

**Hilton Head Island
Economic Development Corporation
Minutes of Tuesday, March 24, 2015**

Members Present: Maryann Bastnagel, Steven Carb, Diana McKenzie, Steve Riley, Tom Upshaw, Raymond Wenig

Members Absent: Carlton Dallas, John Joseph

Town Council Attendees: Bill Harkins, Tom Lennox, John McCann

EDC Staff: Don Kirkman, Mary Ellen Tschupp

1. Call to Order:

Chairman Upshaw called the meeting to order at 9:00 a.m. in the Community Room at Palmetto Electric on Hilton Head Island.

2. Freedom of Information Act 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. Approval of Minutes from February 24, 2015.

The minutes of February 24, 2015 were approved as presented.

4. Appearance by Citizens. None

5. Presentation: In attendance were: Berl Davis, President & CEO, Palmetto Electric Cooperative; Jimmy Baker, Vice President, Marketing & Public Relations, Palmetto Electric Cooperative; Josh Kay, Director of Economic Development, Santee Cooper; Sam Bennett, Manager of Economic Development, Santee Cooper; and James Chavez, President, South Carolina Power Team.

Mr. Davis provided a brief overview of the collaborative relationship between Palmetto Electric Cooperative, Santee Cooper and South Carolina Power Team and the support available to communities by those organizations. He emphasized Palmetto Electric Cooperative's strong commitment to economic development and desire to work closely with the HHIEDC to advance the organizations goals, and he described a grant program available through the Rural Development Act. Mr. Bennett and Mr. Chavez provided PowerPoint presentations elaborating on their respective organization's initiatives. Mr. Bennett discussed the history and activities of Santee Cooper, a state-owned electric utility. He emphasized Santee Cooper's support for economic development, and he described several incentive rate, grant and loan programs for new economic development and redevelopment projects in the Santee Cooper service area, which includes Beaufort County and the Town of Hilton Head Island. Mr. Chavez discussed the role of the South Carolina Power Team, and he described various grant programs and other services available to economic development organizations and communities in their service territory. Both Mr. Bennett and Mr. Chavez encouraged Mr. Kirkman to contact them regarding any potential project opportunities.

- 6. Executive Director Report:** Mr. Kirkman reviewed his monthly Executive Director Report, copies of which were distributed to members of the HHIEDC Board. He highlighted two key upcoming dates with regard to the FY 2016 budget process: April 21 – Mr. Kirkman will meet with the Town Council Finance Committee to discuss the relationship of the HHIEDC to the Town and the value provided by the HHIEDC; and May 12 – the Town Council workshop to discuss HHIEDC budget specifics.

Mr. Kirkman and Mr. Riley attended the Beaufort County Governmental Committee meeting on March 23rd. The group is looking to create an economic development enterprise to replace the Lowcountry Economic Alliance, which dissolved in December. The municipal representatives that attended the March 23 meeting all emphasized the need for a new organization that has county-wide jurisdiction that could improve communications and project handling county-wide. Mr. Kirkman commented that such an entity would add value to the HHIEDC because it would convey a unified Beaufort County voice to external allies, including the South Carolina Department of Commerce and the SC Power Team. He also emphasized that the state level activities of a county-wide organization would complement the HHIEDC's initiatives, which are focused primarily at the local level.

Mr. Kirkman recently attended a meeting at the Center for Heirs Property in Charleston. He reported that the information provided would be beneficial to Hilton Head Island residents. The HHIEDC will host a reception and heirs property seminar on Thursday, June 4, 2015. Details will follow once the venue is selected.

Samples of HHIEDC current marketing pieces were distributed to members of the HHIEDC Board, including a rack card, April Hilton Head Monthly print and online ads, April Carolina Living print and online ads, April CH2 Magazine print ad, and April Island Real Estate editorial. Mr. Kirkman circulated rate and other information on The Scout Guide and asked Board members to provide feedback regarding the appropriateness of an advertisement.

- 7. Treasurer Report:** In Mr. Joseph's absence, Mr. Kirkman presented the February financial statement prepared by the Town Finance Department and reviewed the major expenditures incurred during the month. There were no questions regarding the financial statement.

8. Unfinished Business:

- a. Second home owner/visitor outreach—Request for Qualifications / Request for Proposals.** Mr. Kirkman provided draft copies of a Request for Qualifications (RFQ) and a Request for Proposals (RFP) for HHIEDC Board members' consideration and comments. The purpose of the requests is to engage a consultant to develop and implement a plan to identify, reach, and engage second-home owners and possibly others, including timeshare owners and visitors, as part of the HHIEDC marketing and business recruitment program. The RFQ would be used to select a firm to help identify the scope of the project, as well as implementation. The more detailed RFP outlines the scope of the project, as well as deliverables, and would permit the project to get underway in a faster timeframe, which would enable the HHIEDC to use funds allocated in the current fiscal year. Mr. Riley clarified that funds can be encumbered in a succeeding year budget if services are contracted in the current fiscal year. Mr. Kirkman thanked Ms. Bastnagel for drafting much of the substance of the RFP. Ms. McKenzie moved to approve/proceed with the RFP as presented. Mr. Wenig seconded the motion. The motion carried unanimously.

9. New Business:

- a. **Hilton Head Island entrepreneurial initiative and role of HHIEDC.** Mr. Wenig provided a PowerPoint presentation outlining the proposed establishment and structure for an entrepreneurial task force and related activities, in support of Goal 2 of the HHIEDC's 2015-16 Action Plan. Included were details regarding the needs of entrepreneurs and suggested structures and strategies to attract and support entrepreneurs. Mr. Wenig suggested that Hilton Head Island should be branded as a place to learn and practice entrepreneurship. Mr. Kirkman noted that an informal discussion of an entrepreneurial strategy for Hilton Head Island would occur following the Board meeting, to which members of the public attending the meeting were invited.
- b. **HHIEDC existing business survey.** Action Item 3.1.2 of the HHIEDC 2015-16 Action Plan states: *The HHIEDC will undertake an electronic survey of existing Hilton Head Island businesses to gather information on issues and challenges facing existing Island businesses.* Mr. Kirkman stated that the HHIEDC does not have a database of Hilton Head Island businesses, but he said the Town's business license fee database could likely be sorted by address to determine which businesses were located within the Town. He said that a third party will likely be needed to design and administer the survey, as well as to compile and present results. Mr. Kirkman will contact John Salazar of USCB who recently administered a survey for the Hilton Head Island-Bluffton Chamber of Commerce, to determine his fee for the project. Mr. Kirkman recognized John Joseph for preparing the initial survey outline. Chairman Upshaw suggested that Mr. Kirkman reach out to absent board members for their input
- c. **HHIEDC Board of Directors conference/travel reimbursement policy.** Mr. Upshaw stated that there is currently no policy in place regarding conference/travel reimbursement for the HHIEDC Board of Directors. He proposed that he and Mr. Kirkman collaborate on a draft policy that he would present at the April 28 Board meeting.

10. Executive Session. The Board voted to go into Executive Session to discuss several economic development projects. No action was taken following the Executive Session.

11. Adjournment. There being no further business, the meeting adjourned at 11:02 a.m.

An informal discussion of entrepreneurship on Hilton Head Island immediately followed the Board meeting.

The next HHIEDC Board of Directors meeting is scheduled for Tuesday, April 28, 2015, at 9:00 am.

Respectfully submitted:

Mary Ellen Tschupp
Marketing Coordinator/
Executive Assistant

Approved 4/28/2015
Maryann Bastnagel, Vice-Chairwoman