



**The Town of Hilton Head Island
Accommodations Tax Advisory Committee
*Special Meeting***

**Thursday, February 25, 2016
11:30 a.m. – Benjamin M. Racusin Council Chambers**

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 Accommodations Tax Advisory Committee Meeting November 5, 2015.
- 4. Chairman's Report**
- 5. Unfinished Business**
None
- 6. New Business**
 - a. Discuss process related to out-of-cycle ATAX grant requests.
- 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
ACCOMMODATIONS TAX ADVISORY COMMITTEE**

Date: November 05, 2015 **Time:** 9:00 a.m.
Members Present: Mike Alsko, *Chairman*; Stewart Brown; *Vice-Chairman*; Trish Heichel, Rob Bender, Cliff McMackin, Brad Marra and Charles Miner
Members Absent: None
Council Present: John McCann and Tom Lennox
Staff Present: Susan Simmons, *Director of Finance*; Brian Hulbert, *Staff Attorney*; Erica Madhere, *Finance Administrator*; Cindaia Ervin, *Finance Assistant*
Others Present: Various representatives from organizations that applied for ATAX Grants, members of the public
Media: None

1. Call to Order:

The meeting was called to order at 9:00 a.m.

2. FOIA 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:

Mr. Brown moved to approve the Minutes of October 29, 2015. Mrs. Heichel seconded the motion. The Motion passed unanimously. (7-0)

4. Chairman's Report:

Mr. Alsko opened the meeting and thanked all of the applicants for their time and efforts. He also thanked John McCann and Tom Lennox for their time and efforts as the liaisons with the Finance & Administrative Committee and Town Council. Mr. Alsko explained the process of the Review and Recommendation meeting and invited Susan Simmons, Director of Finance for the Town, to give a report on the funds available for the 2016 Grants. Ms. Simmons stated that the sources of revenue include actual ATAX revenue received during the first three quarters of calendar year 2015, plus an estimated amount of revenue for the fourth quarter. Other amounts available to be granted include interest, lapsed grants from the previous year, and carryover funds from calendar year 2014. She stated that the total amount available to award is \$3,709,516. Mr. Alsko wrapped up by saying the Committee will make grant recommendations for the traditional grant cycle but the Committee could recommend the carryover of funds for possible unknown out-of-cycle grant requests that could be handled through a mid-year grant cycle in 2016.

5. Unfinished Business:

None

6. **New Business:**

a. **Review applications and determine final recommendations for the 2015 Accommodations Tax Grants**

A spreadsheet was displayed listing all applicants along with the amount each applicant requested. Committee members discussed each individual application and ultimately, the Accommodations Tax Advisory Committee decided upon the following recommendations:

Calendar Year 2016 Accommodations Tax Advisory Committee Recommendations

| | 2016 GRANTS | | |
|--|------------------------|---------------------|--|
| | 2016 Applicant Request | ATAC Recommendation | ATAC Restrictions |
| Art League of Hilton Head | 87,418 | 55,000 | |
| Arts Center of Coastal Carolina | 396,000 | 396,000 | |
| Beaufort County Black Chamber of Commerce | 55,000 | - | |
| D. M. Carmines Mem. Found. Seafood Festival | 15,000 | 10,000 | |
| Gullah Museum of Hilton Head Island | 50,000 | 30,000 | |
| Harbour Town Merchants Assoc. | 18,000 | 12,000 | |
| Hilton Head Choral Society | 35,500 | 35,500 | |
| Hilton Head Concours d'Elegance | 165,000 | 165,000 | |
| Hilton Head Dance Theater | 23,000 | 15,000 | |
| HHI Recreation Association (2016: Wingfest & Oyster Festival) | 15,000 | 15,000 | |
| HHI St. Patrick's Day Parade | 16,000 | 14,740 | |
| HHI Wine and Food, Inc. | 130,000 | 130,000 | |
| Hilton Head Island-Bluffton Chamber of Commerce VCB | 385,000 | 385,000 | |
| Hilton Head Symphony Orchestra | 230,000 | 230,000 | |
| Lowcountry Golf Course Owners Association | 50,000 | 50,000 | |
| Main Street Youth Theater | 20,000 | 15,000 | |
| Memory Matters | 40,000 | 12,000 | |
| Mitchelville Preservation Project | 60,000 | 40,000 | |
| MLK Jr. Celebration | 6,500 | 1,660 | |
| Native Island Business & Community | 150,000 | 110,000 | |
| Sandalwood Community Food Pantry | 5,000 | - | |
| SC Lowcountry & Resort Islands Tourism | 49,000 | - | |
| Shelter Cove Harbour Company | 54,900 | 54,900 | \$15k restricted at 5k per rain dates (max 3 rain dates) |
| Skull Creek July 4th Celebration | 13,940 | 12,000 | |
| Coastal Discovery Museum (Cultural & Eco-Tour) | 239,340 | 239,340 | |
| The Heritage Library - History Day (2015 app was combined with Coastal Discovery Museum) | 9,100 | 9,100 | |
| The Heritage Library (2016: Heritage Lib & Speaker Series) | 50,160 | 49,606 | |
| The Outside Foundation | 5,000 | - | |
| The Sandbox | 49,600 | 49,600 | |
| Town of Hilton Head Island | 1,286,058 | 1,286,058 | |
| Subtotal of Current Year Requests/Recommendations/Awards | 3,709,516 | 3,422,504 | |
| Non-recurring Funds Reserved for allocation after prior year awards | N/A | N/A | N/A |
| Totals | 3,709,516 | 3,422,504 | |
| Remaining Balance Available to Award | | 293,729 | |
| | Revenues | | |
| | 3,766,233 | | |
| | (50,000) | See NOTE | |
| | 3,716,233 | | |

ATAC recommended grants totalling \$3,422,504 leaving the \$50,000 reserve required by the new ATAX processes and an additional \$293,729 for Council to allocate or increase the reserve. Council's running balance total is based on allocating \$3,716,233 and leaving a reserve of \$50,000.

After the discussions of the individual applications, the Committee decided to leave and extra \$293,729 (plus the \$50,000 minimum reserve) for Town Council to award in the traditional grant cycle or possibly leave more for out-of-cycle needs. The Committee felt that carrying funds over would help ensure a sustainable level of funding in the event that ATAX revenues should decrease for any reason.

Mr. Miner made a motion to approve the recommendations as assigned and displayed on the projected spreadsheet (and summarized in the table above) and to leave the remaining \$293,729 available to carry forward to next year. Mrs. Heichel seconded the motion. All Committee members voted unanimously to approve (except for individual line items where individual members had recused themselves-details listed at end of minutes). (7-0 with the following exceptions 5-0 Art League, 5-0 Harbour Town Merchants Association, 6-0 Hilton Head Wine and Food Festival, 6-0 Hilton Head Concours d 'Elegance, 6-0 Lowcountry Golf Course Owners Association, 6-0 Hilton Head Island – Bluffton Chamber of Commerce/VCB, and 6-0 Shelter Cover Harbour Company).

During the discussion of the Art League, Mrs. Trish Heichel and Mr. Charles Miner disclosed a potential conflict of interest and did not participate. The required disclosure form is attached. During the discussions of the Harbour Town Merchants Association 4th of July Fireworks and the Hilton Head Wine and Food Festival, Mr. Rob Bender disclosed a potential conflict of interest and did not participate. The required disclosure forms are attached. During the discussion of the Hilton Head Concours d 'Elegance, Mr. Stewart Brown disclosed a potential conflict of interest and did not participate. The required disclosure form is attached. During the discussion of the Harbour Town Merchants Association 4th of July, Mr. Cliff McMackin disclosed a potential conflict of interest and did not participate. The required disclosure form is attached. During the discussions of the Lowcountry Golf Course Owners Association, Hilton Head Island-Bluffton Chamber of Commerce/VCB and the Shelter Cove Harbour Company, Mr. Brad Marra disclosed a potential conflict of interest and did not participate. The required disclosure forms are attached.

b. Approval of 2016 Proposed Meeting Dates

Mr. Alsko discussed making sure there would be enough time prior to the Hilton Head Island-Bluffton Chamber of Commerce/VCB budget & marketing plan presentation and the ATAC recommendation to Town Council. He suggested that the 2016 meeting dates be approved and if an additional meeting needs to be added that can be done at a later time.

Mrs. Heichel moved to approve the 2016 Accommodations Tax Advisory Committee meeting dates. Mr. Bender seconded, and the motion passed with a vote of 7-0.

7. Adjournment:

Mrs. Heichel made a motion to adjourn, which Mr. McMackin seconded. All voted in favor and the meeting was adjourned at 11:58 a.m.

Approved:

Respectfully submitted:

Mike Alsko, Chairman

Cindaia Ervin, Secretary