

TOWN OF HILTON HEAD ISLAND
INTERGOVERNMENTAL RELATIONS COMMITTEE

Minutes of the Tuesday, December 21, 2010
Regular Meeting

Members Present: George Williams *Chairman*; Ken Heitzke, Bill Harkins

Members Absent: None

Others Present: Bill Ferguson, *Councilman*; Kim Likins, *Council Member*; Joe Croley, *Hilton Head Area Association of Realtors*

Staff Present: Greg DeLoach, *Assistant Town Manager*; Faidra Smith, *Administrative Manager/Public Information Coordinator*; Kimberly Kominski, *Administrative Assistant*

Media Present: None

1. Call to Order

The meeting was called to order at 2:00 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

a. September 22, 2010 Special Meeting

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

4. Chairman's Report

None

5. Unfinished Business

a. Review of the South Carolina Tax Re-alignment Commission consideration of a change to ATAC funding formula

Mr. Williams asked if any action was taken after the last meeting regarding the change in the ATAC funding formula. Mr. DeLoach stated that staff ran the numbers associated with the different proposed scenarios. He further explained that town representatives attended the Commission's hearing prior to publication of their recommendations and were prepared to speak, but did not, as the Commission had heard the same message from other municipalities in attendance. The Commission has issued its recommendations which Mr. DeLoach will provide to this committee. Mr. Williams stated the committee would like to review the recommendations at the January meeting.

6. New Business

a. Review of the 2011 MASC Legislative Agenda

Mr. DeLoach distributed an outline of the Hometown, SC Legislative Action Day. This meeting is held annually and is scheduled for February 16, 2011. He reviewed the highlights on the schedule and explained the Hometown Connection is a half day event for Managers and elected officials which starts with a 10:30 a.m. legislative briefing, followed by a meet and greet with the town's delegation. He indicated that if any of the Town Council members would like to attend, they should notify Executive Assistant Vicki Pfannenschmidt.

Mr. DeLoach reviewed the following Major Priorities listed on the MASC Agenda:

- Enclave Annexation: Committee has been briefed in the past; doesn't involve the Town and the Committee and Council's position has been to monitor.
- Municipal Capital Projects Sales Tax: County Councils have opted not to pursue at this time, but the legislation would allow municipal councils to do so. A referendum is held at a general election specifying capital projects with a time frame not to exceed seven years. This is an option which the town has considered in the past and will continue to monitor.
- Millage Issues: Allows municipalities to bank three previous years of unused millage; right now it is a use it or lose it situation. No further details are available at this time, however, Mr. DeLoach will forward details to the Committee as they become available. Mr. DeLoach stated that the millage is equal to the increase in the prior year's rate of inflation plus the increase in population.
- Enhanced code enforcement tools: Resulted from meetings that managers had with MASC in October when they visited regional cities. This issue came back to the Association from those regional meetings and deals with dilapidated and unsafe structures. One of the options the MASC is considering would be placing a property in receivership. The Town would not be the receiver; somebody in the community would handle that role. The receiver would not own the building, but improve the property and make it safe and then return it to the property owner once all the liens and costs associated with the improvements are paid. Mr. DeLoach explained that he has not seen specific legislation and will forward any information he receives to the Committee when received. He stated that the Town has a good record with what they are doing with these types of properties.

Mr. DeLoach explained that the list of Priorities to Monitor has been forwarded to staff and he will keep the Committee informed as he receives responses. The committee discussed the following bullet points:

Fiscal Issues

- Continue local collection, oversight and allocation decisions regarding local accommodations and hospitality tax revenues based on current law; support applying the accommodations tax to time-shares and increasing flexibility of uses

Mr. Williams stated it was his understanding that time-shares already pay the accommodations tax when a unit is rented to a non-owner. If the owner is in residence, they have already paid their fees and shouldn't pay the accommodations tax. Ms. Likins stated that at this time time-shares are not charged accommodations tax and the issue appears to be whether they should be.

- Encourage local fiscal flexibility and accountability of elected officials

Mr. DeLoach explained that there are programs in place that allow MASC to come in and take over the management of a town that is having difficulties and has waived its rights.

Economic Development/Infrastructure Issues

- Develop options to give cities and towns increased flexibility to offer incentives for recruiting and retaining businesses

Mr. Harkins would like a comparison of incentives the Town is currently able to offer existing and new businesses with what can be done by an Economic Development entity, should the Town choose to create one.

- Support removing requirements of municipalities to regulate restrictive covenants between private parties

Mr. Williams urged caution with respect to regulating restrictive covenants. He stated that the Town has many in place, and the impact, either positive or negative, could be substantial.

Public Safety Issues

- Support municipalities' ability to make local decisions for the protection of residents, businesses and visitors

Mr. DeLoach explained that this speaks to everything from our ability to govern golf cart use on roads, the use of fireworks, the State's assessment on traffic tickets, Sunday alcohol sales enforcement, to adding an increased flexibility to 911 funds. This gives the municipality more authority to do what we do, versus having to follow state law.

- Encourage adoption of the 2009 International Building Code to preserve ISO ratings to ensure the safety of residents and businesses

Mr. Williams stated that the committee needs an understanding of what this means to our community; currently use the 2007 Code.

Mr. DeLoach explained that MASC provided a Draft Resolution in support of MASC's Legislative Agenda which they would like the Town Council to adopt. The committee will review the MASC Draft Resolution at the January meeting.

Mr. DeLoach proposed updating the committee at the January meeting on the current proposals from the last Legislative Session in addition to providing information with respect to any pre-filed Legislation. Mr. Williams agreed.

b. Proposed 2011 Intergovernmental Committee Meeting Dates

The regularly scheduled February 16, 2011 meeting will conflict with Hometown, SC Legislative Action Day. Mr. Heitzke moved to approve the 2011 Intergovernmental Committee Meeting Dates, noting the **February meeting date will be February 22, 2011 at 10:00 a.m.** Mr. Harkins seconded. The motion was approved by a vote of 3-0.

7. Adjournment

Mr. Heitzke moved to adjourn the meeting and Mr. Harkins seconded the motion. The meeting adjourned at 2:33 p.m.

Respectfully submitted:

Approved:

George Williams, Chairman

Kimberly A. Kominski,
Administrative Assistant