

From: David Hucks
Sent: 6/8/2015 10:09:18 AM
To: John Pedersen
Cc: Randal Wallace; mlowder@cityofmyrtlebeach.com; John Rhodes;
mchestnut@cityofmyrtlebeach.com; Philip Render; Susan Means; Wayne Gray;
eriggs949@gmail.com; Haley, Nikki
Subject: Motion M2015-110 Notice of Challenge

Dear John and City Council Team,

The Board of the Myrtle Beach Black Chamber of Commerce asked me to make you aware of the attached. For those of you who are unable to open attachments, please find it included below.

Sincerely,

David Hucks

June 8, 2015

City of Myrtle Beach

921 N Oak St
Myrtle Beach, SC 29577

Re: Combo Meeting Addressing: Motion M2015-110 to designate the Myrtle Beach Area Chamber of Commerce as the organization to manage and direct the expenditure of tourism advertising and promotion funds for the 2015-16 fiscal year per South Carolina Code Sec. 6-4-10(3).

Dear City Manager and City Council,

The Board of MBBC has noticed that the above general motion is to be approved on Tuesday, June 9, 2015. This motion has provided MBACC direct allocation and use of over \$180 million in tax dollars over the past 6 years.

While we realize it has been standard operating procedure for the past 6 years for city council to make such a motion, the MBBC board wishes to issue a "notice of concern" to yourselves, Governor Haley, and the community based on the following determinations:

The community has assumed the ad tax was initiated to grow the number of tourists visiting the Myrtle Beach area.

MBACC has provided growth in tourism numbers for many years. From their own numbers, please note:

- 2006 14.6 million tourists
- 2007 15.2 million tourists

2102 Cromley Circle, Myrtle Beach, SC 29577

- 2008 14.6 million tourists
- 2009 13.7 million tourists (1% ad tax implemented)
- 2010 14.0 million tourists
- 2011 14.5 million tourists
- 2012 15.2 million tourists

and while MBACC has changed its statistical abstract so as now not to highlight growth in numbers of tourists, a study from the Brittain Resort Tourism Department at Coastal Carolina University, <https://www.coastal.edu/media/academics/collegeofbusiness/documents/tourismlodgingupdates/LR%20Rotary_040715.pdf> provides a true picture on how bleak the long range numbers have been and are.

As such, MBBC is writing this to make city council, Governor Haley, and the State of S.C aware of the contrast between dollars spent and tourist growth produced.

Should the Summer of 2015, continue the 6 year trend of poor performance noted by the above numbers, MBBC will begin working with resources within the state, the Federal Government and elsewhere to challenge this current process of comprehensively granting such motions as :

Motion M2015-110 to designate the Myrtle Beach Area Chamber of Commerce as the organization to manage and direct the expenditure of tourism advertising and promotion funds for the 2015-16 fiscal year per South Carolina Code Sec. 6-4-10(3).

and challenging the motion process for this fiscal year 2015 forward entirely.

We do this in the best interests of the city of Myrtle Beach and on behalf of all of the merchants in the community. Should the ad tax underperform again this Summer, the five metrics that we would want investigated as to the 6 year performance of the 1% local option ad tax as resourced by MBACC would be:

1. Overall market "Brand Score" of Myrtle Beach
2. Change in the market "Brand Score" of Myrtle Beach (+/-) year to year over