

Revenue Task Force
New Revenue Sources Proposal

1. A Membership Transfer Fee, to be imposed on the purchaser of any real property in Sea Pines at the time of the closing of the purchase.
 - Amount due will be 0.50% of the Stated Purchase Price (per the Purchase Agreement).
 - Certain transfers (e.g., familial transfers, foreclosures) will be exempt, using the Town's ordinance as the basis for the exemptions.
 - Funds from the Membership Transfer Fee will be designated for a separate Account, "Capital Improvements, Infrastructure Maintenance and Property Owner Amenities," to be spent as determined each year by the Board, on advice of the appropriate Board Committees.

2. An Annual “Rental Property Business Registration” Fee, to be imposed on any residential property owner who desires to rent their property on either a short term (weekly or monthly) or long term (terms of at least six months or longer) basis (including those managed by the Resort) for each separate property being rented.
- Amount will be based on the number of bedrooms in the property being rented:
 - \$300 for each rental unit of 2 bedrooms or less;
 - \$700 for each rental unit of 3-5 bedrooms
 - \$1000 for each rental unit of 6 or more bedrooms
 - All renting properties should be subject to any penalties adopted by the Board from time to time for failure to register and pay the Registration Fee (e.g., loss of certain privileges or the potential of a lien on the property for the unpaid amounts), whether they want to purchase weekly passes or not.
 - By-laws need to be amended to clarify and confirm Board’s ability to file a lien against any property owner for failure to pay required fees.
 - Only those properties for which the property owner has paid the Rental Property Business Registration Fee should be allowed to purchase the \$15 Weekly Gate Pass for their renters.

3. Amendments to the Gate Pass Agreement to enhance revenues AND improve compliance with the Registration Fees:

- Elimination of the \$20 Weekly Pass available at the Gate; only those Rental Properties paying the Real Property Registration Fee will be able to get discounted weekly passes.
- Increasing the Daily Gate Pass Fee to \$10 (for slight increase in revenue and significant improvement in efficiency at the Gate).
- Increasing all Daily Commercial Gate Passes to levels consistent with the majority of other gated communities on Hilton Head and Bluffton: \$5 increase for 2 axle vehicles, \$10 for 3 axle vehicles and \$15 for 4 axle vehicles.