

**TOURISM EXPENDITURE REVIEW COMMITTEE
MEETING MINUTES
March 7, 2005
Via Conference Call
10 a.m.**

ATTENDANCE:

Committee Members in Attendance: Frans Mustert, Chairman, Lanneau Siegling, Vice Chairman, John Curry, Lee Prickett, Rod Swaim, Mark Williams.

Staff in Attendance: Damita Jeter, TERC Staff.

Guests in Attendance: John Hoefer, Willoughby and Hoefer; David Warren, Hilton Head Island Local Atax Committee Chairman; Bill Miles, Hilton Head Island Chamber President.

CALL TO ORDER /ADMINISTRATIVE TASKS/UPDATES:

- **Minutes Approval:** The Committee motioned to approve the February 14, 2005 meeting minutes as submitted.
- **Myrtle Beach Withholding:** Mr. Hoefer updated the Committee on what stage we are in with the Myrtle Beach case. He said that Myrtle Beach has filed a motion to dismiss the contested case hearing and wishes to conduct an appeal. Myrtle Beach maintains that TERC should be the entity responsible for conducting a contested case hearing. TERC's position in the matter is that it does not have the legal authority to do so according to the law. Mr. Hoefer will continue to update the Committee on developments as they arise.
- **Folly Beach Tourism Promotion Committee:** In the past few months, Folly Beach has requested TERC's opinion on the legality of diverting 30% funds from the Charleston CVB to the newly-founded Folly Beach Tourism Promotion Committee. TERC stated that according to the law, Folly Beach could create its own non profit organization for the purpose of tourism promotion. However, there was some question about the non profit status of the Folly Beach Tourism Promotion Committee. TERC received a letter from the Town's attorney stating that he was in the process of helping them obtain their non profit status. The Town also sent information to the Committee that it was already using the funds to promote itself in Southern Living. After some discussion, TERC decided the Town was going through all the proper channels, but it will request the Town submit a copy of its non profit status to the Committee whenever it is received.
- **Senate Bill 0027:** Mrs. Jeter stated that most recently this bill was in the House Ways and Means Committee.
- **Gus Macker Tournament:** The Committee then discussed the eligibility of the Gus Macker Tournament to receive accommodations tax funding from Hilton Head. Mr. Curry, David Warren of the local atax committee and Bill Miles of the Chamber led in the discussion. Essentially, the Gus Macker Tournament is a for profit basketball tournament, which will bring tourists into the area. The local committee denied their original request to receive funding based on the nonprofit status. However the Town Council approved funding, pending approval of TERC. The Gus Macker Tournament in the meantime had requested that it go through the Chamber and be promoted by the Chamber, which is a nonprofit, however, in the end, it would still receive most of the

profit from the tournament. After some discussion, TERC voted that this would not be an allowable expenditure based on the fact that Gus Macker is a for profit organization, even if promotion of the tournament would go through the Chamber of Commerce. Mr. Curry did not vote.

- **Fireworks Policy:** The Committee discussed holding a couple of items over regarding fireworks until it has a chance to meet next to and draft an official fireworks policy.
- **Ethics Form and Committee Appointments:** Mrs. Jeter reminded Committee members that she needed their forms by mid-March. She also asked several of the Committee members' whose terms would expire in July if they would like to continue serving. She said this would be her top priority upon returning from leave in May.

The following are explanations given to the Committee by the entities listed below. The Committee had previously questioned items after reviewing the entities' FY 03-04 Accommodations Tax Report.

REVIEWED BY SUSAN CRUSE:

The following will be carried over: City of Clemson, Aiken County, City of Greenville, Jasper County, Anderson County, Newberry County, City of Hardeeville, Greenville County, City of Beaufort, Oconee County, City of Simpsonville.

REVIEWED BY SUSIE SURKAMER/ROD SWAIM

- **Town of Mt. Pleasant** – the Committee approved items it had previously questioned on this entity's report.

REVIEWED BY LEE PRICKETT/LANNEAU SIEGLING:

- **Georgetown County**– approved.
- **Chester County** – approved.
- **City of Gaffney** – The Committee voted to approve the expenditure of the American Legion Post 201 and the Cherokee County Veterans Day, however, it voted to maintain its original position and request funds be withheld for the inappropriate expenditure of the Cherokee County Branch of the NAACP. The City has 30 days to provide TERC with more information, or it will request funds be withheld.
- **Spartanburg County** – The Committee voted to approve funding for Hollywild Animal Park and Wofford College. It voted to uphold its decision regarding the withholding of expenditures for legal advertising in the Spartanburg Herald Journal and the local committee meeting at Basil's Restaurant. It also voted to request the County to continue to look for local committee members to meet the lodging requirement. The current committee members are not compliant. Finally, the Committee voted to request additional information about the expenditure of USC Spartanburg.
- **Colleton County** – approved.

- **Florence County** – The Committee voted to withhold funds for the Florence Pride Hockey expenditure, which is for profit. It also voted to request more funds for the Freedom Florence Complex.
- **Pickens County** – approved.
- **City of Georgetown** – the Committee voted to approve the expenditure for the Downtown Business Association and the Swamp Fox Players.
- **City of Florence** – the Committee voted to approve the EBusha Foundation, and the Sankofa Festival. It also voted to request more information from Freedom Florence and reject the Florence Center for the Arts expenditure based on it being an economic impact study.
- **Cherokee County**: approved.

The Committee questioned Mrs. Jeter on her plans for maternity leave. She stated that she expected to be gone from the end of March to mid-May. She would check voice mail and email periodically and leave Frans' number as an emergency contact. Based on her need to have about a month to catch up and prepare for the next meeting, the Committee voted to hold its next meeting on June 13. There being no other business, the call concluded.

Respectfully Submitted,

Damita S. Jeter

Damita S. Jeter, TERC Staff