



ACCOMMODATIONS TAX ADVISORY COMMITTEE

10:00am, Wednesday, September 10, 2025

1207 Palm Boulevard, Isle of Palms, SC

MINUTES

1. Call to order

Present: Rebecca Kovalich, Park Williams, Barb Bergwerf, Chrissy Lorenz, Margaret Miller, Rod Turnage, Mike Boykin (via Zoom)

Staff Present: Administrator Kerr, Director Hamilton

2. Approval of previous meeting's minutes – July 9, 2025

Ms. Bergwerf made a motion to approve the minutes of the July 9, 2025 meeting, and Mr. Turnage seconded the motion. The motion passed unanimously.

3. Financial Statements

Director Hamilton said the cash balance increased by 19.2% compared to the previous year, and the fund balance increased by 17.6%. Revenues amount to \$3.8 million, compared to a budget of \$3.7 million, primarily due to higher-than-expected State Accommodation Tax revenues. Director Hamilton informed the Committee that three expense items exceeded the budget and require approval. She specifies that "it's nothing wildly out of the ordinary, it's just the cost of doing business." They will be voted on at the next meeting.

She said FY26 expenses are tracking as budgeted so far.

Ms. Lorenz asked about the overage on the beach trash can pickup. Administrator Kerr explained that the overage comes from on-call work requests.

4. Presentation – ATAX Grant Application from Elliot Cox, Coastal Retreat & Lutheran Retreat Center

Mr. Elliot Cox, representing Coastal Retreat and the South Carolina Lutheran Retreat Centers, presented a grant application requesting \$10,000 for the repair of the facility's parking lot. Mr. Cox explained that his organization is a 501(c)(3) non-profit that hosts thousands of visitors annually, including religious groups, community organizations, and students. He estimated 95% of their guests are from out of town and out of state. They focus on group reservations and are booked a year in advance.

He mentioned that the parking lot is often the first impression for visitors, and its repair is a priority for safety and aesthetics. Mr. Cox indicated he has received an official quote for approximately \$17,000 and another verbal estimate of \$25,000. He said the parking lot is used

primarily for their guests at no charge, but they do sometimes offer paid parking to help fund their nonprofit.

5. Old Business

a. Quarterly update and discussion with CVB – Chris Campbell and Ike High

Mr. Campbell reported that the FY25 audit will be available to the Committee after it has been presented to the CVB board in October. They will be working with Director Hamilton on filing the TERC paperwork that is due in November.

Regarding performance, Mr. Campbell noted that strong momentum from the spring continued through the summer, offsetting losses from January to March due to weather and calendar shifts. Hotel performance data through July shows improvement. For seasonal rentals, demand surpassed last year's, and average daily rates (ADR) have continued to climb, with May being particularly strong. Demand across all the beaches outpaced last year and is still well ahead of pre-pandemic levels.

Mr. Campbell shared that national lodging forecasts show little to no growth for the next six months due to macroeconomic forces. However, the region generally outperforms the national average. Mr. Campbell describes the current economy as "K-shaped": the luxury and high-end segment continues to grow, while lower-tier hotels are feeling economic pressures. The booking window is compressing, with even corporate groups now booking less than 30 days out, creating volatility for property managers.

He reviewed some current initiatives including new content for the VRBO program, preparation for a travel trade show in November, the walkability study, the island rebranding project, creation of new video content, and conversation with the IOP Chamber on future collaborations. Mr. Campbell said he will look into local advertising of IOP and Wild Dunes to encourage staycations. He will also ask the CVB team for input on where the Committee could focus its beautification efforts.

b. Discussion of future beautification projects

Ms. Lorenz suggested that the landscaping could be softened with native plants and the palm trees could be trimmed more often. She would like to see some work done to enhance the entry to the Marina.

Administrator Kerr described the scope of the walkability/mobility study currently being conducted by BCDCOG. There will be an open house for residents to review some maps and offer ideas on October 20 at the Recreation Center. The ATAX Committee will review the recommendations from that study and pull out a few to focus on. He said he will reach out to BCDCOG to include the Committee in the discussions.

5. New Business

6. Miscellaneous Business

The next meeting of the ATAX Committee will be Wednesday, October 8, 2025 at 10am.

7. Adjournment

Ms. Bergwerf made a motion to adjourn, and Ms. Lorenz seconded the motion. The meeting was adjourned at 11:03am.

Respectfully submitted,

Nicole DeNeane
City Clerk