



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

**Thursday, April 25, 2013  
1:00 p.m. – Benjamin M. Racusin Council Chambers**

## **AGENDA**

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**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. Accommodations Tax Advisory Committee Meeting of December 13, 2012
- 4. Special Orders**
  - a. Election of Chairman and Vice-Chairman for remainder of Fiscal Year 2013
- 5. Chairman's Report**
- 6. Unfinished Business**  
None
- 7. New Business**
  - a. Hearing regarding the Chamber of Commerce and Visitor & Convention Bureau's proposed budget of expenditures for 2013-2014 of the 30% allocation of State Accommodations Tax Funds for advertising of tourism.
- 8. 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:** 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

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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:**

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:

<b>Applicant</b>	<b>2013 Funds Application</b>	<b>ATAC Recommendation</b>
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
<b>Total</b>	<b>\$1,960,987</b>	<b>\$1,016,000</b>

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 4<sup>th</sup> 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:**

**Respectfully submitted:**

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**Robert Stenhammer, Vice-Chairman**

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**Erica Madhere, Secretary**



Hilton Head Island-Bluffton Chamber of Commerce  
Hilton Head Island Visitor Convention Bureau Schedule of Functional Revenues Expenditures  
FY 2013-14 Budget

Revenues	VCB TOTALS	Town of HHI DMO	VCB Private Sector	SCPRT Dest. Specific	SCPRT Co-ops	Town of Bluffton	Beaufort Co DMO	Membership
Town of HHI DMO	1,150,000	1,150,000						
Town of HHI Supplemental Grant	250,000	250,000						
VCB Private Sector	388,500		388,500					
SCPRT Destination Specific	790,000			790,000				
SCPRT Coop	610,000				610,000			
Private Match Coop	1,230,000				1,230,000			
Town of Bluffton DMO	75,000					75,000		
B/C Bluffton & Daufuskie	306,000						306,000	
<b>Total Revenues</b>	<b>4,799,500</b>	<b>1,400,000</b>	<b>388,500</b>	<b>790,000</b>	<b>1,840,000</b>	<b>75,000</b>	<b>306,000</b>	
Membership								1,700,000
<b>Total Revenues with Membership</b>	<b>6,499,500</b>							
<b>Expenses</b>								
Research & Planning	95,000	51,300	14,250	29,450				
<b>Packaging Promotions</b>								
Webinars/Workshops	10,000							
Facebook Promos	4,000							
Sub-total	14,000	7,560	2,100	4,340				
<b>Destination PR</b>								
Agency Fees	148,000							
Out-of-Pocket/ Promc	18,000							
UK Culinary Promo	8,000							
Sub-total	174,000	93,960	26,100	53,940				
Destination Photography	15,000	8,100	2,250	4,650				
<b>Social Media</b>								
Agency Promotions	18,000							
Blog/Writers	30,000							
Video Production	3,000							
Sub-total	51,000	27,540	7,650	15,810				
<b>Digital Marketing</b>								
VERB Daily Site Work	39,600							
Special Section Updat	60,000							
SEO/Ad Serve/Hostin	24,000							
SEM Marketing	200,000							

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	SCPRT Coops	25,000			
	Media Contingency	15,000			
Sub-total		363,600	139,399	54,540	169,661

**Consumer Promos & Lead Gen**

Broadcast & Print

	Fall Broadcast Campaign	40,000			
	Oprah Magazine	27,850			
	America's Best Vacati	10,000			
	Ad Production	5,000			
Sub-total		82,850	44,740	12,427	25,683

**Sweet Tea Partnership**

	Atanta Dining App	15,000			
	Collaborate	5,000			
Sub-total		20,000	17,161	2,839	

**Insiders/Collateral/Fulfillment**

	E-Promos/E-News	26,000			
	Vacation Planner	125,000			
	Envelopes	6,000			
	I-Vacation Planner	30,000			
	Fulfillment Mail Ops/ Postage/Visitor Datab	60,000			
	Toll-Free Phone	4,000			
Sub-total		251,000	135,540	37,650	77,810

**Group Sales & Marketing**

	Lead Prospecting/SDF	42,000			
	Trade Sponsorships	40,000			
	Healthcare Events	5,000			
	Backyard Marketing	5,000			
	Select Service Sales BI	5,000			
	SC/FI Motorcoach Eve	12,500			
	Site inspections	3,000			
	Sales Industry Dues	2,600			
	Website Refresh	15,000			
	Mobile Template	5,000			
	Social Media	5,000			

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	Promotional Giveawa	6,000			
	Trade Shows	29,350			
Sub-total		175,450	94,747	26,313	54,390
<b>International</b>					
	Coastal SC USA Coop	47,000			
	Brand USA Coops	45,000			
	ITB Trade Show	6,000			
	Ontario Motorcoach S	2,500			
	UK Sales Mission	5,000			
	IAGTO/ WTM	4,000			
	Pow Wow Trade Shov	8,000			
	RBC Heritage Intl FAV	4,000			
Sub-total		121,500	65,610	18,225	37,665
<b>VCB Contingency</b>		18,250	9,855	5,929	2,466
<b>HHI Destination Marketing Operations &amp; Management</b>					
	VCB Sales, Mkt,				
	Visitor Services,				
	Admin & Ops:				
	Personnel	606,144			
	Benefits	151,536			
	Operations	189,420			
Sub-total		947,100	454,488	178,477	314,135
<b>HHI Supplemental Grant</b>					
	Golf	150,000			
	Tennis	25,000			
	Culinary	50,000			
	Cultural Heritage	25,000			
	VCB Sales, Mkt, Visitor				
	Services & Operations:	0			
Sub-total		250,000	250,000		
<b>SCPRT Coops</b>					
	RBC Heritage	757,500			
	Air Service Promos	150,000			
	Leisure Coops	180,000			
	Specialty Market Coop	206,500			
	Meetings & Group Co	350,000			
	VCB Sales, Mkt, Visitor				
	Services & Operations:	196,000			

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FY 2013-14 Budget

Sub-total	1,840,000				1,840,000				
<b>Town of Bluffton DMO</b>									
Promotions	49,975								
VCB Sales, Mkt, Visitor Services & Operations	25,025								
Sub-total	75,000					75,000			
<b>B/C Bluffton &amp; Daufuskie DMO</b>									
Promotions	188,575								
VCB Sales, Mkt, Visitor Services & Operations	117,425								
<u>Sub-total</u>	<u>306,000</u>							<u>306,000</u>	
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TOTAL EXPENSES	4,799,750	1,400,000	388,750	790,000	1,840,000	75,000	306,000		4,799,750
Membership									1,700,000
Total Expenses with Membership	6,499,750								
Revenues Minus Expenses:	0	0	0	0	0	0	0	0	0
 Expenses for Hilton Head Island Specific Programs									
 Expenses for Other Marketing Programs									