



Robert M. Quinn, BBA, MBA, CPA

Candidate by Nomination

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Candidate Information:

43-year part time resident condo owner. Bought as legacy to be enjoyed by wife of 55 years, Phyllis, two children and five grandchildren.

Began career with Price Waterhouse, went to A&P Supermarkets (VP Financial Planning & Controller and Real Estate Committee), FAO Schwarz (CFO) and Certified Financial Advisors. Experience in cost control, planning and budgeting, change management, dispute resolution (published by AICPA), restructurings (Turnaround Management Association) and litigation support (NJSCPA Committee).

Served community for decades on Economic Development Council (Master Plan), Planning Board (zoning, traffic, etc.) and CSA Gate Pass/Traffic Committee. Also served as Finance and Pension Chair, St. Joseph's Reginal Medical Center.

Hobbies include grandchildren, golf, tennis, current events. Believe in understanding how a situation got to where it is and lateral thinking in working toward a solution; an example being pressing Gate/Traffic Committee to focus on traffic at Sea Pines Circle and not just gate pass issuance.

Why I Wish to Serve the Sea Pines Community:

Maintaining balance between intertwined resort and residential concepts is challenge but future, CSA revenue and property values, depend on it. I want to protect that delicate balance and provide an independent part time resident owner perspective on issues dividing our community including:

- **Sea Pines Circle traffic is bigger issue than gate pass issuance.** Insist Town complete identified "Bypass" (their cost). Delay "Gallery" funding pending analysis of operating costs and funding priorities.
- **Perception of Resort as "free rider" is exaggerated:** Riverstone has "skin in the game" and we all benefit. Gate pass and Resort revenue are 50% of CSA budget (\$1,000 per owner, about \$100 per "free" Resort issued pass). Without stature as first class Resort our future is uncertain.
- **Need new Strategic Plan including spending priorities and funding options.**
- **NO part time resident (60% of owners) on Board in years, if ever. One or more must be elected** as issues such as a "special tax district" (only residents vote) are under consideration.

QUESTIONS FROM THE COMMUNITY

1. Where would you like to see Sea Pines in 5-10 years, and what do you propose we do to accomplish that?

I would like to see Sea Pines be the best it can be as a first class

"residential/Resort/retirement" community as defined in our Covenants. We are almost there today and with a Referendum to improve infrastructure and with less dissention among our owners and various advocacy groups we can get there and stay there for decades to come.

Sea Pines is somewhat different than it was 44 years ago when I bought although not in any essential way. The Island population was less than 10,000 vs the 40,000 today but we also did not have the Arts Center, Hilton Head Symphony, The Jazz Corner, hundreds of restaurants and other opportunities to recreate. Sea Pines was from inception developed as a planned community/Resort, always had a mix of full time and part time residents and renters. We always had unlimited access for a modest fee and covenants would not allow any change, other than increasing gate fees with approval, to limit access to beaches, Harbour Towne, South Beach, golf courses and other Resort and commercial facilities.

We always were a well-recognized planned "residential/Resort/recreational community" and have done most things right even through bankruptcy and other travails. The bad things were bad owners, the use of precious beach property for time shares, five story buildings and a deterioration in civil discord. The best thing that has happened is Riverstone/Goodwin's \$100 million investment to get us out of bankruptcy followed by \$100 million of renovations which has led to an increase in tear downs and a general rejuvenation of our residential property stock. Our community is now a very desirable place to live full time or part time and to enjoy everything it has to offer.

The best way to remain a first class "residential/Resort/ recreational" community for the foreseeable future is not to self-destruct.

QUESTIONS FROM THE COMMUNITY

2. What are your thoughts about the growing rate of daily tourist activity within Sea Pines? What steps would you recommend to take to restore the tranquility of life in Sea Pines?

Sea Pines is a series of neighborhoods including beach areas, villa complexes and Club Course, Old Military and other residential areas which offer the opportunity for "tranquility" for those looking for it. One look at the Sea Pines Master Plan demonstrates that we really do offer something for everyone as planned by Frazer. 364 of the 365 people who bought last year knew they were buying into a "residential/Resort/recreational" community and if they were looking for splendid isolation rather than a great place to live, recreate and to bring family and friends (all of whom are duly impressed) then they are in the wrong place and fortunately can sell at a great price because we are what we are.

There is an old saying that you "can't fight city hall" and we have to accept that tourists are here, the bridge is being expanded to six lanes, and the Island Chamber of Commerce is spending money to attract tourists. They are here and will continue to come. Hard to remedy mistakes of past regarding beach parking (see #5 below) so we have to figure out how to make the best of the situation including trollies.

3. Greenwood Entrance: Please describe in some detail your vision for improvements to the Greenwood Drive entrance traffic flow and gate pass sales. In particular, please address the future use of the commercial property commonly referred to as the Gallery of Shops, that CSA purchased a couple of years ago between the current welcome center and Staples.

Gallery building should be demolished in a way that preserves its value to us or a prospective buyer. Need for a separate gate pass facility was greatly diminished with better signing and more can be done as Sam Bennett can attest. Apparently, there is another traffic consultant recently employed but their work, as with much that CSA pays for, is apparently "secret". I served on the (rubber stamp) Gate/Traffic committee that wanted to use that property for a separate gate pass facility without so much as seriously considering all the options for use of the site and/or considering the cost of operating such a facility.

QUESTIONS FROM THE COMMUNITY

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We can't afford to do it all as infrastructure is a more pressing need. We will have to wait until after our infrastructure needs are met and in meantime rely on even more and better signing to get gate pass purchasers into proper lane.

As for the future I would prefer to either have the Resort buy it or possibly consider relocating all CSA offices to that location and to use the existing CSA building as a Community Center (another expressed need). Use as a CSA facility was not the intended answer and got less than 10 seconds of attention. Also use of technology such as unmanned "toll booth/ATM's" that take a credit card and print out a pass as well as other possibilities were not even considered.

While on the Committee and subsequently I have tried to get CSA to get the Town to do something about traffic at the Sea Pines Circle so far to no avail. There is a "Circle to Circle (Sea Pines to Coligny) Report" from several year ago that acknowledged the need and identifies several possible solutions including a "bypass". Much money has been spent at the Coligny end but next to nothing at the Sea Pines end. CSA has again been asleep at the switch even though we represent thousands of voters and much of the Town and County tax base. When are we going to get action on this with traffic frequently backed up as far as the Greenwood Gate to get out of Sea Pines? That to me is more important than saving a few minutes of a tourist's time in purchasing a pass.

4. Tower Beach Gate. What do you think needs to be done about the non-functioning automatic gate that was installed at Towers Beach a few years ago?

First response to what we should do about a broken gate is to fix the gate or replace it. There is an attendant there during day in summer and I have never had a problem with parking in evening or off season so perceive this, absent additional information, as low priority.

QUESTIONS FROM THE COMMUNITY

5. The Sea Pines Resort Beach Club: Please describe your recommendation for better parking at The Sea Pines Resort Beach Club during busy times. Specifically, what would you do to address the concerns of rental property owners and their guests?

CSA blew it years ago when it allowed Monarch and possibly even the adjacent multi story Turtle Lane condo complex to be sold to developers. Would have been better used as five story parking garages but too late now. Only option is more trolley shuttle service although I would be happy to listen to and realistic alternative. All owners and their guests are entitled to beach access. Perhaps we have to buy some near beach properties for drop offs as some have proposed but we may be liable if we do not provide life guards and who will pay for that?

When I ran last year, I looked at the number of free gate passes issues and there were 80,000 for Marriott Grand Ocean and other time shares. I made the point that at least time swaps and outright rentals should not be entitled to gate passes as they are not owners and thought the additional revenue potential could be as much as \$300,000 per year. I hear that this will happen going forward but with little fanfare (or credit), apparently to avoid embarrassment for missing in past.

I have repeatedly asked for the Marriott Grand Ocean documents but they have never been provided. it is the successor to the old Hilton Head Inn and being originally part of Sea Pines at least their owners have access privileges. My question is whether or not Sea Pines owners have reciprocity and if so, our owners should be aware that we are free to use the Marriott Grand Ocean beaches and likely pool and other facilities. Worth looking into? (I will do if elected.)

QUESTIONS FROM THE COMMUNITY

6. Special Tax District:

- a. Do you support the special tax district that the CSA Board is recommending? Answer yes or no, and explain your position.
- b. If against the STD, specifically how would you raise funds?
- c. Do you think CSA's existing funding is adequate?

BOARD HAS BEEN PURSUING A SPECIAL TAX DISTRICT IN SECRET FOR MORE THAN A YEAR

- Criticized by Chairman for bringing issue up in last year's election before Board had "all the facts" and had decided for us in secret and without discussion
- Board passed resolution to pursue a STD disenfranchising 60% of owners and requiring part time residents to pay at least 50% more than registered voters leading to more dissention we do not need.
- Tax would be assessed on "taxable value" which is Fair Market Value (capped at a maximum increase of 3% per year) which is reduced by \$50,000 for resident (but not nonresident) seniors. The result is then multiplied by 6% for non-residents but only 4% for residents. A \$ 1 million house owned by a resident senior would have a "taxable value" of \$38,000 whereas the same house owned by a non-resident would have a "taxable value" of \$60,000 on which the STD taxes would be based. FAIR?
- To add insult to injury non-residents are the only ones that pay school taxes while residents do not and all other taxes are based on the 6% value for non-residents vs 4% for residents. Again, based on an \$1 million house this amounts to \$14,340 of taxes for a non-resident compared to \$4,750 for resident senior, double or \$9,590 more even before an additional STD tax penalty
- All current Board members are residents and have an inherent conflict of interest, one of several reasons leading to prolonged and expensive litigation.
- Movshin sends out letters but they fail to acknowledge with specific examples that non-residents already pay double what residents pay in real estate/school taxes and would pay another penalty of 50% in an STD

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(Continued)

HOW DO WE GET OUT OF THIS MESS??? - THROUGH A SERIES OF MULTIPLE REFERENDUMS

1. The first would be to reduce the vote needed for passage from 75% to 67% without which we will never get anything done.
2. Then introduce a real estate transfer tax as a permanent source of infrastructure funding. (All other communities have.) A buyer gets not only a house but also roads and infrastructure, a Beach Club, Tower Beach and other beach access, leisure trails and the Preserve, etc. and shouldn't they contribute something as they would in joining any club or community association. Would also better match revenue with costs.
3. Follow up with a limited duration extra assessment to provide remaining funds needed for infrastructure.
4. At some point the Resort will want to expand the Inn or make other changes at which time the issue of their making an additional contribution can be easily and appropriately addressed.

7. Beyond the revenue challenges, what else do you see that the community should also consider accomplishing?

- CSA Board is not representative of its constituents. The Board needs to be replaced as it has repeatedly failed us in not properly representing part time owners, operates in secret and allowed a small group to use social media to "poison the well" with the Resort
- The last thing we need is for Riverstone/Goodwin to decide they are not welcome here and to take their money elsewhere. Last time that happened we wound up in bankruptcy
- Board needs to do something to diminish discord and contention in our community after social media has poisoned relationship between full time residents and Resort

QUESTIONS FROM THE COMMUNITY

7. Beyond the revenue challenges, what else do you see that the community should also consider accomplishing? (continued)

- Board needs to communicate that we are a "residential/Resort/recreational community as defined in our covenants and set out to be the best we can be in all dimensions
- Board has to continuously point out that Resort is not "free riding" on us. Resort maintains the property it owns including the Beach Club, Harbour Towne (including pool), golf courses and other properties without which we could not generate \$6 million of gate pass revenue (\$1,000 per property). Because of this we get roads paved and (minimal) infrastructure maintenance, CSA security, maintenance and administration all for \$1,000 per property. The Town only provides a fire house and not much else for the taxes we pay well in excess of \$1,000 per property.
- Board needs to reach out to part time owners and renters who do not participate in coffees through their Property Managers and Rental Agents who have a more direct line of communication. Doubt if much more than 100 of our 6,000 owners access these questions on the web site or will participate in the Zoom Meet the Candidates session to discuss TOTALLY INADEQUATE.

8. What are your feelings about the growing amount of rental properties in Sea Pines?

There is an old saying "Please give me the grace to know what I can do something about and what I can't and to focus on that where I can do something about" We have to realize that renters are coming as is a six-lane bridge and no tolls on the Cross Island. We cannot prevent a current owner from selling to a renter or prevent a renter from buying. Many of our owners started with a second home that was rented when kids were in college like myself who still rents for Heritage. As I previously suggested we should look at zoning type regulations to limit size of a building on a property, number of bedrooms, required parking etc. That is one area we might be able to do something about and not much else.