

City of West Columbia, SC

Council Work Session Minutes

October 17, 2011 following the Public Hearing at 6 p.m.

Members Present:

Bobby E. Horton, Mayor
Eric L. Fowler
L. Dale Harley
Boyd Jones
Marsha Moore
Tommy Parler

Members Absent:

Cathy Shannon, business emergency
BJ Unthank

Others Present:

Jenny Cunningham, City Administrator
Myron F. Corley, Deputy City Administrator
Mardi Valentino, City Clerk
Brian Carter, Planning & Zoning Director
Donna Smith, Economic Development Director
Sid Varn, Planning & Engineering Director
Members of the Public and Press

Dennis Tyndall, Police Chief
Rick Hodge, City Treasurer
Charles Garren, Public Works Director
Wyatt Coleman, Fire Chief
Stuart Jones, Building Official
Ken Ebener, Municipal Judge

Agenda Item I – Call to Order

Mayor Horton called the hearing to order at 6:20 p.m. and noted a quorum was present. *The State, Free Times, Lexington County Chronicle, Cayce-West Columbia News, and The Columbia Star* were notified of the public hearing by e-mail on October 14, 2011.

Agenda Item II – Accommodations Tax Overview and Update of Requirements

Mayor Horton recognized Ms. Donna Smith, Economic Development Director, who gave a brief overview of accommodations tax (A-Tax) requirements. Ms. Smith explained that the A-Tax is authorized under Chapter 4, Title 6 of the SC Code of Laws and is collected by hotels or motels from individuals who spend one or more nights in lodging facilities. She said the tourism-related funds must be used to promote tourism and enlarge the economic benefits of the area through advertising, promotion and providing facilities and services that enhance the ability of the local government to attract tourists. Collected A-Tax funds are distributed to the respective counties and municipalities who are responsible for determining the best use of the funds that meets the intent of the law. Counties and municipalities that collect more than \$50,000 in A-Tax funds are subject to additional requirements. Ms. Smith said this is the first year that West Columbia collected A-Tax funds in excess of \$50,000 and the city now must meet the additional requirements.

Ms. Smith explained that under the additional requirements, the first \$25,000 of all A-Tax funds collected by a municipality is allocated to the city's general fund. Whatever is left after allocating the \$25,000 is considered the balance. Five percent of the balance is allocated to the city's general fund and 30 percent of the balance is allocated to a special promotion fund, which must be used for the advertising and promotion of tourism. The monies for the promotion fund must be administered by one or more non-profit organizations that have an existing on-going tourism promotion program, such as the West Metro Visitors Center. Any A-Tax funds remaining after allocation of the promotion funds plus any interest earned on the balance must be allocated to a special fund that must be used for tourism-related expenses.

Agenda Item II – Accommodations Tax Overview and Update of Requirements (continued)

Ms. Smith stated that municipalities that receive in excess of \$50,000 in A-Tax funds in a year must appoint an Accommodations Tax Advisory Committee to oversee the tourism-related funds. She explained the committee would review applications for tourism-related expenditures from non-profit organizations and make recommendations to city council as to how to allocate the funds. She said the committee must have seven members comprised as follows:

- Four members must be from the hospitality industry with at least two members from the lodging industry.
- One member must represent the cultural organizations.
- Two members should be community members who have experience, background and/or an interest in tourism.

Ms. Smith stated that the city and its advisory committee needed to adopt guidelines that fit with the needs and time schedules of the area and include requirements for the applications. She said the advisory committee would review applications and the city council would approve the advisory committee's recommendation prior to any recipients receiving A-Tax funds. Ms. Smith recommended that Council consider choosing advisory committee members from Holiday Inn, Quality Inn, Ruby Tuesday, Chick-Fil-A, Saluda River Academy for the Arts, Palmetto Outdoors and a representative from the Vista West Antiques District. Ms. Smith asked council members to recommend people for committee membership. Several council members suggested that one of the owners of Café Strudel be considered for membership for the hospitality component of the advisory committee.

Mayor Horton recognized City Treasurer Rick Hodge who explained the current funding status for A-Tax funds for Fiscal Year 2010 – 2011. Mr. Hodge stated that the city had received \$52,412.45 in A-Tax funds of which the first \$25,000 was allocated to the General Fund, leaving a balance of \$27,412.45. He said five percent of the balance (\$1,370.63) was allocated to the General Fund and 30 percent (\$8,223.74) was allocated to the special fund for advertising and promotion, which was earmarked for the West Metro Visitors Center. He said that the remaining 65 percent of the balance (\$17,818.08) and \$.96 in interest was allocated to the special fund for tourism-related expenditures. Mr. Hodge said the Accommodations Tax Advisory Committee needed to be put in place relatively soon so applications for 2012 could be reviewed.

Mayor Horton asked if there was any further items to discuss and received no response. Mayor Horton declared the council work session adjourned at 7:10 p.m.

Respectfully submitted,

Marta M. Valentino, CMC
City Clerk