



Town of Hilton Head Island  
**Accommodations Tax Advisory Committee  
Member Training Workshop**

Thursday, August 17, 2023, at 2:00 p.m.

## **MEETING MINUTES**

**Present from the Committee:** Jim Fluker, *Chairman*; Stephen Arnold, *Vice-Chairman*; Margaret Johnson, Cecile Eck, Martin Lesch, Keith Schlegel

**Absent from the Committee:** John Farrell

**Present from Town Council:** Alan Perry, *Mayor*; Alex Brown, Patsy Brison, Marc Orlando, *Town Manager*

**Present from Town Staff:** Josh Gruber, *Deputy Town Manager*; John Troyer, *Director of Finance*; Shena Smith, *Finance Assistant*; Bob Bromage, *Public Safety*

**Present from the Media:** None

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### **1. Call to Order**

The meeting was called to order at 2:02 p.m.

### **2. FOIA Compliance:**

Public notification of this workshop has been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act and the requirements of the Town of Hilton Head Island.

### **3. Overview of Accommodations Tax Advisory Committee Role, Responsibilities, and Statutory Requirements – Ashley Kellahan, Field Services Representative, Municipal Association of South Carolina**

The overview included how the Accommodations Tax is calculated as well as how and why we appoint an advisory committee to make recommendations. Questions from those in attendance included whether only non-profit organizations were able to apply for ATAX grants, which Mr. Curtise Coltrane addressed in Agenda item 8.

### **4. Update Regarding SC Bill 284 | A Bill to Amend the SC Code of Laws by Amending Section 6-1-530, Relating to Use of Revenue from Local Accommodations Tax, so as to Provide that the Development of Workforce Housing is one of the Purposes for which Local Accommodations Taxes may be Used – Ashley Kellahan, Field Services Representative, Municipal Association of South Carolina**

If the Town proposes to use its State A-TAX funds for workforce housing, it must first complete a Housing Impact Analysis. Section 6-4-12. Analysis of workforce Housing will not be completed for this year's grant.

**5. Review of Historic Accommodations Tax Collections and Expenditures – John Troyer, Director of Finance**

- a. Review of Prior Accommodations Tax Advisory Committee Recommendations
- b. Review of Prior Destination Marketing Organization (DMO) Funding

In the last Grant cycle, the ATAX Committee recommended awarding a total of \$5,033,548 and Town Council awarded \$4,673,548 in grants.

**6. Review of Accommodations Tax Advisory Committee Meeting Schedule for Fiscal Year 2023 – 2024 – John Troyer, Director of Finance**

ATAX Grants Timeline was discussed for next year beginning April 5<sup>th</sup> 2024 and going through November 2<sup>nd</sup> when the grant award is recommended.

**7. Review of Accommodations Tax Advisory Committee Bylaws and Rules of Procedure – Curtis Coltrane, Town Attorney**

Mr. Coltrane addressed the question of whether only non-profit organizations can apply for ATAX and stated that while it was litigated in SC, there was not a conclusion. The language of the statute does not prevent it, therefore moving forward, more focus will be placed on the nature of the expenditure and not nature of the recipient.

- a. and cited Attorney Opinion Review of Election of Officers Requirement (6-4-25(d)(4))

**8. Review of South Carolina Freedom of Information Act Requirements – Curtis Coltrane, Town Attorney**

- a. Meeting Quorum

Business cannot be conducted without a quorum, the majority of members of the committee.

- b. Communication Amongst Committee Members and the Public

Freedom of Information Act– All documentation related to committee business (regardless of device) is public record.

- c. Public Records

Everything done for the committee is public record.

- d. Executive Session

What happens in executive session is subject to privilege and remains confidential. Discussion is limited to what is posted on the agenda and the Committee is unable to vote or conduct business.

**9. Committee Discussion**

The Committee had questions regarding understanding the priorities of Town Council, potential

conflicts of interest, as well as the Housing Impact Analysis.

John Troyer, Director of Finance, reiterated the roles of the Committee in that they are to make recommendations and guide to the best of their ability so that Town Council can make the final decision.

Curtis Coltrane, Town Attorney, offered advice to those that may have family members or financial interests associated with any organizations that there is an option to recuse themselves to avoid speculation of bias. Contributing to an organization should be disclosed but is not necessarily evidence of bias.

Josh Gruber, Deputy Town Manager, emphasized that the Housing Impact Analysis is being crafted for the first time and therefore is still a few months out of being ready to apply. The Town is currently working with experts for the number of elements identified in the report that were not clear in terms of data collection and affected entities.

## **10. Adjournment**

At 3:04 p.m. Mr. Fluker adjourned the meeting.

**Submitted by:** Shena Smith, Secretary

**Approved:** September 28, 2023