

July 30, 2018

Dear Sea Pines resident,

The recent misunderstandings arising from a petition on the gate fee increase agreement are unfortunate and, potentially damaging to the entire Sea Pines community. I previously posted a response to these misunderstandings which you can view [here](#). I do not judge the motives of those involved in the petition, but I do think it is important for all of us to know some basic facts.

1. CSA did not give away its rights. In 1987, the Sea Pines Company was sold off in pieces under control of the bankruptcy court. The court created CSA and assigned various rights to the successors. The approval rights for any gate fee changes were assigned to CSA, Sea Pines Center and The Sea Pines Resort. That's why it still takes all three to make a change.
2. Sea Pines residents don't pay for the trolley. The trolley has always been funded out of gate fee revenue and has been in place for the last 19 years. Trolley rights are not "perpetual."
3. Hilton Head Island residents have always had access to Sea Pines through a paid pass whether daily, weekly or annual.
4. The primary beneficiaries of this gate fee agreement are Sea Pines property owners. The revenue from this and past gate fee increases has always been partially shared to promote commercial businesses in Sea Pines. When we increased the gate fee from \$5 to \$6, 60 percent went to CSA's operating/infrastructure, 20 percent to commercial promotion and 20 percent to support dredging our waterways. The split on the new increase from \$6 to \$8 in the gate fee is 86.5 percent to CSA's operating/infrastructure and 13.5 percent to promote commercial businesses.
5. The marketing fund has been around for years. It can be used for such things as supporting the Tuesday farmers market or the recent improvement to the trolley stop at South Beach. Our merchants face real competition from new retail venues like Shelter Cove. The marketing fund helps them level the playing field when faced with increased cost to their customers. That is hardly promoting "unlimited tourism."
6. Fifty-one merchants can allow their regular customers free access. These same merchants routinely rebate the gate fee on customer purchases. That works on large purchases, but not on an ice cream cone or a souvenir. Free access is limited to 250 daily gate passes for the entire year (less than one per day on average). It may well be most important during our off season when many merchants struggle.

I can attest that you elected competent and thoughtful residential board members who genuinely have your interests at heart. To suggest otherwise is grossly unfair to their hard work and professional expertise.

We have heard your concerns and felt it was important to highlight these key points with a community update. I hope this has been helpful. As we hear more from you we will continue to update you. Have a great week.

Thank you,



Bret Martin,  
CSA President