



**The Town of Hilton Head Island
Intergovernmental Relations Committee
Regular Meeting**

**Tuesday, March 20, 2012
3:00 p.m. – Conference Room 3**

AGENDA

As a Courtesy to Others Please Turn Off All Cell Phones and Pagers during the Meeting

- 1. Call to Order**
- 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**
 - a. Regular Intergovernmental Relations Committee Meeting of January 17, 2012
- 4. Chairman's Report**
- 5. Unfinished Business**
 - a. Update of General Assembly Issues
- 6. New Business**
- 7. Adjournment**

Please note that a quorum of Town Council may result if four (4) or more of Town Council members attend this meeting.

TOWN OF HILTON HEAD ISLAND
INTERGOVERNMENTAL RELATIONS COMMITTEE

Minutes of the Tuesday, January 17, 2012
Regular Meeting

Members Present: George Williams, *Chairman*; Lee Edwards, *Council Member*; Ken Heitzke, *Council Member*

Members Absent: None

Others Present: Bill Harkins, Bill Ferguson, and Kim Likins, *Council Members*; Joe Croley; *Hilton Head Area Association of Realtors*; Charlie Brown

Staff Present: Greg DeLoach, *Assistant Town Manager-Administration*; Faidra Smith, *Administration Manager/Public Information Coordinator*; Susan Simmons, *Director of Finance*; Shea Farrar, *Senior Planner*; Lavarn Lucas, *Fire Chief*; Brad Tadlock, *Deputy Fire Chief – Operations*; Joheida Fister, *Fire Marshal*; Lynn Buchman, *Administrative Assistant*

Media Present: Tom Barton, *The Island Packet*

1. Call to Order

The meeting was called to order at 2:30 p.m.

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

December 20, 2011 Meeting

Mr. Heitzke moved to approve and Mr. Edwards seconded. The motion was approved by a vote of 3-0.

4. Chairman's Report

Chairman Williams moved his report to the end of the meeting and asked that Item 6.e. be moved up on the Agenda so that Chief Lucas could comment on that Bill and leave to attend to other business.

5. Unfinished Business

None.

6. New Business

e. H.4426

Professional Tree Cutting and Removal Services

Chief Lucas noted his concern that this legislation would forbid any municipality from establishing any ordinances or regulations that would prohibit an individual or business who was providing any tree cutting services from burning the debris. DHEC was unaware of the pending legislation,

however it does not change the current DHEC regulations prohibiting commercial burning. In theory, he explained a tree cutting service or homeowner could cut down a tree on a residential lot within the Town and burn it on site without any Town regulation. The current or any future Town Ordinance limiting, regulating, or prohibiting burning would be superseded by the State legislation, and this would be an infringement on home rule in his opinion. The Committee members discussed the potential impact on the Town, and agreed to monitor the legislation and to seek any additional information that might be available from DHEC.

a. S.1002

Tax Increment Financing for Redevelopment Projects

Susan Simmons, Director of Finance, indicated this bill would change the existing legislation for tax increment financing (TIF) regarding its use and the definition and disposition of surplus funds. She recommended that the Town oppose the bill particularly if it applies to the existing TIFs. As she explained, the Town defines its projects broadly, and the bill will set a plan at the onset for the life of the TIF and establishes surplus funds each year. The Town currently modifies ongoing plans to fit the needs at the time, with surplus funds, if any, not declared until the end of the project. The bill establishes that surplus funds at the end of each year would be returned to the district. Chairman Williams noted his understanding that the bill would require designating specific amounts, with no allowance to add additional monies, and Ms. Simmons confirmed that was also her understanding. The Committee agreed that a letter should be prepared for approval at the following meeting to Senator Davis and other members of the Delegation to alert them to the effect it would have and the opposition of the Town.

b. S.1034

Quarterly Reporting for Non-Profit Groups/Agencies/Organizations That Receive Greater Than \$100K in County or Municipal Grants

Chairman Williams and Mr. Edwards noted that the bill actually requires any non-profit group, agency or organization that receives more than \$100 rather than \$100K to report quarterly to the jurisdiction awarding the funds. Faidra indicated an identical Senate Bill 435 had been introduced last year, which also stated \$100, and is still out there. Ms. Simmons noted that with such a low threshold, this would affect almost every group receiving funds through the Town and would require the grantee of the funds to report quarterly to the Town, and for the Town to post these reports on its website. She noted the bill was intended to promote transparency in government from the state to the county and municipal level. Chairman Williams noted he had no real problem with that, except for the low threshold that would create a workload issue not only for Town Staff but for the group receiving the funds. Mr. DeLoach pointed out that the bill prohibits the Town from using any additional resources and appears to be a classic example of an unfunded mandate. The Committee agreed to monitor it for now.

c. H.4337

Travel Agent Tax Fairness Act

Ms. Simmons indicated the Town's position had already been established through the law suit, and this was an attempt by the on-line travel agencies to get the law changed. Ms. Simmons reported she had met with MASC, its counterpart with counties, the SC Department of Revenue, other parties in the law suit, and our attorney. Although the SC Department of Revenue could not take a position, everyone else indicated their intent to oppose the bill. The Committee agreed to oppose the bill and determine the status of the Federal legislation.

d. H.4419

Election of County Property Tax Assessors

Ms. Simmons reported there was a companion bill setting forth the experience and educational qualifications for the position of a County Tax Assessor if an elected position is required. She noted it would be a Constitutional Amendment that would require a state-wide referendum. Greg DeLoach indicated the Association of Counties is opposing this bill under home rule. After discussion among the Committee, it was determined that no position needed to be taken.

Jim Croley noted that the County was proceeding in another direction with a referendum in November to determine if the positions of Auditor and Treasurer should be appointed positions rather than elected positions.

In further comments by Mr. DeLoach, he pointed out that the House Ways and Means Sub-Committee is starting meetings today to discuss local government funding, and he would be prepared to immediately relay opposition to any proposed cuts to such funding, particularly given the fact that the Treasury has a surplus from last year and anticipates a surplus this year.

He noted that according to Senator Davis' office, the Aeronautics bill will not go anywhere in its entirety, just as it did not go anywhere last year. The bill would among other things prevent municipalities and counties from doing virtually anything on airport property. The section on consolidating the various agencies that regulate aeronautics in this State may have some momentum, and Mr. DeLoach indicated he would report if that occurred.

4. Chairman's Report.

Chairman Williams noted that the Mayor had discussed at the recent League of Women's Voters meeting the restrictions placed on the Town for raising taxes for operating costs. He further noted quotes reported in the Island Packet from Senator Davis and Mr. Patrick subsequent to that meeting indicating they were receptive to voter approved initiatives on operating costs. The response to citizens requesting projects has been we can't do it because although we have the ability to handle the construction, we can't raise enough money for operating costs. He suggested the Committee members think about submitting a limited request for operating funds being recommended to the delegation and find out where they really stand. Chairman Williams indicated he was not anxious to raise taxes, but had never been afraid to ask the community what they want.

Ms. Likins agreed it was something to think about, as there were a lot of projects that different individuals want, and obviously can't all be funded, so maybe the citizens need to tell us what is the most important. The Committee members agreed to think about Chairman Williams' remarks and discuss it again at a future meeting.

f. Adjournment

At 3:05 p.m. Mr. Heitzke moved to adjourn and Mr. Edwards seconded. The motion was approved by a vote of 3-0.

Approved:

George Williams, Chairman

Respectfully submitted:

Lynn W. Buchman
Administrative Assistant