Island Recreation Association, Coastal Discovery Museum, Mitchelville Preservation Project, USCB Event Management & Hospitality Training, LRTA-Palmetto Breeze, 14th Circuit Solicitor – Multidisciplinary Court, 14th Circuit Solicitor- Career Criminal Program, Beaufort County Economic Development Corporation, Hilton Head Regional Habitat for Humanity, Beaufort Jasper Economic Opportunity Commission, BlacQuity, Memory Matters and Sea Turtle Patrol Hilton Head.

The Committee asked questions and made comments regarding how new applicants are brought to the Committee's attention; the implications and selection when a nonprofit applicant is associated with medical and health services on the Island; how those agencies that are supporting Town goals, objectives and the comprehensive plan; how the agencies provide a level of community assistance different from what the Town can do; staff's ability to review the applications and make comments and answer questions.

Chair Brown asked if there were any public comments on this item.

Skip Hoagland addressed the Committee regarding the lawyers allowing the use of ATAX money under state laws, specifically noting the dredging of Harbor Town. He spoke of the Town's need to hire a CPA and a forensic auditor.

James Williams addressed the Committee regarding the Beaufort Jasper Economic Opportunity Commission being a new applicant this year. He noted that the Commission deals with low-income households on Hilton head Island. He continued by thanking the Committee for their forward thinking regarding the citizens of Hilton Head Island.

Melinda Tunner addressed the Committee regarding her appreciation for the explanation of the affiliated agency process. She agreed with the Committee's comments that the Town will need predetermined metrics to form a fact-based decision based upon understanding the economic impact or the number of people impacted.

Chair Brown brought the matter back to the dais.

The Chair asked that each applicant be provided with time to present their information to the Committee. He requested the applicant provide a 5-minute presentation, prior to questions and dialog from the Committee. Chair Brown asked each Committee member to have any specific questions for an applicant be relayed to Town staff. Staff will provide these questions to the applicant so that answers can be presented in their initial presentation.

Chair Brown thanked Mr. Herriman for his presentation.

There was no action taken on this matter.

Adjournment

The meeting was adjourned at 10:39 a.m.

Approved: March 12, 2024

The recording of this Meeting can be found on the Town's website at www.hiltonheadislandsc.gov