

# TOWN COUNCIL



## STAFF REPORT

### Finance & Administration Department

<b>MEETING DATE:</b>	June 11, 2024
<b>PROJECT:</b>	Consideration of Accommodations Tax Advisory Committee Funding Recommendations for Quarter Ending March 31, 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>Society of Bluffton Artists:</b> 30 <sup>th</sup> Year Anniversary	\$ 20,000	\$ 20,000
<b>Hilton Head Symphony Orchestra:</b> 2024 Bluffton Concerts	43,632	43,632
<b>BlacQuity SC:</b> 2024 Roots & Rivers Festival	25,000	25,000
<b>Bluffton MLK Observance Committee:</b> 9 <sup>th</sup> Annual Bluffton Juneteenth Festival Weekend	20,000	20,000
<b>Historic Bluffton Foundation:</b> Welcome Center at the Heyward House (FY25 Q1)	40,000	40,000
<b>Historic Bluffton Foundation:</b> Luke Peeples Music Celebration	5,000	Tabled
<b>Total for the Quarter</b>	<b>\$ 153,632</b>	<b>\$ 148,632</b>

### BACKGROUND:

In accordance with the grant process, the Accommodations Tax Advisory Committee (ATAC) held a meeting on May 21, 2024 to review the quarterly applications. There were six (6) applications to review and make recommendations of funding to Town Council.

Additionally, ATAC reviewed the recommended Town Ordinance changes to Chapter 24 – Taxation and has no additional comments.

Lastly, ATAC is looking to hold a Workshop to review the application process and requirements. The date tentatively scheduled for the Workshop is Tuesday, July 30, 2024.

**Funds Currently Available for Distribution:**

When comparing the estimated State and Local Accommodations Tax collections for the quarter ending March 2024 to the same quarter of last year, the revenues are up \$15,325 or approximately 10.6%.

Total estimated State Accommodations Tax funds currently available for distribution are \$398,461 as outlined in the following chart:

<b>State ATAX</b>	
Remaining from Previous Quarter	\$ 189,431
3 <sup>rd</sup> Quarter Revenue	159,427
First \$25k to General Fund*	N/A
5% to General Fund	(7,971)
30% to DMO	(47,828)
Lapsed Grants	105,402
<b>Total State ATAX Funds Remaining for Distribution</b>	<b>\$ 398,461</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:**

☐ **Society of Bluffton Artists (SoBA) requested \$20,000 in support of advertising and promotion of tourism for its 30<sup>th</sup> Year Anniversary Project.**

- The gallery/education center is located at 6 Church Street in Old Town Bluffton.
- To grow media presence and expand advertising, host events, and a Gala to celebrate SOBA’s contributions to the community.
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” is budgeted at \$40,000 for social media, advertising blitz for festive events, Gala, and news articles and interviews throughout South Carolina and adjoining state media.

**The committee voted to recommend a total award of \$20,000 presented in the chart below:**

<b>Eligible Tourism-Related Expense Categories (per SC Code of Laws)</b>	<b>Total Budget for Category</b>		<b>Recommended ATAX Funds</b>
Advertising & Promotion of Tourism or Arts and Cultural Events	\$ 40,000		\$ 20,000
Facilities for Civic and Cultural Events	-		
Public Facilities	-		
Municipality and County Services	-	*	
Tourist Transportation	-	*	
Other/Ineligible Project Expenses	210,846.85		
<b>Total</b>	<b>\$ 250,846.85</b>		<b>\$ 20,000</b>

❑ **Hilton Head Symphony Orchestra requested \$43,632 to support advertising and promotion of tourism and facilities for civic and cultural events for the 2024 Bluffton Concerts.**

- There are two events scheduled; the Outdoor Pops concert on October 17, 2024 to coincide with the Historic Arts & Seafood Festival and a Holiday Pops concert held on November 30, 2024 at St. Gregory the Great Catholic Church.
- The project is a continuation of the long-range goal of regular, annual concerts presented in Bluffton.
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” is budgeted at \$16,423.
  - “Facilities for cultural events” is budgeted at \$26,950 for stage and tent rentals.
  - “Public Facilities” is budgeted at \$259 for Port-o-Lets rental.

The committee voted to recommend a total award of \$46,632 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	\$ 16,423	\$ 16,423
Facilities for Civic and Cultural Events	26,950	26,950
Public Facilities	259	259
Municipality and County Services	-	*
Tourist Transportation	-	*
Other/Ineligible Project Expenses	46,077	
<b>Total</b>	<b>\$ 89,709</b>	<b>\$ 43,632</b>

❑ **BlacQuity is requesting \$25,000 to support the Roots & River Festival project.**

- This event to be held on September 14, 2024 at Oyster Factory Park from 2-8 pm.
- ATAC recommends \$25,000 to support the 2024 event.
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” is budgeted at \$42,500.
  - “Facilities for cultural events” is budgeted at \$3,000 for stage and tent rentals.
  - “Public Facilities” is budgeted at \$1,800 for Port-o-Lets rental.

The committee voted to recommend a total award of \$25,000.

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	\$ 42,500	\$ 25,000
Facilities for Civic and Cultural Events	3,000	
Public Facilities	1,800	*
Municipality and County Services	850	*
Tourist Transportation	1,200	*
Other/Ineligible Project Expenses	17,800	
<b>Total</b>	<b>\$ 67,150</b>	<b>\$ 25,000</b>

□ **Bluffton MLK Observation Committee requests \$20,000 to support advertising and promotion of tourism, facilities for civic and cultural events, municipality services, and tourist transportation for 9<sup>th</sup> Annual Bluffton Juneteenth Weekend.**

- This event is scheduled to be held June 14 - 16, 2024 at the Burnt Church Distillery.
- The project is aimed at bringing overnight guests to the event with it being held over a weekend.
- Eligible “tourism-related expenditures” include:
  - “Advertising and promotion of tourism” is budget at \$15,500
  - “Facilities for cultural events” is budgeted at \$18,000 for stage and tent rentals.
  - “Public facilities” \$2,500 for sanitation and is based upon % of tourist attendance.
  - “Municipality services” \$5,000 for security based upon % of tourist attendance.
  - “Tourist transportation” \$3,000 based upon % of tourist attendance.

The committee voted to recommend a total award of \$20,000 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	\$ 15,500		\$ 15,500
Facilities for Civic and Cultural Events	18,000		2,190
Public Facilities	2,500	*	1,050
Municipality and County Services	5,000	*	
Tourist Transportation	3,000	*	1,260
Other/Ineligible Project Expenses	14,500		
<b>Total</b>	<b>\$ 58,500</b>		<b>\$ 20,000</b>

□ **Historic Bluffton Foundation (HBF) requests \$40,000 to support the Welcome Center at the Heyward House for the first quarter of the fiscal year for July 1, 2024 through September 30, 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.
- This year’s request is for the first 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 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.
- Due to the lack of information and eligible expenses, ATAC recommends the applicant submit for the next quarter with a revised and more complete application.

The committee voted to table the request:

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	
Facilities for Civic and Cultural Events	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>Tabled</b>

**NEXT STEPS:**

Town Staff will notify organizations of award amount and requirements.

**SUMMARY:**

Below are the applications received for quarter ending March 31, 2024 and ATAC's recommendation for each:

<b>Requesting Organization</b>	<b>Amount Requested</b>	<b>Amount Recommended</b>
<b>Society of Bluffton Artists:</b> 30 <sup>th</sup> Year Anniversary	\$ 20,000	\$ 20,000
<b>Hilton Head Symphony Orchestra:</b> 2024 Bluffton Concerts	43,632	43,632
<b>BlacQuity SC:</b> 2024 Roots & Rivers Festival	25,000	25,000
<b>Bluffton MLK Observance Committee:</b> 9 <sup>th</sup> Annual Bluffton Juneteenth Festival Weekend	20,000	20,000
<b>Historic Bluffton Foundation:</b> Welcome Center at the Heyward House (FY25 Q1)	40,000	40,000
<b>Historic Bluffton Foundation:</b> Luke Peeples Music Celebration	5,000	Tabled
<b>Total for the Quarter</b>	<b>\$ 153,632</b>	<b>\$ 148,632</b>

**ATTACHMENTS:**

1. ATAC draft meeting minutes from May 21, 2024
2. Society of Bluffton Artists: 30<sup>th</sup> Year Anniversary Grant Application
3. Society of Bluffton Artists: 30<sup>th</sup> Year Anniversary ATAC Staff Report
4. Hilton Head Symphony Orchestra: 2024 Bluffton Concerts Grant Application
5. Hilton Head Symphony Orchestra: 2024 Bluffton Concerts ATAC Staff Report
6. BlacQuity SC: Roots & Rivers Festival Grant Application
7. BlacQuity SC: Roots & Rivers Festival ATAC Staff Report
8. Bluffton MLK Observance Committee: 9<sup>th</sup> Annual Bluffton Juneteenth Festival Weekend Grant Application
9. Bluffton MLK Observance Committee: 9<sup>th</sup> Annual Bluffton Juneteenth Festival Weekend ATAC Staff Report
10. Historic Bluffton Foundation: Welcome Center at the Heyward House Grant Application
11. Historic Bluffton Foundation: Welcome Center at the Heyward House ATAC Staff Report
12. Historic Bluffton Foundation: Luke Peeples Music Celebration Grant Application
13. Historic Bluffton Foundation: Luke Peeples Music Celebration ATAC Staff Report
14. ATAC Scoring Table Rating Matrix
15. Previously Funded Grant Listing
16. Recommended Motions