

TOWN COUNCIL



STAFF REPORT

Finance & Administration Department

MEETING DATE:	June 9, 2026
PROJECT:	Consideration of Accommodations Tax Advisory Committee Funding Recommendations for Quarter Ending March 31, 2026
PROJECT MANAGER:	Shannon Milroy, Budget & Procurement Manager

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
The Farmer's Market of Bluffton: 2026 Supplemental Facility Support	\$ 9,375	\$ 9,375
Hilton Head Symphony Orchestra: 2026 Bluffton Concerts	46,818	46,818
Beaufort Water Search and Rescue: Replacement of Boat	21,875	0
Beaufort Water Search and Rescue: FY2026 Marketing Campaign regarding boater safety	7,500	0
The Bluffton MLK Observance Committee: 11 th Annual Juneteenth Celebration	20,000	20,000
Historic Bluffton Foundation: FY2027 Heyward House Museum Operations	50,000	50,000
Total for Quarter Ending March 31, 2026	\$ 155,568	\$ 126,193

BACKGROUND:

In accordance with the grant process, the Accommodations Tax Advisory Committee (ATAC) held a meeting on May 19, 2026 to review the quarterly applications. There were six (6) applications to review and make recommendations of funding to Town Council.

Funds Currently Available for Distribution:

When comparing the State Accommodations Tax collections for the quarter ending March 2026 to the same quarter of last year, the revenues increased \$15,559 or approximately 8.9%.

Total estimated State Accommodations Tax funds currently available for distribution are \$517,123 as outlined in the following chart:

State ATAX	
Remaining from Previous Quarters	\$ 321,808
3 rd Quarter Revenue	189,743
First \$25k to General Fund*	-
5% to General Fund	(9,487)
30% to DMO	(56,923)
15% to Town of Bluffton – Housing	(28,462)
Lapsed Grants	100,444
Total State ATAX Funds Remaining for Distribution	\$ 517,123

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

Funds Requested for Distribution:

□ The Farmer’s Market of Bluffton requests \$9,375 in facilities support supplemental funding for the 2026 Market Season.

- Previous award for the 2026 Market Season of \$66,500 was made during the December 9, 2025 Town Council Meeting; if approved, funding for 2026 would increase to \$75,875 or 41.7% of the Famer’s Market total 2026 budget of \$182,150.
- The additional funds will be used to cover vendue rental fees at Martin Family Park.
- The Market will continue to run on Thursdays until December 17, 2026.
- Statistics consistently show approximately 75% tourist attendance
- Eligible “tourism-related expenditures” include:
 - Rental of venue with an additional budget of \$9,375 under the “Facilities for Civic and Cultural Events” increasing the category total from \$12,500 to \$21,875

The committee voted unanimously to recommend a supplemental award of \$9,375; budget for this ask plus the prior award are 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	\$ 54,000	\$ 54,000
Facilities for Civic and Cultural Events:	21,875	21,875
Public Facilities:	-	*
Municipality and County Services:	-	*
Tourist Transportation:	-	*
Other/Ineligible Project Expenses	106,275	N/A
Total	\$ 182,150	\$ 75,875

* Based on percentage directly related to tourist attendance

N/A – Not Applicable

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	\$ 12,600		\$ 12,600
Facilities for Civic and Cultural Events	11,500		11,500
Public Facilities	3,250	*	-
Municipality and County Services	2,100	*	-
Tourist Transportation	400	*	-
Other/Ineligible Project Expenses	21,500		-
Total	\$ 51,350		\$ 20,000

□ **Historic Bluffton Foundation (HBF) requests \$50,000 to support operations of the Heyward House Museum for fiscal year 2027 (July 1, 2026 through June 30, 2027).**

- The request of \$50,000 is the limit for operational expenses for facilities.
- This year’s request for operations support associated with the Heyward House Museum does not include payroll/salaries or any capital projects/expenses
- Annual visitors are projected to be 37,000 with approximately 88% being from out of town.
- Eligible “tourism-related expenditures” include:
 - “Operating Expenses” including advertising, utilities, subscriptions, office & janitorial supplies, insurance, minor repairs, and contracted services such as cleaning, pest control, landscaping, and accounting.

The committee voted to recommend a total award of \$50,000 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	\$ -		\$ -
Facilities for Civic and Cultural Events	-		-
Public Facilities	-		-
Municipality and County Services	-	*	-
Tourist Transportation	-	*	-
Operating Expenses	218,900		50,000
Other/Ineligible Project Expenses	499,663		N/A
Total	\$ 718,563		\$ 50,000

NEXT STEPS:

Town Staff will notify organizations of award amount and requirements.

SUMMARY:

Below are the applications received for quarter ending March 31, 2026 and ATAC's recommendation for each:

Requesting Organization	Amount Requested	Amount Recommended
The Farmer's Market of Bluffton: 2026 Supplemental Facility Support	\$ 9,375	\$ 9,375
Hilton Head Symphony Orchestra: 2026 Bluffton Concerts	46,818	46,818
Beaufort Water Search and Rescue: Replacement of Boat	21,875	0
Beaufort Water Search and Rescue: FY2026 Marketing Campaign regarding boater safety	7,500	0
The Bluffton MLK Observance Committee: 11 th Annual Juneteenth Celebration	20,000	20,000
Historic Bluffton Foundation: FY2027 Heyward House Museum Operations	50,000	50,000
Total for Quarter Ending March 31, 2026	\$ 155,568	\$ 126,193

ATTACHMENTS:

1. ATAC draft meeting minutes from May 19, 2026
2. The Farmer's Market of Bluffton: 2026 Market Season – Facilities Supplemental ATAC Staff Report, Grant Application, and Scoring Sheet
3. Hilton Head Symphony Orchestra: 2026 Bluffton Concerts ATAC Staff Report, Grant Application, and Scoring Sheet
4. Beaufort Water Search and Rescue: Replacement of Boat ATAC Staff Report, Grant Application, and Scoring Sheet
5. Beaufort Water Search and Rescue: FY2026 Targeted Marketing Campaign ATAC Staff Report, Grant Application, and Scoring Sheet
6. The Bluffton MLK Observance Committee: 11th Annual Juneteenth Festival Weekend ATAC Staff Report, Grant Application, and Scoring Sheet
7. Historic Bluffton Foundation: FY2027 Heyward House Operations ATAC Staff Report, Grant Application, and Scoring Sheet
8. Previously Funded Grant Listing