



## GUIDELINES FOR ACCOMMODATIONS TAX (ATAx) FUNDING

FY 2018 (July 1, 2017 – June 30, 2018)

Grant Due: March 2, 2017, before 5:00 PM

Applications must be submitted in ZoomGrants

Grant Cycle will open January 1, 2017 in ZoomGrants

ATax Grants are funded through the collection of Accommodations Taxes. By act of the SC General Assembly, a two percent (2%) tax is levied in South Carolina on the rental of all transient accommodations. The proceeds from this tax are utilized by municipalities and counties in the State to promote tourism and tourism-related activities.

### ALLOCATION REQUIREMENTS

The funds received by a municipality or county must be allocated as follows:

- The first \$25,000 to the General Operating Fund.
- The balance remaining, after deduction of the \$25,000, must be allocated as follows:
  - 5% of balance to General Operating Fund
  - 30% of balance to special fund for advertising and promotion of tourism
  - 65% of balance, plus interest, to a fund for tourism-related expenditures as described above

Per the South Carolina Code of Laws SECTION 6-1-530, ATax funds can be used for the following:

(A) The revenue generated by the local accommodations tax must be used exclusively for the following purposes:

- (1) tourism-related buildings including, but not limited to, civic centers, coliseums, and aquariums;
- (2) tourism-related cultural, recreational, or historic facilities;
- (3) beach access, re-nourishment, or other tourism-related lands and water access;
- (4) highways, roads, streets, and bridges providing access to tourist destinations;
- (5) advertisements and promotions related to tourism development; or
- (6) water and sewer infrastructure to serve tourism-related demand.

(B)(1) In a county in which at least nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, the revenues of the local accommodations tax authorized in this article may also be used for the operation and maintenance of those items provided in (A)(1) through (6) including police, fire protection, emergency medical services, and emergency-preparedness operations directly attendant to those facilities.

(2) In a county in which less than nine hundred thousand dollars in accommodations taxes is collected annually pursuant to Section 12-36-920, an amount not to exceed fifty percent of the revenue in the preceding fiscal year of the local accommodations tax authorized pursuant to this article may be used for the additional purposes provided in item (1) of this subsection.

In FY2017, Richland County awarded \$630,000 in ATax grants.

### ATAx GRANT PROCESS

To be considered for funding, an application must be submitted in ZoomGrants by the published deadline, **March 2, 2017, 5:00PM**. Once all applications for ATax Grant funds are received by Richland County and eligibility is verified, they will be forwarded to the ATax Committee for review.

Applicants will be required to deliver a four (4) minute **presentation** on their program to the Committee in March/April. The date will be announced as soon as possible.

The Committee will review and score each application based on the evaluation measures described below. Applications will be ranked based on the scores and the Committee will determine funding recommendations. The Committee will submit its funding recommendations to the County Council. County Council makes all funding decisions; however, the Council relies heavily on the recommendations of the Committee. Funding of all organizations and/or projects is entirely dependent upon ATax Funds received by Richland County.

### ATAx GRANT TIMELINE

Request for applications:	January – March 2, 2017
Application due date:	March 2, 2017, 5:00PM
ATax Committee meeting & applicant presentations:	March/April 2017, TBD
County budget process:	April – June 2017
Budget Public Hearing	May 18, 2017 (date subject to change)
Grant award notifications:	Late June 2017
Grant Period:	July 1, 2017 – June 30, 2018 (if awarded)
Mid-Year Reports:	Due by January 31, 2018 (if awarded)
Final Reports:	Due by July 31, 2018 (if awarded)

## ORGANIZATION ELIGIBILITY REQUIREMENTS

- Applicant organizations must have been in existence for at least one (1) year prior to requesting funds.
- Applicants must provide proof of their non-profit status and fall into one of the following categories:
  - Organizations exempt from federal income tax under Section 501(C)(3) of the Internal Revenue Code and **whose primary goal is to attract additional visitors through tourism promotion**. The letter of exemption from the Internal Revenue Service must accompany your proposal.
  - Destination Marketing Organizations, which are recognized non-profit organizations charged with the responsibility of marketing tourism for their specific municipalities, counties or regions, such as Chambers of Commerce, Convention and Visitors Bureaus and Regional Tourism Commissions.
- Richland County will not award ATax Funds to individuals, fraternal organizations or organizations that support and/or endorse political campaigns.
- Religious organizations may receive funding; however, Richland County may not sponsor nor provide financial support to a religious organization in a manner which would actively involve it in a religious activity (i.e. public funds must not be used for a religious purpose). Thus, any funds provided must be solely utilized for secular purposes and the principal or primary goal of the sponsored activity must not be to advance religion.
- Grantee organizations may not re-grant County funds to other organizations. All funds must be spent on direct program expenditures by organization that is granted the allocation.

## CRITERIA FOR PROJECT ELIGIBILITY

As required by State Statute and by the guidelines established herein, organizations and/or projects to be funded by ATax Funds must have as their primary mission the attraction of tourists to Richland County. Each funding proposal will be reviewed individually to determine the potential impact it will have on the County's tourism efforts.

Priority will be given to organizations and/or projects that have the following characteristics:

- will generate overnight stay(s) in Richland County's lodging facilities;
- will promote and highlight Richland County's historic and cultural venues; recreational facilities and events; and the uniqueness and flavor of the local community.

## FUNDING PRIORITIES

The ATax Review Committee considers the definitions of "travel" and "tourism" to mean the action and activities of people taking trips outside their home communities for any purpose, except daily commuting to and from work. ATax funds must be used to attract and provide for tourists, and must be spent on tourism-related expenditures.

Further, the Committee has previously refused to consider applications which do not appear to promote tourism and enlarge its economic benefits through advertising, promotion, and providing those facilities and services which enhance the ability of the county to attract and provide for tourists. The Committee looks favorably upon projects that generate new hotel room nights sold that replenish the ATax fund.

The Committee encourages projects which "leverage" ATax funds as "matching" or "challenge" grants and/or which stimulate or add to the financial support contributed to the project by private and commercial/industry purses. The Committee will not generally consider applications that contemplate using any portion of the ATax fund to retire old debt or to cover previously incurred expenses or operating losses.

All grant funds must be expended by the recipient organization. Re-granting or sub-granting of ATax funds is not allowed.

## APPLICATION COMPONENTS

The grant application must be submitted in ZoomGrants through Richland County's website:

<https://zoomgrants.com/gprop.asp?donorid=2236&limited=1148>.

Make sure all fields are completed as incomplete applications will not be reviewed by the Committee. Once complete, save a copy and print. All answers should be concise and to the point. No item should be left blank. Answers such as "See Attached" and "N/A" are not acceptable. Incomplete applications will not be reviewed by the ATax Committee.

The application must be initialed electronically by the organization's Executive Director or Board Chair in the ZoomGrants system. If your organization is volunteer driven and does not have an Executive Director, please note this in the application.

**General Description** - Describe the project (a) in its totality, or at completion of the presently known ultimate stage, and/or (b) the portion, phase or section of the total project for which funding is now being requested.

- Include a thorough, but concise description (who, what, when, where and why).
- Include information about innovative ideas, community support and partnerships.
- Describe coordination that has been completed or will be needed with other organizations: if they are engaged in similar activities, or, if they will be expected to be the beneficiary of this project.

**Benefit to Tourism** – How does your event promote and highlight Richland County's historic and cultural venues, recreational facilities and events, and the uniqueness and flavor of the local community. Describe how your project will impact tourism in Richland County. Include support with data and other records or history. How are you working with local hotels and other hospitality businesses?

**Benefit to Community** – Describe how your project will benefit the community and Richland County. Include support with data and other records or history.

**Previous Success/Organization Capability** – Describe how your organization has successfully managed this program or similar programs in the past. Describe your organization's capacity for managing the program described.

**Project Marketing Plan** – Outline your marketing, advertising and promotional plans for your program. How will you track visitors and overnight stays? What methods are you using to track all visitors and count the number of tourists and residents that attend your event or participate in your program?

## BUDGET AND ELIGIBLE EXPENDITURES

The budget should reflect in financial terms the actual costs of achieving the objectives of the project(s) you propose in your application.

**ATax County funds are to be used for tourism related expenses only Per Title Six (6-4-5) of SC State Law.**

- a) advertising and promotion of tourism so as to develop and increase tourist attendance through the generation of publicity;
- b) promotion of the arts and cultural events;
- c) construction, maintenance, and operation of facilities for civic and cultural activities including construction and maintenance of access and other nearby roads and utilities for the facilities;
- d) the criminal justice system, law enforcement, fire protection, solid waste collection, and health facilities when required to serve tourists and tourist facilities. This is based on the estimated percentage of costs directly attributed to tourists;
- e) public facilities such as restrooms, dressing rooms, parks, and parking lots;
- f) tourist shuttle transportation;
- g) control and repair of waterfront erosion;
- h) operating visitor information centers.

All grant funds must be expended by the recipient organization. Re-granting or sub-granting of funds is not allowed.

Expenditures must be consistent with the application budget. Only goods and services that comply with the ATax Guidelines and State Law are permitted. Project or event vendors will not be paid directly by Richland County.

The budget should reflect in financial terms the actual costs of achieving the objectives of the project(s) you propose in your application. A budget section is provided for you as part of the application.

Amounts listed in the County ATax Request column should total the amount of funds requested on the application. Please make sure that all expenses in County column fit the expense criteria mentioned above. Eligible expenses for ATax grants are different from HTax grants. Note that there are blank spaces to provide additional expense categories as all budgets are not the same. Feel free to use these additional spaces for other categories not listed such as printing and postage for marketing mailers.

**Budget Narrative (ATax Grant Funds Only)** - Please include a brief 1-2 sentence description for each category included as a budget. For example:

- Marketing/Advertising – \$5,000 for 6 billboards located in Charleston, Greenville, Aiken, Myrtle Beach and Rock Hill. \$1,000 for TV ads in Charleston and Greenville. \$2,500 radio ads on Clear Channel.
- Printing - \$250 for flyers mailed statewide

**Budget tips:**

- Budgets MUST be entered on the budget form provided in the grant application and MUST include a narrative for ATax expenditures. This tells Richland County in detail how you plan to spend the grant funds.
- Grant funds should be used for tourism marketing first above any other expense. See the list of eligible expenditures above for more information.
- Be as detailed as possible in your budget narrative. If awarded, this information will be compared to your payment requests. Items in your payment requests must appear in your application budget.
- Signage and banners used at your event, directional signage, gift cards, programs, volunteer t-shirts, and other items handed out at your event do not count as marketing expenses.

**APPLICATION EVALUATION**

The Committee will use the following evaluation criteria to evaluate applications and proposed projects. The individual factors are important in project evaluation, as they are an indication of the degree to which the proposed project will contribute to the tourism in Richland County. Please ensure that you review these factors and include the elements in your application. These factors, with their corresponding point values, are:

**Thoroughness of Proposal:** 5 points maximum

All required forms and application are complete and submitted on time. Responses are clear and complete. Budget is complete. Support Documents are provided.

**Project Design:** 65 points maximum

- Benefit to Tourism: Does the project promote tourism in the areas of the County in which Richland County ATaxes are collected? Will it promote a positive image for the County? Will it attract visitors, build new audiences and encourage tourism expansion in the areas of the County in which Richland County Accommodation Taxes are collected? Will it increase awareness of the County's amenities, history, facilities, and natural environment in the areas of the County in which Richland County ATaxes are collected? (15 Points)
- Benefit to the Community: How will this project benefit the citizens of Richland County? Will the project benefit unincorporated Richland County? Who will attend the event? How many visitors will the event serve? A visitor is defined by someone who travels at least 10 miles to attend the event. (10 Points)
- Innovation: Is this project unusual or unique? Does it move an existing program in a new direction? (10 Points)
- Community Support: Does the project have broad-based community appeal or support? What is the evidence of need for this project in the County? (10 Points)
- Evidence of Partnerships: What kind and degree of partnership does the project exhibit? Does it exhibit volunteer involvement or inter-jurisdictional, corporate, business, and/or civic support? (10 Points)
- Management Capability: Does the applicant organization demonstrate an ability to successfully complete the project through effective business practices in the areas of finance, administration, marketing, and production? If this organization has received County ATax funding previously, was the project successful? (10 Points)

**Economic Impact & Accountability:** 30 points maximum

- Reliable Tracking Mechanism: Surveys, ticket sale data, etc. (10 Points)
- Expected Revenue Generated: What are the projected direct and indirect dollar expenditures by visitors/tourists? What is the estimated number of meals consumed? Are any overnight stays anticipated? (10 Points)
- Reasonable Cost / Benefit Ratio: Does the benefit of the project (i.e. number of tourists estimated; expected revenue generated) exceed the cost of the project? Is this project “worth” its cost? (10 Points)

**APPLICATION PACKAGE**

In order to be considered for funding, applicants must submit a **complete** application package for the ATax grant program. Incomplete applications will not be considered. Complete applications include:

- 1) Completed and signed application form. You can download the form at:  
<http://www.richlandonline.com/Government/Departments/Grants/AccommodationsTax.aspx>
  - Answer all questions and complete each section. “N/A” and “See Attached” are not valid responses.
  - Electronic initials by board chair or the executive director - If your organization does not have an Executive Director, please note this in the grant application.
- 2) Project budget and narrative (form included with the application)
- 3) Required Attachments:
  - **IRS determination letter** indicating the organization’s 501 c 3 charitable status
  - **Proof of current registration as a charity with the SC Secretary of State’s Office.** Visit [http://www.sos.sc.gov/Public\\_Charities](http://www.sos.sc.gov/Public_Charities) for more information.
  - **Current list of board of directors**
  - **Most recent 990 tax return.** If you file a 990 post-card please also attach a financial report showing financial status.
  - **Richland County business license or business license assessment survey form** (this form shows that a business license is not needed for your organization).

**Note:** You must submit one full 990 form (scheduled and attachments) with your original application.

**Incomplete applications will not be evaluated by the Committee.** County Council approved a motion in May 2011 that stated that late and incomplete applications will not be sent to the grant committees for review.

Please submit only the required elements of your application, any additional brochures and handouts will be discarded.

**Grant Cycle will open January 1, 2017 in ZoomGrants.**

**Applications are due by 5:00 p.m. on Monday, March 2, 2017 in ZoomGrants.** Emailed or faxed applications will not be accepted. **Applications must be received by 5:00 PM in ZoomGrants or they will not be considered for funding by the Committee.**

**AWARD NOTIFICATION**

The Grants Manager will notify all applicant organizations of the funding outcome in writing in June 2017. Awards will be available for reimbursement beginning July 1, 2017. Final reports for the previous fiscal year, if applicable, must be received before FY18 payments are released.

**REPORTING REQUIREMENTS**

Richland County requires grantees to complete a mid-year and/or a final report for ATax funds. Grantees are required to submit proof of grant expenditures (invoices and proof of payment).

Grantees are asked to report on attendance, room and meal numbers, event success or failure as well as the impact on Richland County, especially the unincorporated areas. Each grantee will receive a copy of or a link to the reporting documents with their award packet.

**GRANT ACKNOWLEDGEMENT**

Grantees must acknowledge the receipt of ATax funding by including the Richland County Government logo, or by stating that funds were provided by Richland County Government Accommodations Tax Funds on all program/project advertising, marketing and promotional materials. Examples of this must be included in your final report.

**Freedom of Information Act NOTICE**

Please be advised that all materials submitted for ATax grant funding are subject to disclosure based on the Freedom of Information Act (FOIA).

**CONTACT**

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