

RESOLUTION 2026/04

A RESOLUTION REPEALING RESOLUTIONS 2019/31 AND 2024/54 AND REPLACING THEM WITH RESOLUTION 2026/04 TO REVISE POLICIES AND PROCEDURES FOR PROCESSING APPLICATIONS FOR BEAUFORT COUNTY 3% LOCAL ACCOMMODATIONS TAX FUNDS AND HOSPITALITY TAX FUNDS

WHEREAS, South Carolina Code of Laws Section 6-1-500 et. seq. authorizes local governments to enact by ordinance a local accommodations tax (A-Tax) South Carolina Code of Laws Section 6-1-700 et. seq. authorizes local governments to enact by ordinance a hospitality tax (H-Tax); and

WHEREAS, Beaufort County Council recognizes the value of promoting tourism-related activities and Beaufort County has iconic, historic and natural assets that attract millions of tourists each year; and

WHEREAS, Beaufort County Council recognizes that it is desirable to use local 3% A-Tax and H-Tax funds to offset costs associated with supporting tourism related infrastructure, emergency services, cultural and recreation facilities and other items available to be funded by local 3% A-Tax and H-Tax as provided for in state and local law; and

WHEREAS, Beaufort County Council (“Council”), finds that it is in the best interest of Beaufort County, and other recipients of the 3% Accommodations Tax (“local A-tax”) pursuant to Section 66-41 and the Hospitality Tax (“H-tax”) pursuant to Section 66-531 of the Beaufort County Code of Ordinances to establish a uniform grant funding policy; and

WHEREAS, Council adopted Resolution 2019/31 on August 26, 2019, to establish policies and procedures for the processing of applications for A-Tax and H-Tax funds, which is attached hereto as Exhibit C; and

WHEREAS, Council adopted Resolution 2024/54 on October 14, 2024, to update the policies and procedures for the processing of applications for A-Tax and H-Tax funds, which is attached hereto as Exhibit B; and

WHEREAS, the award or grant of funds from local 3% A-Tax and H-Tax accounts may be made by resolution; and

WHEREAS, each year, County Council receives a number of requests for A-Tax or H-Tax funds; and

WHEREAS, Council wishes to set forth an appropriate process for the review and approval of applications for local 3% A-Tax and H-Tax funds; and

WHEREAS, the Beaufort County Council now wishes to repeal Resolutions 2024/54 and 2019/31 and establish revised policies and procedures for processing of applications for local 3% A-Tax and H-Tax funds.

NOW, THEREFORE, BE IT RESOLVED THAT Resolutions 2024/54 and 2019/31 are hereby repealed and Council hereby adopts the revised Beaufort County Local 3% Accommodations and Local Hospitality Tax Grant Funding Policy provided in Exhibit A, which is attached hereto and incorporated herein by reference.

Adopted this 23rd day of February, 2026.

COUNTY COUNCIL OF BEAUFORT COUNTY

BY: Alice G. Howard

Alice G. Howard, Chairman

ATTEST:

Sarah W. Brock

Sarah W. Brock, Clerk to Council

EXHIBIT A

The following sets forth the essential procedures for anyone seeking funding from A-Tax or H-Tax funds:

- Step 1. Any entity or organization wishing to request A-Tax or H-Tax funds must first submit an application. The application shall identify the organization requesting funds and its contact information, the contact person for the organization, the purposes of the funds requested, a short description of how the funds will be used in compliance with statutory mandates, other funding sources, historical A-Tax/H-Tax requests, and any other information deemed necessary by the Administrator or Administrator's designee. Attached, as Exhibit A-1, is a sample application with instructions. Each application shall include a project budget.
- Step 2. Applications shall be submitted during the 1st quarter of each calendar year. The County Administrator shall designate appropriate staff for receiving applications. Instructions for completing and submitting the application shall be provided with the application posted on the county website and provided on any other appropriate forum for communications available to the Administrator. The Administrator or Administrator's designee may modify the application and the instructions for submitting applications as needed. Applications for funding may only be submitted for projects that comply with Beaufort County Code of Ordinances Sec. 66-44 (local A-Tax) or Sec. 66-534 (H-Tax).
- Step 3. The Administrator or Administrator's designee shall review the applications submitted and bring forward all applications, with supporting documents, to the Finance Committee along with staff recommendations regarding A-Tax/H-Tax funding requests. The Administrator or Administrator's designee shall establish award review criteria with a scoring sheet for evaluating applications. Attached, as Exhibit A-2, is a sample award review criteria and scoring sheet.
- Step 4. Recommendations based on the award review criteria should be brought before Finance Committee as soon as is practicable during the 2nd quarter of each calendar year. Finance Committee shall consider the applications, the recommendations of staff, and vote to make award recommendations to County Council.
- Step 5. County Council recognizes the value in reserving A-Tax and/or H-Tax funds to be set aside and ultimately used for projects requiring large amounts of funding that may not be available in a single fiscal year. County Council shall state any amounts it wishes to reserve for a set aside account to be rolled over and added to any other amounts in the rollover account. When an applicant seeks funds from the set aside rollover account, the entity seeking such funds must also comply with the policies and procedures set forth herein.
- Step 6. After County Council has appropriated funds for distribution by ordinance, Council shall be presented with a resolution for the awarding of A-Tax or H-Tax funds in conformance

with the recommendations of the Finance Committee. County Council may adopt, reject, or modify the recommendations of the Finance Committee.

Step 7. After the adoption of the resolution, the awards shall be made to the approved entities. Awards may be issued in a lump sum, or in periodic payments. The Chief Financial Officer shall make determinations as to the feasibility of making a single payment or periodic payments based on a number of factors, including but not limited to the total number of awards, the total dollar amount of the awards, the amounts available, the amounts projected, and any other factor.

Step 8. After an award is granted, an entity has up to one (1) year to submit a progress report to the Beaufort County Administrator or Administrator's designee. Attached, as Exhibit A-3, is a sample progress report. Failure to comply with the reporting requirements shall result in the entity becoming ineligible for any future A-Tax or H-Tax appropriation. Furthermore, if it is deemed that the entity is not in compliance with the reporting requirements, Beaufort County may seek reimbursement of the appropriations by any lawful means available. Instructions for submitting an accounting report shall be provided in the same manner as instructions for the application. For large awards (in excess of \$100,000), multiple reports may be required. The schedule for submitting accounting reports for large awards shall be stated in an award letter to the entity receiving funds.

The following sets forth the essential policies of Beaufort County regarding the appropriations of A-Tax or H-Tax funds:

1. Applications must be complete or will not be considered.
2. Project budgets must accompany applications.
3. Applications should identify other funding sources or matching funds.
4. Funding may be for reimbursement or for anticipated costs of projects.
5. Any organizations receiving County funds are subject to audit, inspections and reporting requirements including but not limited to providing supporting documentation for expenditures that utilize A-Tax/H-Tax funds.
6. A-Tax and H-Tax funds must be primarily for tourism related projects. Permitted uses of A-Tax funds are provided in Beaufort County Code of Ordinances Sec. 66-44 and permitted uses of H-Tax funds are provided in Beaufort County Code of Ordinances Sec. 66-534.
7. Applicants shall include information about prior awards of A-Tax and H-Tax funds.
8. The Administrator or Administrator's designee is authorized to add additional guidance in the instructions for applications about appropriate uses of A-Tax and H-Tax funds.

9. The Administrator or Administrator's designee is authorized to make amendments to the application (Exhibit A-1), award review criteria and scoring sheet (Exhibit A-2), and progress report (Exhibit A-3) provided herein as samples.
10. Applicants must be able to substantiate the relationship between the requested funds and "tourism related expenditures."
11. Applicants must submit a final report for an award before receiving a subsequent award. Entities may apply for a subsequent funding request; however, no additional funds can be appropriated to an entity until a final report is provided.