

AGENCY NAME:	Patriots Point Development Authority		
AGENCY CODE:	P360	SECTION:	52



**Fiscal Year 2025-26
Agency Budget Plan**

FORM A - BUDGET PLAN SUMMARY

OPERATING REQUESTS (FORM B1)	For FY 2025-26, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting General Fund Appropriations.
	<input checked="" type="checkbox"/>	Requesting Federal/Other Authorization.
	<input type="checkbox"/>	Not requesting any changes.

NON-RECURRING REQUESTS (FORM B2)	For FY 2025-26, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting Non-Recurring Appropriations.
	<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
	<input checked="" type="checkbox"/>	Not requesting any changes.

CAPITAL REQUESTS (FORM C)	For FY 2025-26, my agency is (mark "X"):	
	<input checked="" type="checkbox"/>	Requesting funding for Capital Projects.
	<input type="checkbox"/>	Not requesting any changes.

PROVISOS (FORM D)	For FY 2025-26, my agency is (mark "X"):	
	<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
	<input type="checkbox"/>	Only requesting technical proviso changes (such as date references).
	<input checked="" type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<i>Name</i>	<i>Phone</i>	<i>Email</i>
PRIMARY CONTACT:	Nick Magar	843-881-5996	nmagar@patriotspoint.org
SECONDARY CONTACT:	Allison Hunt	843-881-5922	ahunt@patriotspoint.org

I have reviewed and approved the enclosed FY 2025-26 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<i>Agency Director</i>	<i>Board or Commission Chair</i>
SIGN/DATE:	<u>Allison Hunt</u> <small>Allison Hunt (Sep 19, 2024 07:13 PDT)</small>	<u>Wayne Adams</u> <small>Wayne Adams (Sep 19, 2024 15:59 EDT)</small>
TYPE/PRINT NAME:	Allison Hunt	Wayne Adams

This form must be signed by the agency head – not a delegate.

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BUDGET REQUESTS			FUNDING					FTES				
Priority	Request Type	Request Title	State	Federal	Earmarked	Restricted	Total	State	Federal	Earmarked	Restricted	Total
1	C - Capital	Landside Retail/Office Building and Structured Parking	25,000,000	0	0	0	25,000,000	0.00	0.00	0.00	0.00	0.00
2	B1 - Recurring	Patriots Point Increase Authorization Amount	0	0	0	5,000,000	5,000,000	0.00	0.00	0.00	0.00	0.00
TOTALS			25,000,000	0	0	5,000,000	30,000,000	0.00	0.00	0.00	0.00	0.00

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FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY	2
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Patriots Point Increase Authorization Amount
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Provide a brief, descriptive title for this request.

AMOUNT	<p>General: \$0</p> <p>Federal: \$0</p> <p>Other: \$5,000,000</p> <p>Total: \$5,000,000</p>
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What is the net change in requested appropriations for FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS	0.00
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Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input type="checkbox"/>	Change in cost of providing current services to existing program audience
	<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/>	Non-mandated program change in service levels or areas
	<input type="checkbox"/>	Proposed establishment of a new program or initiative
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program
	<input checked="" type="checkbox"/>	Exhaustion of fund balances previously used to support program
	<input type="checkbox"/>	IT Technology/Security related
	<input type="checkbox"/>	HR/Personnel Related
<input type="checkbox"/>	Consulted DTO during development	
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:	
	<input type="checkbox"/>	Education, Training, and Human Development
	<input type="checkbox"/>	Healthy and Safe Families
	<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
	<input checked="" type="checkbox"/>	Public Infrastructure and Economic Development
<input type="checkbox"/>	Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>This funding request supports the agency goals of debt reduction and fiscal responsibility and preservation of state assets and national landmarks and collections. The request would advance these strategies by allowing the agency to increase the yearly payment on its outstanding debt obligation, fund the agency's portion of the USS Yorktown remediation project, and other maintenance costs related to the USS Yorktown, USS Laffey and pier. The agency's current authorization level will not allow it to successfully fund annual operations and these larger scale projects. If the agency were allowed to increase the authorization level of its own funds, annual operations and these projects can be funded by the agency. These funds would be evaluated by making increased payments to the Treasurer's Office on its outstanding loan and with successful and cost effective maintenance repairs.</p>
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What specific strategy, as outlined in the most recent Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

	This request is not an ask for the receipt of funds, but rather for Patriots Point to be
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RECIPIENTS OF FUNDS

allowed to increase the amount of its own money it is allowed to spend in a fiscal year. The disbursements of these funds to vendors will follow all procurement rules and regulations as mandated by the South Carolina Procurement Code.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Patriots Point Development Authority's current state budget is \$15 million. The agency does not ask for yearly appropriations to fund operations. The revenue the agency generates through ticket admissions and as a lease tenant funds its annual operations. Patriots Point is asking to raise the authorization level of money it is allowed to spend from \$15 million to \$20 million to make payments to decrease its outstanding debt obligation on the Laffey loan, for the agency's portion of the USS Yorktown remediation project and for the significant maintenance expenditures that need to be made in the coming years for the USS Yorktown, USS Laffey and the pier. The current agency authorization level will not allow the agency to fund annual operations as well as these larger, major expenditures. Patriots Point is doing well enough financially where it can fund operations and these projects in the ensuing fiscal years, the agency's authorization level needs to be increased in order to do so.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

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FORM C – CAPITAL REQUEST

AGENCY PRIORITY	1
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Provide the Agency Priority Ranking from the Executive Summary.

TITLE	Landside Retail/Office Building and Structured Parking
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Provide a brief, descriptive title for this request.

AMOUNT	\$25,000,000
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How much is requested for this project in FY FY 2025-2026? This amount should correspond to the total for all funding sources on the Executive Summary.

CPIP PRIORITY	<p>2023 was the first year in which the project was included in the agency's CPIP. It is priority 1/1, plan year 1.</p> <p>If funding is not made available or delayed the agency would have to explore temporary building solutions which would increase the overall cost of the project. The retail store provides a significant source of yearly revenue and the agency currently has no landside office and public meeting spaces so a permanent building will need to be built at some point. A temporary building would cost approximately \$250,000 - \$300,000 up front and roughly \$10,000 per month. Operating retail sales through a temporary building can also be expected to produce a decline in revenue.</p>
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Identify the project's CPIP plan year and priority number, along with the first year in which the project was included in the agency's CPIP. If not included in the agency's CPIP, please provide an explanation. If the project involves a request for appropriated state funding, briefly describe the agency's contingency plan in the event that state funding is not made available in the amount requested.

OTHER APPROVALS	Project will require JBRC and SFAA approvals.
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What approvals have already been obtained? Are there additional approvals that must be secured in order for the project to succeed? (Institutional board, JBRC, SFAA, etc.)

LONG-TERM PLANNING AND SUSTAINABILITY	<p>No other funds have already been invested in this project. The agency does not anticipate requesting further capital funds in the future. The agency could potentially supplement funding with some money from its restricted fund if need be, however the project is far too expensive for the agency to fund on its own. The retail store is the agency's third largest source of revenue, grossing approximately \$2.5 million per year. Successful operation of the retail store helps fund the daily operations of the agency and helps prevent the agency from having to ask for yearly appropriations. The current retail building is 36 years old and the agency has no landside offices or public meeting spaces. The requested funding amount should provide a useful life for a building with a similar duration.</p>
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What other funds have already been invested in this project (source/type, amount, timeframe)? Will other capital and/or operating funds for this project be requested in the future? If so, how much, and in which fiscal years? Has a source for those funds been identified/secured? What is the agency's expectation with regard to additional annual costs or savings associated with this capital improvement? What source of funds will be impacted by those costs or savings? What is the expected useful life of the capital improvement?

	<p>Patriots Point Development Authority is in need of a landside facility to accommodate office, meeting, gift shop, museum, processing, IT and data, public assembly and restroom uses. The agency has never had a permanent landside office building and offices were located in mobile units. These leased temporary mobile units were removed in 2022 to make way for staff parking in light of other landside development. Office functions and staff were relocated to renovated spaces onboard the USS Yorktown. Most of the office and meeting spaces onboard the USS Yorktown cannot be made ADA compliant.</p>
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SUMMARY

The current landside retail building and pavilion houses the agency's gift shop, ticketing services, public restrooms and other third-party vendors that operate on-site. This existing building will have to be removed to accommodate the Patriots Annex early phase of development. The current building was built in 1988. With notice at any time, the agency will have a maximum of 17 months to vacate the current building. The new building is needed to accommodate all of the agency's landside needs, be fully compliant with codes and ADA regulations for staff, board, and visitors and be fully accessible in all public spaces to guests and general public. Structured parking will be built below the new building in order to accommodate staff parking requirements.

The new Landside Retail and Office Building will house agency offices and meeting spaces, museum receiving/processing/display spaces, gift shop and ticketing spaces, food service spaces, public restrooms as well as office spaces for the various third party vendors that operate on the property. The new building will provide space to meet and entertain corporate and individual donors as well as provide an easily accessible space to meet with volunteers and veterans. This new building will also include covered gathering and seated areas, an open courtyard, receiving and disposal areas, onsite parking and landscaped grounds.

The \$25,000,000 budget request is calculated at 30,000 square feet of climate controlled space at \$500/Sq Ft (\$15 million), 17,000 square feet of unconditioned space at \$300/Sq Ft (\$5.1 million), \$3,000,000 for structured parking and landscaping and sitework of 1.2 acres (\$1.9 million).

Provide a summary of the project and explain why it is necessary. Please refer to the budget guidelines for appropriate questions and thoroughly answer all related items.