

## TOWN COUNCIL

### STAFF REPORT

#### Finance & Administration Department



<b>MEETING DATE:</b>	September 10, 2024
<b>PROJECT:</b>	Consideration of Accommodations Tax Advisory Committee Funding Recommendations for Quarter Ending June 30, 2024
<b>PROJECT MANAGER:</b>	Natalie Majorkiewicz, CGFO, Director of Finance & Administration

#### 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
<b>Historic Bluffton Arts &amp; Seafood Festival:</b> 2024 Arts & Seafood Festival (20 <sup>th</sup> Anniversary)	\$ 80,000	\$ 80,000
<b>Coastal Conservation Association:</b> 2024 Conservation Weekend	\$ 10,000	\$ 10,000
<b>Boys &amp; Girls Club of the Lowcountry:</b> 2024 Bike Bluffton	\$23,500	\$23,500
<b>Historic Bluffton Foundation:</b> Quarter 2 of Fiscal Year 2025 – Welcome Center	\$40,000	\$40,000
<b>Historic Bluffton Foundation:</b> Luke Peebles Music Celebration	\$5,000	\$3,200
<b>Total for Quarter Ending June 30, 2024</b>	<b>\$158,500</b>	<b>\$156,700</b>

#### BACKGROUND:

In accordance with the grant process, the Accommodations Tax Advisory Committee (ATAC) held a meeting on August 20, 2024 to review the quarterly applications. There were five (5) applications to review and make recommendations of funding to Town Council.

Additionally, the committee is reviewing the current policies and procedures, application, and scoring sheets and is working on recommendations to bring for Council's consideration at a later date.

### Funds Currently Available for Distribution:

When comparing the State Accommodations Tax collections for the quarter ending June 2024 to the same quarter of last year, the revenues are down \$27,749 or approximately 5.7%.

Total estimated State Accommodations Tax funds currently available for distribution are \$595,051 as outlined in the following chart:

State ATAX	
Remaining from Previous Qtr.	\$ 249,829
4 <sup>th</sup> Quarter Revenue	457,086
First \$25k to General Fund*	N/A
5% to General Fund	(22,854)
30% to DMO	(137,126)
Lapsed Grants	48,116
<b>Total State ATAX Funds Remaining for Distribution</b>	<b>\$ 595,051</b>

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

### Funds Requested for Distribution:

□ **Historic Bluffton Arts & Seafood Festival Inc. requests \$80,000 to support advertising and promotion, municipal and county services, public facilities, and tourist transportation service expenses for the 2024 Arts & Seafood Festival.**

- This year's event takes place over twenty days in celebration of its 20<sup>th</sup> anniversary October 1-20, 2024
- This year's request is 36% of the \$220,950 budget.
- Total visitors for the 2023 festival was approximately 43%.
- Eligible "tourism-related expenditures" include:
  - "Advertising and promotion of tourism" is budgeted at \$74,000.
  - "Public facilities" is budgeted at \$30,000 for rentals, trash, and additional restrooms.
  - "Municipality services" is budgeted at \$8,000 for security and fire protection.
  - "Tourist Transportation" is budgeted at 5,000 for shuttle expenses.

**The committee voted unanimously to recommend a total award of \$80,000 presented in the chart below:**

Historic Arts & Seafood Festival - 2024	Total Budget		Recommended ATAX Grant (approx. 36% of project budget)
Advertising and Promotion of Tourism:	\$ 74,000		\$ 70,000
Facilities for Civic and Cultural Events			
Public Facilities	30,000	*	10,000
Municipality and County Services	8,000	*	
Tourist Transportation	5,000	*	
Project Expenses:	103,950		N/A
<b>Total</b>	<b>\$ 220,950</b>		<b>\$ 80,000</b>

\* Based on percentage directly related to tourist attendance

N/A – Not Applicable

❑ **Coastal Conservation Association requests \$10,000 to support advertising and promotion of tourism for Celebrating Conservation Weekend in Bluffton.**

- This event is scheduled to be held September 20-22, 2024 in Old Town Bluffton.
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” \$10,000 recommended.

The committee voted 5-0 with Parker recusing to recommend a total award of \$10,000 presented in the chart below:

<b>Celebrating Conservation Weekend in Bluffton</b>	<b>Total Budget</b>		<b>Recommended ATAX Grant (approx. 13% of project budget)</b>
Advertising and Promotion of Tourism:	\$ 10,000		\$ 10,000
Facilities for Civic and Cultural Events	18,000		
Public Facilities		*	
Municipality and County Services		*	
Tourist Transportation		*	
Project Expenses:	49,895		N/A
<b>Total</b>	<b>\$ 77,895</b>		<b>\$ 10,000</b>

N/A – Not Applicable

❑ **Bluffton Boys & Girls Club is requesting \$23,500 to support advertising and promotion of tourism for 2024 Bike Bluffton.**

- The event is scheduled for Sunday, November 3, 2024.
- 70% of the 2023 riders were from out of town
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” is budgeted at \$24,641 and \$23,500 is being requested in support.

The committee voted unanimously to recommend a total award of \$23,500 presented in the chart below:

<b>Bike Bluffton - 2024</b>	<b>Total Budget</b>		<b>Recommended ATAX Grant (79% of project budget)</b>
Advertising and Promotion of Tourism:	\$ 24,641		\$ 23,500
Facilities for Civic and Cultural Events			
Public Facilities		*	
Municipality and County Services		*	
Tourist Transportation		*	
Project Expenses	5,155		N/A
<b>Total</b>	<b>\$ 29,800</b>		<b>\$ 23,500</b>

N/A – Not Applicable

□ **Historic Bluffton Foundation (HBF) requests \$40,000 to support the Welcome Center at the Heyward House for the second quarter of the fiscal year for October 1, 2024 through December 31, 2024.**

- The Heyward House serves as the Town of Bluffton’s official Welcome (Visitors) Center.
- The request of \$40,000 is approximately 46.7% of the Welcome Center’s quarterly budget.
- This request is for the second quarter as recommended by the Town with the Town of Bluffton Welcome Center anticipated to open in January 2025.
- Total visitors for FY2023 was over 18,550 with approximately 87% of those being from out of town.
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” is budgeted at \$7,800 for the year.
  - “Facilities for civic and cultural vents” is budgeted at \$124,300 for the year.
  - “Operating Visitor Information Center” is budgeted at \$207,200 and qualifies per SC Revenue Ruling #98-22, *“expenditures that will qualify under this category are any monies spent to operate and maintain centers whose primary purpose is to provide information, brochures, and other services to tourist.”*

The committee unanimously voted to recommend a total award of \$40,000 presented in the chart below:

Eligible Tourism-Related Expense Categories (per SC Code of Laws)	Total Budget for Category		Recommended ATAX Funds
Advertising & Promotion of Tourism or Arts and Cultural Events	\$7,800		
Facilities for Civic and Cultural Events	124,300		
Public Facilities			
Municipality and County Services		*	
Tourist Transportation		*	
Visitors Centers	207,200		\$40,000
Other/Ineligible Project Expenses	3,000		
<b>Total</b>	<b>\$342,300</b>		<b>\$40,000</b>

□ **Historic Bluffton Foundation (HBF) requests \$5,000 to support the Luke Peeples Music Celebration.**

- This is the first event HBF is hosting and requesting funding to support.
- The concert will take place at the historic Campbell AME Church with post-show reception at the Heyward House on October 25, 2024.
- The application was tabled by ATAC last quarter.

The committee unanimously voted to recommend a total award of \$3,200 presented in the chart below:

Eligible Tourism-Related Expense Categories (per SC Code of Laws)	Total Budget for Category		Recommended ATAX Funds
Advertising & Promotion of Tourism or Arts and Cultural Events	\$2,000		\$2,000
Facilities for Civic and Cultural Events	1,200		1,200
Public Facilities			
Municipality and County Services		*	
Tourist Transportation		*	
Visitors Centers			
Other/Ineligible Project Expenses	10,000		
<b>Total</b>	<b>\$13,200</b>		<b>\$3,200</b>

#### **NEXT STEPS:**

Town Staff will notify organizations of award amount and requirements.

#### **SUMMARY:**

Below are the applications received for quarter ending June 30, 2024 and ATAC's recommendation for each:

Requesting Organization	Amount Requested	Amount Recommended
<b>Historic Bluffton Arts &amp; Seafood Festival:</b> 2024 Arts & Seafood Festival (20 <sup>th</sup> Anniversary)	\$ 80,000	\$ 80,000
<b>Coastal Conservation Association:</b> 2024 Conservation Weekend	\$ 10,000	\$ 10,000
<b>Boys &amp; Girls Club of the Lowcountry:</b> 2024 Bike Bluffton	\$23,500	\$23,500
<b>Historic Bluffton Foundation:</b> Quarter 2 of Fiscal Year 2025 – Welcome Center	\$40,000	\$40,000
<b>Historic Bluffton Foundation:</b> Luke Peeples Music Celebration	\$5,000	\$3,200
<b>Total for the Quarter</b>	<b>\$ 158,500</b>	<b>\$ 156,700</b>

**ATTACHMENTS:**

1. ATAC approved meeting minutes from July 30, 2024 Workshop
2. ATAC draft meeting minutes from August 20, 2024
3. Historic Bluffton Arts & Seafood Festival: 2024 Historic Bluffton Arts & Seafood Festival Grant Application
4. Historic Bluffton Arts & Seafood Festival: 2024 Historic Bluffton Arts & Seafood Festival ATAC Staff Report
5. Coastal Conservation Association: Celebrating Conservation Weekend in Bluffton Grant Application
6. Coastal Conservation Association: Celebrating Conservation Weekend in Bluffton ATAC Staff Report
7. Bluffton Boys & Girls Club: 2024 Bike Bluffton Grant Application
8. Bluffton Boys & Girls Club: 2024 Bike Bluffton ATAC Staff Report
9. Historic Bluffton Foundation: Welcome Center at the Heyward House Grant Application
10. Historic Bluffton Foundation: Welcome Center at the Heyward House ATAC Staff Report
11. Historic Bluffton Foundation: Luke Peeples Music Celebration Grant Application
12. Historic Bluffton Foundation: Luke Peeples Music Celebration ATAC Staff Report
13. ATAC Scoring Table Rating Matrix
14. Previously Funded Grant Listing
15. Recommended Motions