

**TOWN OF HILTON HEAD ISLAND
ACCOMMODATIONS TAX ADVISORY COMMITTEE**

Date: February 14, 2011 **Time:** 9:00 a.m.

Members Present: Willis O. Shay, *Chairman*; John Diamond, *Vice-Chairman*; John Munro, Bret Martin, Frank Soule

Members Absent: Michael Keskin, Jason Presley

Staff Present: Susan Simmons, *Director of Finance*; Marcy Benson, Senior Grants Administrator; Debra Cyrilla, *Accounting Specialist*

Council Present: Bill Ferguson, Kim Likins, George Williams

Others Present: Various representatives from some of the organizations that applied for ATAX grants and 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. Martin moved to approve the Minutes of January 14, 2011. Mr. Diamond seconded the motion. The Motion passed unanimously. (5-0)

4. Chairman's Report:

Mr. Shay reviewed the agenda and explained that the purpose of the meeting was to review and recommend an increased grant amount for some or all ATAX applicants. This additional funding was made available when Town Council voted, at their February 2, 2011 meeting, to partially fund advertising for the Heritage Classic Foundation's annual golf tournament from the Town of Hilton Head Island's Disaster Advertising Reserve rather than from ATAX funding.

5. Unfinished Business: None

6. New Business:

a. Reconsideration of previous grant recommendations to Town Council

Each applicant present was given the opportunity to speak briefly on behalf of their organization and the Committee gave consideration to each applicant whether or not they had a representative present.

The Committee's recommendations are as follows:

The Art League-The Art League did not seek an increase to the amount of \$45,000 that was awarded by Town Council on February 2, 2011 and the Committee did not recommend a change.

The Arts Center-Mr. Diamond made a motion to increase the original grant recommendation by \$20,000 (from a total of \$60,000 to \$80,000). Mr. Munro seconded the motion. The motion passed (4-1). Mr. Martin voted against the motion. Later in the meeting Mr. Martin made a motion to change the increased amount to \$15,000 (from a total of \$60,000 to \$75,000). Mr. Diamond seconded the motion. The motion passed unanimously.

Community Foundation of the Lowcountry-Mr. Diamond made a motion to increase the original grant recommendation by \$15,000 (from a total of \$35,000 to \$50,000). Mr. Martin seconded the motion. The motion passed unanimously.

Harbour Town Merchants Association (4th of July fireworks)-Mr. Diamond made a motion not to increase the original recommendation. Mr. Munro seconded the motion. The motion passed unanimously.

Hilton Head Audubon Society-Mr. Munro made a motion not to increase the original recommendation. Mr. Martin seconded the motion. The motion passed unanimously.

Hilton Head Choral Society-Mr. Diamond made a motion not to increase the original recommendation. Mr. Martin seconded the motion. The motion passed unanimously.

Hilton Head Concours d'Elegance-Mr. Diamond made a motion not to increase the original recommendation. Mr. Martin seconded the motion. During discussion Mr. Soule recommended an increase of \$10,000 and Mr. Diamond recommended that the Committee approve the original motion and revisit the issue later in the meeting. The motion passed (3-2). Mr. Soule and Mr. Martin voted against the motion. Later in the meeting Mr. Soule made a motion to increase the original recommendation by \$10,000 (from a total of \$78,000 to \$88,000). Mr. Munro seconded the motion. The motion passed (4-1). Mr. Martin voted against the motion.

Hilton Head Dance Theatre-Mr. Martin made a motion not to increase the original recommendation. Mr. Soule seconded the motion. The motion passed unanimously.

Hilton Head St. Patrick's Day Parade-Received the full grant amount at Town Council's February 2, 2011 meeting and were not eligible for an increase.

Hilton Head St. Patrick's Day Parade (LEO OT) - Mr. Diamond made a motion not to increase the original recommendation. Mr. Martin seconded the motion. The motion passed unanimously.

Hilton Head Island-Bluffton Chamber of Commerce VCB-Mr. Diamond made a motion to increase the original grant recommendation by \$64,350 (from a total of \$135,000 to \$199,350) subject to review later in the meeting. Mr. Munro seconded the motion. The motion passed (4-1) Mr. Martin voted against the motion. Later in the meeting Mr. Martin made a motion to change the increased amount to \$73,850 (from a total of \$135,000 to \$208,850). Mr. Munro seconded the motion. The motion passed unanimously.

Hilton Head Symphony Orchestra-Mr. Diamond made a motion to recommend a grant award of \$30,000 and accept the change in purpose, as stated by Mary Briggs of the Symphony, for youth programs rather than the search for a new conductor. The motion failed by absence of a second. After a short discussion Mr. Munro made a motion to recommend \$10,000 toward youth programs. Mr. Martin seconded the motion. After more discussion and a recommendation by Mr. Martin to review this amount later in the meeting, the motion passed. (4-0-1) Mr. Shay had recused himself from the discussion and vote stating a conflict of interest. The conflict of interest form is attached. Later in the meeting Mr. Martin made a motion to recommend a grant award of \$15,000. Mr. Diamond seconded the motion. The motion passed (4-0-1) Mr. Shay had recused himself from the discussion and vote under the same conflict of interest stated above.

Keep Beaufort Beautiful-Mr. Munro made a motion not to increase the original recommendation. Mr. Martin seconded the motion. The motion passed unanimously.

Main Street Theater-Mr. Diamond made a motion to increase the original grant recommendation by \$10,000 (from a total of \$30,000 to \$40,000). Mr. Munro seconded the motion. The motion passed unanimously.

SC Lowcountry & Resort Islands Tourism-Mr. Martin made a motion not to increase the original recommendation. Mr. Munro seconded the motion. The motion passed unanimously.

South Carolina Repertory Company- Mr. Diamond made a motion to increase the original grant recommendation by \$15,000, the equivalent of what was awarded by Town Council at their February 2, 2011 meeting, (from a total of zero to \$15,000). Mr. Martin seconded the motion. The motion passed unanimously.

Shelter Cove Harbour Company (Harbourfest)-Mr. Munro made a motion not to increase the original recommendation. Mr. Soule seconded the motion. The motion passed (4-0-1) Mr. Martin had recused himself from the discussion and vote stating a conflict of interest. The conflict of interest form is attached.

Shelter Cove Harbour Company (4th of July fireworks)-Mr. Diamond made a motion not to increase the original recommendation. Mr. Munro seconded the motion. The motion passed (4-0-1) Mr. Martin had recused himself from the discussion and vote under the same conflict of interest as stated above.

Skull Creek July 4th Celebration-Received the full grant amount at Town Council's February 2, 2011 meeting and were not eligible for an increase.

The Coastal Discovery Museum- Mr. Diamond made a motion to increase the original grant recommendation by \$20,000, to match what was awarded by Town Council at their February 2,

2011 meeting, (from a total of \$145,000 to \$165,000). Mr. Soule seconded the motion. The motion passed unanimously.

The Heritage Library (Fort Mitchell)-Mr. Diamond made a motion not to increase the original recommendation. Mr. Martin seconded the motion. The motion passed unanimously.

The Heritage Library- Mr. Diamond made a motion to increase the original grant recommendation by \$15,000, the equivalent of what was awarded by Town Council at their February 2, 2011 meeting, (from a total of zero to \$15,000). Mr. Martin seconded the motion. The motion passed unanimously.

The Island School Council for the Arts- Mr. Martin made a motion not to increase the original recommendation. Mr. Soule seconded the motion. The motion passed unanimously.

The Sandbox-Mr. Soule made a motion to increase the original grant recommendation by \$10,000 (from a total of \$32,500 to \$42,500). Mr. Martin seconded the motion. The motion passed unanimously.

Town of Hilton Head for St. Patrick's Day LEO-Mr. Diamond made a motion to recommend that funding for law enforcement, for the St. Patrick's Day Parade, remains unchanged at zero. Mr. Martin seconded the motion. The motion passed unanimously.

Mr. Shay called for a short break at 10:40 a.m. and reconvened at 10:50 a.m.

b. Consideration of recommendation to Town Council to phase out, possibly over a period of two or three years, approval of the so-called "forward funded" grants, i.e. those grants which are approved by Council before the availability of funds

Representatives of the four forward-funded applicants (Mary Briggs, Hilton Head Symphony Orchestra; Kathy Bateson, Arts Center of Coastal Carolina; Charles Young, Native Island Business & Community Affairs and Susan Simmons, the Town of Hilton Head Island) were given an opportunity to address the committee regarding a phase out of forward-funding. Mr. Martin made a motion to discontinue forward-funding, but if Council votes to allow it, to phase it out over three years. After a short discussion Mr. Martin withdrew his motion. Mr. Munro made a motion to only allow forward-funding for two more years, (revenues from 2011 and 2012 to be granted in calendar years 2012 and 2013) and to discontinue its use after that time. Mr. Soule seconded the motion. The motion passed unanimously.

7. Adjournment:

Mr. Martin moved to adjourn the meeting. Mr. Soule seconded the Motion. The meeting was adjourned at 11:16 a.m.

Approved:

Respectfully submitted:

Willis O. Shay, Chairman

Debra Cyrilla, Secretary