



Town of Hilton Head Island

Accommodations Tax Advisory Committee Meeting

Thursday, August 20, 2026, 9:00 AM

**1 Town Center Court, Hilton Head Island, SC
Benjamin M. Racusin Council Chambers**

The meeting can be viewed on the [Town's YouTube Channel](#), the [Beaufort County Channel](#), and Spectrum Channel 1304.

- 1. Call to Order**
- 2. Adoption of the Agenda**
- 3. Approval of the Minutes**
 - a. Regular Meeting Minutes of July 23, 2026
- 4. New Business**
 - a. Preliminary Review of the 2027 Accommodations Tax Grant Applications — Dave Byrd, Finance Director
 - b. Calendar Year 2027 ATAX Grant Applicant Hearing Dates and Times — Dave Byrd, Finance Director
- 5. Public Comment - Non Agenda Items**
- 6. Adjournment**

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In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), the Town of Hilton Head Island will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. Auditory accommodations are available. Any person requiring further accommodation should contact the Town of Hilton Head Island ADA Coordinator as soon as possible but no later than 48 hours before the scheduled event.

Municipal Association of South Carolina (MASC) Civility Pledge:
"I pledge to build a stronger and more prosperous community by advocating for civil

engagement, respecting others and their viewpoints, and finding solutions for the betterment of my city or town.”



Town of Hilton Head Island ACCOMMODATIONS TAX ADVISORY COMMITTEE MEETING Thursday, July 23, 2026, 9:00 AM Minutes

Call to Order

Chair Schlegel called the meeting to order at 10:00 am.

Adoption of the Agenda

Mr. Lesch made a motion to adopt. Mr. Ferguson seconded. Motion carried 7-0.

Approval of the Minutes

Regular Meeting Minutes of April 23, 2026

Mr. Lesch made a motion to adopt. Mr. Ferguson seconded. Motion carried 7-0.

New Business

Election of Chairman and Vice Chairman

Current Chair Keith Schlegel opened the floor to nominations for Chair and Vice-Chair.

Mr. Lesch made a motion to appoint Keith Schlegel as Chairman. Mr. Farrell seconded. Motion carried 7-0.

Mr. Schlegel made a motion to appoint Martin Lesch as Vice Chairman. Mr. Farrell seconded. Motion carried 7-0.

Overview of Accommodations Tax Advisory Committee Role, Responsibilities, and Statutory Requirements — Brittany Ward, Town Attorney

Town Attorney Brittany Ward provided an overview of the Accommodations Tax Advisory Committee's role, responsibilities, and statutory requirements, as well as the Committee's Bylaws and Rules of Procedure. Ms. Ward reviewed the State and local Accommodations Tax programs, including the statutory requirements governing the use of Accommodations Tax revenues and the Committee's advisory role in reviewing applications and making recommendations regarding eligible expenditures. She also reviewed the composition of the seven-member Committee and the required representation from the hospitality, lodging, cultural, and at-large sectors.

Ms. Ward discussed the statutory allocation and eligible uses of State Accommodations Tax revenues, including tourism advertising and promotion, cultural and recreational facilities and activities, tourist transportation, visitor information centers, and other tourism-related expenditures. She also reviewed provisions related to workforce housing and explained the additional requirements that must be satisfied before Accommodations Tax revenues may be used for that purpose. Ms. Ward reviewed the Committee's Bylaws and Rules of Procedure, including the election and duties of officers, meeting procedures, attendance requirements, parliamentary procedures, and the process for submitting the Committee's annual funding recommendations to Town Council. She emphasized that the Committee serves in an advisory capacity and that its recommendations are not final until formally submitted to Town Council.

Committee members asked questions regarding the distribution and eligible uses of State Accommodations Tax revenues, the portion of funds subject to the Committee's review, the role of the Destination Marketing Organization, and the use of Accommodations Tax revenues for workforce housing; the Committee's role in reviewing the various ATAX funding allocations and the importance of greater transparency and broader Committee involvement in the process; the possibility of a joint workshop with Town Council and the Finance & Administrative Committee to discuss ATAX funding and transparency; and the appropriate procedure for responding to members of the public during public comment.

Ms. Ward advised the Committee that the matter of a joint workshop was not on the current agenda and could not be discussed substantively at the meeting. Ms. Ward also advised that members should not respond directly to public comments during the meeting and that questions or concerns should instead be directed through staff for follow-up.

Chair Schlegel opened the floor for public comment.

Richard Bisi addressed the Committee regarding ATAX funding and raised concerns regarding a potential conflict of interest involving Committee members and their participation in local events. Mr. Bisi questioned whether the circumstances were consistent with the Committee's responsibilities and indicated that he was considering filing a complaint with the South Carolina Ethics Commission.

Skip Hoagland addressed the Committee regarding ATAX funding, transparency, and oversight. Mr. Hoagland expressed concerns regarding the documentation and oversight of ATAX expenditures, the Destination Marketing Organization, and the use of ATAX funds. He encouraged increased transparency and accountability in the administration and expenditure of public funds.

Review of Accommodations Tax Advisory Committee Bylaws and Rules of Procedure —
Brittany Ward, Town Attorney

Items B and C were presented and discussed jointly; therefore, the minutes for these items have been combined for purposes of the meeting record.

Public Comment - Non-Agenda Items

Chair Schlegel opened the floor to public comment on non-agenda items.

Skip Hoagland addressed the Committee regarding non-agenda matters and expressed concerns regarding the transparency, oversight, and legal compliance of ATAX expenditures. He encouraged greater accountability in the administration of public funds.

Adjournment

At 9:32 a.m., Mr. Cosgrove made a motion to adjourn. Mr. Lesch seconded. Motion carried 7-0.

The full recording and a transcript of this meeting can be found on the Town's website at www.hiltonheadislandsc.gov



TOWN OF HILTON HEAD ISLAND

Accommodations Tax Advisory Committee

TO: Accommodations Tax Advisory Committee
FROM: Dave Byrd, Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager
DATE: August 20, 2026
SUBJECT: Preliminary Review of the 2027 Accommodations Tax Grant Applications

BACKGROUND:

The Town of Hilton Head Island's Calendar Year 2027 Accommodations Tax Grant application period opened on July 1, 2026, and closed on July 31, 2026. During the application period, the Town received 36 applications requesting a combined \$4,824,690 in Accommodations Tax funding.

On July 15, 2025, Town Council approved an Accommodations Tax Funding Distribution Policy to establish a consistent and fiscally responsible framework for the distribution of Accommodations Tax revenues and to support alignment with the Town's Strategic Plan.

Following the required State distributions, the remaining 65% of Accommodations Tax funds are allocated in accordance with the adopted policy as follows:

- 33% – ATAX Grants
- 20% – General Fund (Tourism Operating Expenses)
- 7% – Capital Improvement Program (CIP)
- 5% – Tourism-Serving Housing Program

For Calendar Year 2027, \$4,280,526 is available for distribution through the ATAX grant program. This amount includes \$121,487 in unspent awarded funding from Calendar Year 2025.

The adopted Funding Distribution Policy provides a structured framework for allocating available Accommodations Tax revenues while supporting eligible tourism-related initiatives and maintaining consistency with the statutory requirements of South Carolina Code Title 6, Chapter 4.

RECOMMENDATION:

Staff recommends that the Accommodations Tax Advisory Committee review and evaluate the Calendar Year 2027 ATAX grant applications in accordance with applicable State requirements, the Town's adopted ATAX Funding Distribution Policy, and the established grant evaluation process.

Following its review, the Committee should develop a funding recommendation for consideration by the Finance and Administrative Committee and, subsequently, Town Council.

NEXT STEPS:

The following schedule has been established for consideration of the Calendar Year 2027 ATAX grant applications:

- September 3, 2026 – ATAX Grant Applicant Hearings
- September 10, 2026 – ATAX Grant Applicant Hearings
- September 24, 2026 – ATAX reviews applications and forwards a funding recommendation to the Finance and Administrative Committee
- October 12, 2026 – Finance and Administrative Committee reviews the ATAC recommendation and forwards a recommendation to Town Council
- November 10, 2026 – Town Council considers and determines final approval of the Calendar Year 2027 ATAX grant awards

Town Staff will provide the Committee with the application materials and supporting information necessary to complete its review and evaluation.

ATTACHMENTS:

1. Calendar Year 2027 ATAX Grant Requests

Town of Hilton Head Island

2027 Application Year Atax Grant Requests and Recommendations

August 12, 2026

Organization Name	Activity Name	2027 Requests	Committee Recommendation	Town Council Approved
Art League of Hilton Head	ATAX Application	80,000	0	0
Arts Center of Coastal Carolina	Tourism Operations Support for the Arts Center of Coastal Carolina	453,000	0	0
Beach Cat Sailors of Hilton Head Island	Beach Cat Sailors of Hilton Head Multi Hull Regattas	183,000	0	0
David M. Carmines Memorial Foundation	Hilton Head Island Seafood Fest	185,000	0	0
Gullah Museum of Hilton Head Island	Gullah Museum of Hilton Head	170,000	0	0
Harbour Town Merchants Association	Harbour Town 4th of July Fireworks	30,000	0	0
Hilton Head Audubon Society	Hilton Head Audubon	70,450	0	0
Hilton Head Choral Society	Hilton Head Choral Society Performance Season	20,000	0	0
Hilton Head Concours d'Elegance, Inc	Hilton Head Concours d'Elegance & Motoring Festival	390,000	0	0
Hilton Head Dance Theatre	Hilton Head Dance Theatre Performance Season	20,000	0	0
Hilton Head Island Airport	Hilton Head Island Airport	170,000	0	0
Hilton Head Island Bridge Association	Marketing competitive Bridge to Tourists	17,000	0	0

Organization Name	Activity Name	2027 Requests	Committee Recommendation	Town Council Approved
Hilton Head Island Recreation Association	ATAX Application for Events	75,000	0	0
Hilton Head Island St. Patrick's Day Parade	Hilton Head Island St. Patrick's Day Parade	100,000	0	0
Hilton Head Island Wine and Food Inc	Hilton Head Island Rhythm and Brews	25,000	0	0
Hilton Head Island Wine and Food Inc	Hilton Head Island Wine and Food Festival	130,000	0	0
Hilton Head Land Trust	Fort Howell Renovations	45,000	0	0
Hilton Head Power and Sail Squadron	Deck the Hulls - Hilton Head Holiday Boat Parade	3,000	0	0
Hilton Head Symphony Orchestra, Inc	HHSO Season Operating Grant	360,000	0	0
Lean Ensemble Theater	Lean Ensemble Theater Productions	55,000	0	0
LGCOA - Lowcountry Golf Course Owners	Golf Tourism Public Relations Campaign	150,000	0	0
Long Cove Club	Darius Rucker Intercollegiate	70,785	0	0
Lowcountry Gullah	Lowcountry Gullah	100,000	0	0
Mitchelville Preservation Project	Accommodations Tax Grant Application	200,000	0	0
Native Island Business and Community Affairs Assoc, Inc	Hilton Head Island Gullah Celebration	320,000	0	0
Sea Glass Stage Company	Sea Glass Stage Company Cultural Tourism Program	65,000	0	0
Sea Pines Forest Preserve Foundation	Sea Pines Forest Preserve Foundation Leisure Trail, Phase Two	45,000	0	0

Organization Name	Activity Name	2027 Requests	Committee Recommendation	Town Council Approved
Sea Turtle Patrol Hilton Head Island	Responsibility and Renourishment	90,000	0	0
Shelter Cove Harbour Company	HarbourFest	336,500	0	0
The Boys & Girls Club of Hilton Head Island	Pedal and Run Hilton Head Island	46,425	0	0
The Coastal Discovery Museum	Cultural and Eco-Tourism Programs	450,000	0	0
The First Tee of The Lowcountry	Increasing Learning Center Visitations	50,000	0	0
The Heritage Library Foundation	ATAX Application Heritage Library	145,000	0	0
The Outside Foundation	Environmental Sustainability	78,530	0	0
The Sandbox	Enhancing the Tourist Experience	64,000	0	0
World Affairs Council of Hilton Head	World Affairs Council of Hilton Head Tourism Marketing Grant Application	32,000	0	0
		4,824,690	0	0



TOWN OF HILTON HEAD ISLAND

Accommodations Tax Advisory Committee

TO: Accommodations Tax Advisory Committee
FROM: Dave Byrd, Finance Director
CC: Marc Orlando, ICMA-CM, Town Manager
DATE: August 20, 2026
SUBJECT: Calendar Year 2027 ATAX Grant Applicant Hearing Dates and Times

BACKGROUND:

The purpose of this memo is to provide the Accommodations Tax Advisory Committee and Calendar Year 2027 ATAX grant applicants with an overview of the upcoming applicant hearing schedule.

The approved hearing dates for the Calendar Year 2027 ATAX grant applicants are:

- Thursday, September 3, 2026
- Thursday, September 10, 2026

Each applicant has been allotted a total of 20 minutes for their hearing. The allotted time will consist of:

- 10 minutes for the applicant presentation; and
- 10 minutes for Committee questions and discussion

Applicants are encouraged to arrive early for their scheduled hearing. Presentations may conclude before the full 20-minute time period, and the schedule may move ahead accordingly.

Applicants who have a scheduling conflict are asked to notify Town Staff no later than August 24, 2026, so that alternative arrangements may be considered.

RECOMMENDATION:

No action is required. This memo is provided for informational and review purposes only. Staff recommends that the Committee review the hearing schedule and be prepared to participate in the applicant hearings, questions, and discussion on September 3 and September 10, 2026.

NEXT STEPS:

1. Applicants with scheduling conflicts must notify Town Staff by August 24, 2026.
2. ATAC will conduct applicant hearings on September 3 and September 10, 2026.
3. ATAC will complete its final review and funding recommendation on September 24, 2026.
4. ATAC's recommendation will be forwarded to the Finance and Administrative Committee for consideration.

ATTACHMENTS:

1. Calendar Year 2027 ATAX Grant Applicant Hearing Dates & Times

	Thursday September 3, 2026		Thursday September 10, 2026
TIME	APPLICANT	TIME	APPLICANT
9:10-9:30	Long Cove Club	9:10-9:30	The Heritage Library Foundation
9:30-9:50	Lowcountry Gullah	9:30-9:50	Arts Center of Coastal Carolina
9:50-10:10	The Outside Foundation	9:50-10:10	The Boys and Girls Club of Hilton Head Island
10:10-10:30	Lean Ensemble Theater	10:10-10:30	Beach Cat Sailors of Hilton Head Island
10:30-10:50	BREAK	10:30-10:50	BREAK
10:50-11:10	The First Tee of the Lowcountry	10:50-11:10	Art League of Hilton Head
11:10-11:30	Sea Glass Stage Company	11:10-11:30	Sea Turtle Patrol Hilton Head Island
11:30-11:50	Gullah Museum of Hilton Head Island	11:30-11:50	The Coastal Discovery Museum
11:50-12:10	Hilton Head Symphony Orchestra, Inc.	11:50-12:10	Hilton Head Audubon Society
12:10-1:10	LUNCH	12:10-1:10	LUNCH
1:10-1:30	World Affairs Council of Hilton Head	1:10-1:30	Hilton Head Island Wine & Food Inc. – Wine & Food Festival
1:30-1:50	Hilton Head Land Trust	1:30-1:50	Hilton Head Island Airport
1:50-2:10	Mitchelville Preservation Project	1:50-2:10	Hilton Head Island Wine & Food Inc.- Rhythm & Brews
2:10-2:30	Hilton Head Island Recreation Association	2:10-2:30	Lowcountry Golf Course Owners
2:30-2:50	Hilton Head Choral Society	2:30-2:50	Hilton Head Dance Theatre
2:50-3:10	BREAK	2:50-3:10	BREAK
3:10-3:30	The Sandbox	3:10-3:30	Shelter Cove Harbour Company
3:30-3:50	Harbour Town Merchants Association	3:30-3:50	Hilton Head Island Bridge Association
3:50-4:10	Sea Pine Forest Preserve Foundation	3:50-4:10	Native Island Business and Community Affairs Association
4:10-4:30	Hilton Head Power and Sail Squadron	4:10-4:30	Hilton Head Concours d' Elegance
4:30-4:50	Hilton Head Island St. Patrick's Day Parade	4:30-4:50	David M. Carmines Memorial Foundation