

## TOWN COUNCIL

### STAFF REPORT

#### Executive Department



<b>MEETING DATE:</b>	February 14, 2023
<b>PROJECT:</b>	Consideration of a Resolution Calling on the South Carolina Legislative Delegation to Amend the South Carolina Code of Laws Governing Approved Uses of Accommodations and Hospitality Taxes to Include Affordable and Workforce Housing as an Approved Use of such Taxes; and to Amend the South Carolina Code of Laws so as to Increase South Carolina Housing Tax Credits from \$20,000,000 to \$40,000,000 Annually
<b>PROJECT MANAGER:</b>	Heather Colin, AICP Assistant Town Manager

**REQUEST:** Approval of a Resolution calling on the South Carolina Legislative Delegation to amend the South Carolina Code of Laws Governing approved uses of Accommodations and Hospitality Taxes to include affordable and workforce housing as an approved use of such taxes; and to amend the South Carolina Code of Laws (S284) so as to increase South Carolina Housing Tax Credits from \$20,000,000 to \$40,000,000 annually.

**BACKGROUND:**

The Town of Bluffton's Strategic Plan lists Affordable and/or Workforce Housing as a Strategic Focus Area and has identified five guiding principles to address the community's future housing needs, specifically:

4. Continuously seek state and federal government assistance for planning, developing and implementing affordable housing options.

The Town collects hospitality and accommodation taxes that currently are not permitted to be used for affordable and/or workforce housing initiatives, including public private partnerships. Senator Tom Davis has introduced general bill S284 (attachment 3) which addresses the expansion of uses of these dollars.

In the past fiscal years, the Town has collected the following, which if permitted for affordable and/or workforce housing could have a significant impact on the housing needs of the community:

Hospitality Tax:

- FY2021: \$2,565,705

- FY2022: \$3,279,685

Local Accommodations Tax:

- FY2021: \$1,295,141
- FY2022: \$2,141,481

State Accommodations Tax:

- FY2021: \$836,319
- FY2022: \$1,252,541

The Town of Hilton Head Island's Town Council approved a substantially similar Resolution on October 25, 2022 to express the support of the legislation to support a regional housing need.

In addition the Town of Bluffton is also requesting that the number of housing tax credits be increased address the increased need for affordable housing options for the community. Through the availability of more tools and resources, the Town will better be able to address the regional housing needs.

**ATTACHMENTS:**

1. Presentation
2. Resolution
3. S284
4. Proposed Motion