

ACCOMMODATIONS TAX ADVISORY COMMITTEE

STAFF REPORT

Department of Finance & Administration



MEETING DATE: November 15, 2023
 SUBJECT: May River Theatre, Inc.: Advertising & Royalty Funding for 2024 Season
 PROJECT MANAGER: Shannon Milroy, Budget & Procurement Analyst

Summarized below is the application from May River Theatre, Inc. for Accommodations Tax grant dollars in support of advertising/marketing and royalties for the theatre's 2024 season, which includes six (6) productions.

Total Budget: \$98,726

Requested Amount: \$39,801

Percentage of Request^: 40.31%

^Includes up to 100% for Advertising & Promotion plus up to 50% of remaining expenses

| Eligible Tourism-Related Expense Categories (per SC Code of Laws) | Total Budget for Category | | Requested ATAX Funds |
|--|------------------------------|---|-------------------------|
| Advertising & Promotion of Tourism or Arts and Cultural Events | \$28,423 | | \$27,022 |
| Facilities for Civic and Cultural Events | 12,779 | | 12,779 |
| Public Facilities | - | | - |
| Municipality and County Services | - | * | - |
| Tourist Transportation | - | * | - |
| Other/Ineligible Project Expenses | 57,524 | | - |
| Total | \$98,726 | | \$39,801 |

*Reimbursement will be based on the estimated percentage of tourists provided for

Budgeted Eligible Expenses:

Advertising & Promotion:

Total budget: \$28,423

- Encompasses marketing related to six (6) productions planned for the 2024 season; marketing totals for each production vary.
- Marketing expenses include graphic design of advertisements as well as publication in newspapers and magazines, social media, billboards and creation of posters and rack cards.

Facilities for Civic and Cultural Events:

Total Budget: \$12,779

- Royalty payments, which vary per production, for Calendar Girls (February/March), Jesus Christ Superstar (April), Lend Me a Tenor (June), Series of One Acts (August), Carrie (October/November) and Holiday Show (December).

Table Rating (Scores 0-5 with 5 satisfying the qualifications best, exception Advertising 0-15)

| Amount Recommended | Advertising (15) | Festival/Event (5) | Bluffton Event (5) | Tourism Draw % (5) | Benefit to Tourism (5) | Self-Sufficiency % (5) | Total of 40 possible | Comments |
|--------------------|------------------|--------------------|--------------------|--------------------|------------------------|------------------------|----------------------|----------|
| \$39,801 | 10 | 4 | 4 | 3 | 4 | 3 | 28 | |

Advertising: Budgeted funds for this category comprise approximately 69% of the total requested funds. Specific markets and publications were not indicated in the grant application, but historically, advertisements have been printed in The Bluffton Sun and CB2 Magazine as well as the use of billboards on Highway 170, the Savannah Highway and I-16. Social media posts are also utilized.

Festival/Event: Each production will perform six (6) times during the above-mentioned months of 2024 with the exception of the One Acts Series, which will perform three (3) shows.

Bluffton Event: Productions take place in the auditorium located in Bluffton Town Hall.

Tourism Draw %: Polling consistently shows approximately 40% of patrons are from outside of Bluffton.

Benefit to Tourism: Attendees from Beaufort, Jasper and Chatham Counties as well as vacationers made the theatre a destination, which leads to increased traffic at Bluffton shops, restaurants, and galleries.

Self-Sufficiency % (Financial Need): Requesting approximately 42% of the total budget. Additional revenue is anticipated from ticket and concession sales, program ads and sponsorships.

| Previous Funding Amounts | | | | | | |
|--------------------------|------------------|-------------|-----------------------------------|-----------------------|-------------|---|
| Fiscal Year | Requested Amount | % of Budget | Advisory Committee Recommendation | Town Council Approved | Expended | Comments |
| 2023 | \$34,790 | 32.5% | \$38,715 | \$38,715 | \$29,562.28 | 2023 Season not yet complete |
| 2022 | \$11,481 | 27% | \$ 11,481 | \$11,481 | \$6,262.25 | Expenses incurred through December 2022 |
| 2022 | \$22,195 | 100% | \$21,615.50 | \$21,615.50 | \$6,143.17 | Expenses incurred through December 2022 |

Accommodations Tax Committee Recommendations and Comments:

The Committee recommends funding \$39,801 for advertising and promotion of tourism and facility support expenses.

