

TOWN COUNCIL

STAFF REPORT

Finance & Administration Department



MEETING DATE:	March 14, 2023
PROJECT:	Consideration of Accommodations Tax Advisory Committee Funding Recommendations for Quarter Ending December 31, 2022 (Fiscal Impact – \$64,000)
PROJECT MANAGER:	Natalie Majorkiewicz, CGFO, Assistant Director of Finance

REQUEST:

Town Staff requests Town Council to consider the Accommodations Tax Advisory Committee's (ATAC) recommendations for grant awards as presented below:

Requesting Organization	Amount Requested	Amount Recommended
Palmetto Bluff Conservancy: Duffy Boat for Tours	\$ 35,000	\$ 35,000
The Rotary Club of Bluffton: Mayfest Weekend in Bluffton	15,000	15,000
Old Town Bluffton Merchants Society: Bluffton as a Destination	14,000	14,000
Total for the Quarter	\$ 64,000	\$ 64,000

BACKGROUND:

In accordance with the grant process, the Accommodations Tax Advisory Committee (ATAC) held a meeting on February 21, 2023. During that meeting, a quorum was lost due to a recusal during the Old Town Bluffton Merchants Society application and required another meeting. A special meeting was held on February 28, 2023, where a quorum was met to review and vote on that application.

Funds Currently Available for Distribution:

When comparing the estimated State and Local Accommodations Tax collections for the quarter ending December 2022 to the same quarter of last year, the revenues are down \$87,199.86 or approximately 12%.

Total estimated State and Local Accommodations Tax funds currently available for distribution are \$2,695,011 as outlined in the following chart:

State ATAX		Local ATAX	
Remaining from Previous Qtr.	\$ 110,761	Remaining from Previous Qtr.	\$ 2,290,522
2 nd Quarter Revenue	228,363	2 nd Quarter Revenue	420,039
First \$25k to General Fund*	N/A	51% to Town of Bluffton CIP	(194,940)
5% to General Fund	(11,418)	Disaster Recovery Designation	(4,200)
30% to DMO	(68,509)	8% to DMO	(33,603)
		10% to Town of Bluffton Gen. Fund	(42,004)
Total State ATAX Funds Remaining for Distribution	\$ 259,197	Total Local ATAX Funds Remaining for Distribution	\$ 2,435,814

* First \$25k taken in 1st Quarter of Fiscal Year and Not Applicable (N/A) to the remaining quarters.

Funds Requested for Distribution:

☐ Palmetto Bluff Conservancy requested \$35,000 to support the purchase of a Duffy boat to facilitate internal waterway tours.

- The total budget for the project is \$103,330 with approximately 34% or \$35,000 requested.
- This project will expand the reach of the Conservancy to now include boat tours lead by the Naturalist four to five times a week to showcase Palmetto Bluff and its wildlife from the interior waterway perspective.
- Staff reached out to TERC, Tourism Expenditure Review Committee for guidance. While TERC can't provide permission to spend fund, the response was that the *"primary purpose of these funds are to enhance the tourist experience and bring tourists in"* and to evaluate the impact the organization has on tourism.
- Tours will cost \$30 per person and projecting 1,500 guests will participate in 2023.
- Eligible "tourism-related expenditures" include:
 - "Facilities for Civic & Cultural Events" budgeted at \$70,000 for the purchase of a Duffy electric boat.

The committee voted 3-1 to recommend a total award of \$35,000 as presented in the chart below:

Duffy Boat for Tours	Total Budget	Recommended ATAX Grant (approx. 34% of budget)
Facilities for Civic & Cultural Events:	\$ 70,000	\$ 35,000
Project Expenses:	33,330	N/A
Total	\$ 103,330	\$ 35,000

N/A – Not Applicable

❑ **The Rotary Club of Bluffton requested \$15,000 to support the 2023 Mayfest Weekend.**

- The total budget for the project is \$42,000 with approximately 36% or \$15,000 requested.
- This is the first application for the event.
- The 2023 Mayfest will be held on Saturday, May 13th, the Saturday of Mother's Day Weekend in Old Town Bluffton.
- Eligible "tourism-related expenditures" include:
 - "Advertising and promotion of tourism" budgeted at \$8,000 for print ads, TV and radio advertising, banners, signs, and maps.
 - "Municipality services" budgeted at \$7,000 for security.
 - "Tourist transportation" budgeted at \$5,000 shuttle services throughout the event attributable to tourists.

The committee voted 4-0 to recommend a total award of \$15,000 as presented in the chart below:

Mayfest Weekend in Bluffton	Total Budget	Recommended ATAX Grant (approx. 36% of budget)
Advertising and Promotion of Tourism:	\$ 8,000	\$ 8,000
Municipality Services (Security):	7,000	2,000
Tourist Transportation:	5,000	5,000
Project Expenses:	22,000	N/A
Total	\$ 42,000	\$ 15,000

N/A – Not Applicable

❑ **Old Town Bluffton Merchants Society (OTBMS) requested \$14,000 to support advertising efforts for the Bluffton as a Destination project.**

- The total budget for the project is \$27,600 with approximately 51% or \$14,000 requested.
- This is the annual request for OTBMS.
- Eligible "tourism-related expenditures" include:
 - "Advertising and promotion of tourism" budgeted at \$22,600 for print ads to include maps.

The committee voted 4-0 to recommend a total award of \$14,000 as presented in the chart below:

Bluffton as a Destination	Total Budget	Recommended ATAX Grant (approx. 51% of budget)
Advertising and Promotion of Tourism:	\$ 22,600	\$ 14,000
Project Expenses:	4,900	N/A
Total	\$ 27,500	\$ 14,000

N/A – Not Applicable

NEXT STEPS:

Town Staff will notify organizations of award amount and requirements.

SUMMARY:

Below are the applications received for quarter ending December 31, 2022 and ATAC's recommendation for each:

Requesting Organization	Amount Requested	Amount Recommended
Palmetto Bluff Conservancy: Duffy Boat for Tours	\$ 35,000	\$ 35,000
The Rotary Club of Bluffton: Mayfest Weekend in Bluffton	15,000	15,000
Old Town Bluffton Merchants Society: Bluffton as a Destination	14,000	14,000
Total for the Quarter	\$ 64,000	\$ 64,000

ATTACHMENTS:

1. Presentation
2. ATAC draft meeting minutes from February 21, 2023
3. ATAC draft meeting minutes from February 28, 2023
4. Palmetto Bluff Conservancy: Duffy Boat for Tours Grant Application
5. Palmetto Bluff Conservancy: Duffy Boat for Tours ATAC Staff Report
6. The Rotary Club of Bluffton: Mayfest Weekend in Bluffton Grant Application
7. The Rotary Club of Bluffton: Mayfest Weekend in Bluffton ATAC Staff Report
8. OTBMS: Bluffton as a Destination Grant Application
9. OTBMS: Bluffton as a Destination ATAC Staff Report
10. ATAC Scoring Table Rating Matrix
11. Previously Funded Grant Listing
12. Recommended Motions