

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

Date: December 13, 2012 **Time:** 9:00 a.m.

Members Present: Bret Martin, *Chairman*; Robert Stenhammer, *Vice-Chairman*; John Munro, Frank Soule, Trish Heichel, Stewart Brown, Mike Alsko

Members Absent: None

Council Present: Kim Likins, William Harkins

Staff Present: Susan Simmons; *Director of Finance*, Lori Schmidt, *Billing and Cash Receipting Manager*; Erica Madhere, *Finance Assistant*

Others Present: Various representatives from organizations that applied for ATAX Grants, members of the public

Media: Brian Heffernan

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 December 6, 2012. Ms. Heichel seconded the motion. The Motion passed unanimously. (7-0)

4. Chairman's Report:

Mr. Martin stated that the purpose of the meeting is to decide upon grant award recommendations that will be presented to Town Council. The total grant funds available to award is \$1,018,023. He displayed a spreadsheet listing all applicants along with the amount each applicant requested. As a starting point only, Mr. Martin had entered the grant award amounts from the previous year, when applicable, and explained that the Committee will discuss each applicant individually and adjust the recommended grant award one at a time. Mr. Stenhammer, Vice-Chairman, added the Committee should consider the proven extent that the organization drives or enhances tourism, and the amount of collaboration between organizations. One tool that could be utilized for objectivity is the Return on Investment as Mr. Stenhammer and John Salazar with the USCB calculated on the attached report.

5. Unfinished Business:

None

6. New Business:

a. Review Applications and Determine Final Recommendations to Town Council

Committee members discussed each individual application and the Accommodations Tax Advisory Committee Recommendations were as follows:

Applicant	2013 Funds Application	ATAC Recommendation
Art League of Hilton Head	61,900	45,000
Beaufort Co. Black Chamber of Commerce	10,000	4,000
David M. Carmines Memorial Foundation	10,000	2,500
Harbour Town Merchants Association- (4th of July fireworks)	15,000	8,500
Harbour Town Merchants Association- (Harbour Town Lights)	10,000	2,500
Hilton Head Choral Society	28,000	17,000
Hilton Head Concours d'Elegance (adv. only)	134,000	115,000
Hilton Head Dance Theater	19,300	8,000
Hilton Head Hospitality Association / HH Wine and Food, Inc.	104,769	47,000
Hilton Head Island Airport	132,608	0
Hilton Head Island Institute	150,000	0
Hilton Head Island St. Patrick's Day Parade	15,000	8,500
Hilton Head Island-Bluffton Chamber of Commerce VCB	400,000	250,000
Hilton Head Symphony Orchestra	175,000	142,000
Italian American Club of Hilton Head	64,310	10,000
LoCo Motion	27,000	10,000
Lowcountry Golf Course Owners Association	67,500	55,000
Main Street Youth Theater	60,000	20,000
Mitchelville Preservation Project	85,000	10,000
Penn Center	15,000	0
SC Lowcountry & Resort Islands Tourism	35,000	0
SC Watercolor Society dba SC Watermedia Society	3,500	1,000
Shelter Cove Harbour Company-(4th of July fireworks)	18,600	8,500
Skull Creek July 4th Celebration	8,500	8,500
South Carolina Repertory Company	30,000	10,000
The Coastal Discovery Museum	180,000	168,000
The Heritage Library	15,000	10,000
The Heritage Library – Encyclopedia Hilton Head	26,000	0
The Sandbox	70,300	45,000
Total	\$1,960,987	\$1,016,000

During the discussion of the Heritage Library grant recommendation, the Committee suggested that the Chamber use the grant funds only for the development of the phone app as presented during its hearing on December 6, 2012.

During the discussion of the Hilton Head Island-Bluffton Chamber of Commerce, Mr. Munro made a motion, for discussion purposes only, to increase the recommended amount to \$260,000. Mr. Soule seconded the motion. The motion failed (3-3-1). Ms. Heichel, Mr. Brown and Mr. Alsko opposed. Mr. Stenhammer abstained. Mr. Munro made a motion, for discussion purposes only, to increase the amount to \$250,000 instead. Mr. Soule seconded the motion. The motion passed (5-1-1). Mr. Brown opposed and Mr. Stenhammer abstained. Mr. Munro made a motion, for discussion purposes only, to dedicate \$150,000 of the grant for golf advertising and the remaining \$100,000 to be used as determined by the VCB's Marketing Council. Ms. Heichel seconded the motion. The motion passed (6-0-1). Mr. Stenhammer abstained.

During the discussion of the Lowcountry Golf Course Owners Association, Mr. Munro made a motion, for discussion purposes only, to increase the recommended amount to \$55,000. Mr. Stenhammer seconded the motion. The motion passed (4-3). Ms. Heichel, Mr. Brown, and Mr. Alsko opposed.

During the discussion of the Hilton Head Concours d'Elegance, Mr. Munro made a motion, for discussion purposes only, to increase the recommended amount to \$115,000. Ms. Heichel seconded the motion. The motion passed (6-0-1). Mr. Brown abstained.

During the discussion of the Hilton Head Wine and Food Festival, Mr. Stenhammer made a motion, for discussion purposes only, to increase the recommended amount to \$47,000. Mr. Munro seconded the motion. The motion passed unanimously (7-0).

Mr. Brown made a motion, for discussion purposes only, to reduce the recommended amount for the Coastal Discovery Museum to \$148,000. Ms. Heichel seconded the motion. The motion failed (1-6). Ms. Heichel, Mr. Soule, Mr. Munro, Mr. Alsko, Mr. Stenhammer and Mr. Martin opposed.

Mr. Alsko made a motion, for discussion purposes only, to increase the recommended amount for the Sandbox to \$55,000. Mr. Soule seconded the motion. The motion passed (6-1). Mr. Brown opposed.

Mr. Munro made a motion to approve the recommendations as displayed on the projected spreadsheet (recommendations attached on page 2) and to leave the remaining \$2,000 available for Town Council to award. Ms. Heichel seconded the motion. All Committee members voted unanimously in favor (except for individual line items where individual members had recused themselves-details listed at end of minutes), to recommend to Town Council, to adopt each of the recommended amounts listed. (7-0)

During the discussion of the Art League, Ms. Trish Heichel disclosed a potential conflict of interest and did not participate. The required disclosure form is attached. During the discussions of the David M. Carmines Foundation and the Italian American Club of Hilton Head, Mr. Frank Soule disclosed a potential conflict of interest and did not participate. The

required disclosure forms are attached. During the discussions of the Harbour Town Merchants Association 4th of July Fireworks and Harbour Town Lights, Mr. John Munro disclosed a potential conflict of interest and did not participate. The required disclosure forms are attached. During the discussion of the Shelter Cove Harbour Company, Mr. Bret Martin disclosed a potential conflict of interest and did not participate. The required disclosure form is attached. During the discussion of the Hilton Head-Bluffton Chamber of Commerce, Mr. Robert Stenhammer disclosed a potential conflict of interest and did not participate. The required disclosure form is attached. During the discussion of the Concours d'Elegance, Mr. Stewart Brown disclosed a potential conflict of interest and did not participate. The required disclosure form is attached.

7. Adjournment:

Ms. Heichel moved to adjourn the meeting. Mr. Munro seconded the Motion. The meeting was adjourned at 12:01 p.m.

Approved: 4/25/2013

Respectfully submitted:

Robert Stenhammer, Vice-Chairman

Erica Madhere, Secretary