

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

**Date:** November 7, 2013 **Time:** 9:00 a.m.

**Members Present:** Robert Stenhammer, *Chairman*; Mike Alsko, *Vice-Chairman*; Frank Soule, Trish Heichel, Stewart Brown, Rob Bender, Bob Spear

**Members Absent:** None

**Council Present:** William Harkins

**Staff Present:** Susan Simmons, *Director of Finance*; Bret Martin, *Deputy Director of Finance*; Brian Hulbert, *Staff Attorney*; Erica Madhere, *Finance Assistant*

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

**Media:** none

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**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:**

Ms. Heichel moved to approve the Minutes of October 30, 2013. Mr. Soule seconded the motion. The Motion passed with a vote of 7-0.

**4. Chairman's Report:**

None

**5. Unfinished Business:**

None

**6. New Business:**

**a. Hearing of applicants**

The following applicants made presentations to the Committee during the morning session:

1. Mitchelville Preservation Project
2. The Heritage Library Foundation
3. Native Island Business & Community Affairs Association
4. South Carolina Repertory Company
5. Hilton Head Island-Bluffton Chamber of Commerce
6. South Carolina Lowcountry & Resort Islands Tourism Commission
7. Hilton Head Island Institute

During the presentation by the Hilton Head Island-Bluffton Chamber of Commerce, Mr. Stenhammer disclosed a potential conflict of interest and did not participate. The required disclosure form is attached.

The Committee broke for lunch at 12:15 p.m. and resumed the meeting at 1:30 p.m. with presentations from the following organizations.

8. Experience Green
9. Hilton Head Island Wine & Food Festival
10. Town of Hilton Head Island
11. Hilton Head Concours d'Elegance and Motoring Festival
12. David M. Carmines Memorial Foundation
13. Shelter Cove Harbour Company Harbourfest and 4<sup>th</sup> of July Fireworks
14. Skull Creek 4<sup>th</sup> of July Celebration
15. Harbour Town Merchants Assoc.: 4<sup>th</sup> of July Celebration

Mr. Brown disclosed a potential conflict of interest during the presentation by the Hilton Head Island Concours d'Elegance and Motoring Festival and did not participate. The required disclosure form is attached.

During the presentation by David M. Carmines Memorial Foundation, Mr. Soule disclosed a potential conflict of interest and did not participate. The required disclosure form is attached.

During the presentation by Harbour Town Merchants Association, Mr. Bender disclosed a potential conflict of interest and did not participate. The required disclosure form is attached.

After the final presentation concluded, Susan Simmons, Director of Finance for the Town of Hilton Head Island, and Bret Martin, Deputy Director of Finance for the Town of Hilton Head Island approached the dais to inform the Committee that the total amount available for new 2014 grants is \$3,280,736. This amount is comprised of actual revenue for the first three quarters of 2013 and an estimated amount for the fourth quarter of 2013, in addition to the difference between the estimated and actual revenue from the fourth quarter of 2012 (after the required distributions to the Town and DMO), lapsed grants, and interest income earned over the past calendar year. They explained that the amount available for new grants is a significant increase over the amount that was available for 2013 grants due to economic growth from existing accounts, the addition of hundreds of new accounts, new collection initiatives, legal settlements with online travel companies, and adjustments of previous distributions made to incorrect municipalities. They estimated that approximately \$566,610 of the available revenue is non-recurring, and approximately \$2,714,126 will be recurring annually after the required deductions are made from the total revenue received.

The committee members discussed alternate methods of recommending the available funds, such as recommending some of the non-recurring funds for truly one-time uses, possibly reserving some funds for an additional mid-year cycle, or reserving the non-recurring funds for 2015 grants. The committee members ultimately discussed the continued importance of focusing on the following when making recommendations: 1) the Committee's criteria and guiding principles, 2) the organization's return on investment, as well as 3) the long term goal of reducing an organization's dependency on ATAX grants.

## **7. Adjournment:**

Mr. Soule moved to adjourn the meeting. Ms. Heichel seconded the Motion. The motion passed unanimously and the meeting was adjourned at 4:15 p.m.

**Approved:**

**Respectfully submitted:**

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**Robert Stenhammer, Chairman**

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**Erica Madhere, Secretary**