This information is provided in response to a question asked at the March 29, 2022 meeting with Asheville City Schools.

See below, this is pulling from 2022 data and includes typical single-family parcels (large and small lots), townhomes, and condominiums.

### 2022 Real Estate

<table>
<thead>
<tr>
<th></th>
<th># Single Family Homes</th>
<th>Median Market Value</th>
<th>Median Taxable Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUNCOMBE</td>
<td>80,928</td>
<td>291,300</td>
<td>287,300</td>
</tr>
<tr>
<td>City of Asheville</td>
<td>28,394</td>
<td>293,300</td>
<td>289,450</td>
</tr>
<tr>
<td>City of Asheville Schools</td>
<td>15,223</td>
<td>344,050</td>
<td>339,100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asheville City Schools Supplemental Tax Rate</th>
<th>Tax on Median Taxable Value in City of Asheville School District</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.62₵</td>
<td>$360.12</td>
</tr>
<tr>
<td>12.00₵</td>
<td>$406.92</td>
</tr>
<tr>
<td>Difference in tax</td>
<td>$46.8 increase</td>
</tr>
</tbody>
</table>
Arts & Culture Grant
FY2023 Buncombe County Budget Planning

Issues

• Buncombe County does not have a dedicated funding process related to the arts and culture
• Organizations seeking County funding for arts, museums, and culture-related services currently must apply to broader County grant programs.
• Grant programs operate on a competitive basis, which leads to uncertainty and fluctuation in funding for Arts, museums, and culture.
• Existing grant programs operate on an annual basis with time limitations, such as no more than 3 years for a single project in Strategic Partnership Grants.

Considerations

• NC Counties have clear legal authority to fund arts programs and museums operated by community organizations.
• Although arts, museums, and culture programs are not mandated County services, it is typical for NC counties to contribute some funds towards this sector. Amounts and funding mechanisms vary widely by county.
• Establishing a specialized grant program for awarding to arts, museums, and culture organizations would increase stability in funding for this sector.
• Working with a third-party entity to administer the grant program would be a way to alleviate the administrative burden associated with implementing & monitoring a new grant program.
• Buncombe County’s officially designated Arts Agency is the Asheville Area Arts Council, which already operates re-granting programs.
• The Asheville Area Arts Council demonstrated effectiveness in this role with the recently awarded Grassroots Arts Program Awards, supported with funds from Buncombe County as part of American Rescue Plan Act (ARPA) COVID Recovery Funding.

Recommendation

• Budget $129,788* in County general funds for an Arts & Culture Grant beginning in FY2023.
• Contract with Asheville Area Arts Council to administer the grant program.
• Negotiate a 10-12% administrative fee to include: outreach/engagement; application processing; selection; awards; monitoring; reporting on use of funds; and sector-wide data reporting.
• Ensure eligibility for all nonprofit museums, arts & culture organizations.
• Allow funds to be used for operational costs and/or project-specific needs.
• Limit funding to Buncombe County-based nonprofits with programs serving Buncombe residents.
• Prioritize funding for programs that reach underserved communities.

Notes

• Nonprofit science centers or children’s museums that provide STEAM (Science, Technology, Engineering, Arts & Math) education would be eligible for grants under this proposed structure.
• The “A” in STEAM is a term that represents liberal arts, language arts, social studies, physical arts, fine arts, and music.

*Recommended amount is based on $.50 per capita, calculated a County population of 259,579 (US Census American Community Survey 2020 ACS 5-Year Estimates Data Profiles)
Rental Car Gross Receipts Tax

Per our tax collector, NCGS sets the maximum tax rate for short-term leased or rental of vehicles.

- § 153A-156(a). Gross receipts tax on short-term leases or rentals - As a substitute for and in replacement of the ad valorem tax, which is excluded by G.S. 105-275(42), a county may levy a gross receipts tax on the gross receipts from the short-term lease or rental of vehicles at retail to the general public. The tax rate shall not exceed one and one-half percent (1.5%) of the gross receipts from such short-term leases or rentals.

Buncombe County administers the maximum allowable rate per statute.
- 1.5% of gross receipts for Rental vehicle

Revenue comparison for the rental car gross receipts tax

<table>
<thead>
<tr>
<th></th>
<th>FY21 Actuals</th>
<th>FY22 Amended Budget</th>
<th>FY22 Projected</th>
<th>FY23 Second Pass</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Car Gross Receipts</td>
<td>$674,302</td>
<td>$600,000</td>
<td>$888,000</td>
<td>$825,000</td>
</tr>
</tbody>
</table>

This is an unrestricted revenue and is included in the Other Taxes and Licenses category of revenues.