



## **Beach Preservation Ad Hoc Committee**

9:00 a.m. Friday, August 2, 2024

Council Chambers

1207 Palm Boulevard

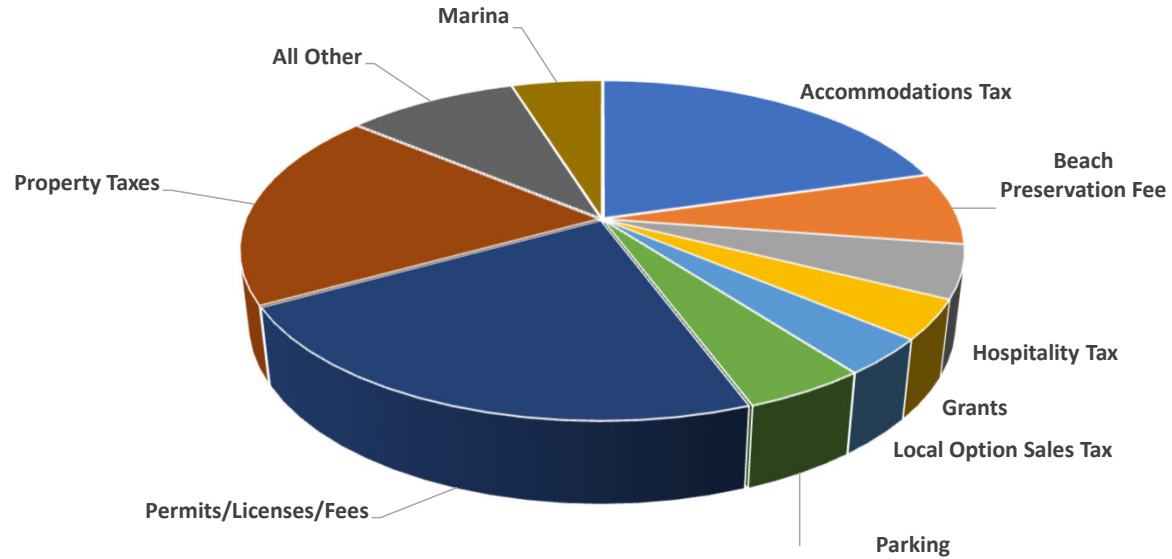
Isle of Palms, South Carolina

### **Agenda**

1. Call to Order and acknowledgment that the press and the public were duly notified of the meeting in accordance with the Freedom of Information Act
2. Discussion of economic impact of beach nourishment to the city and discussion of funding mechanisms to consider
3. Next steps
4. Adjournment

# CITY OF ISLE OF PALMS FY24 ACTUAL

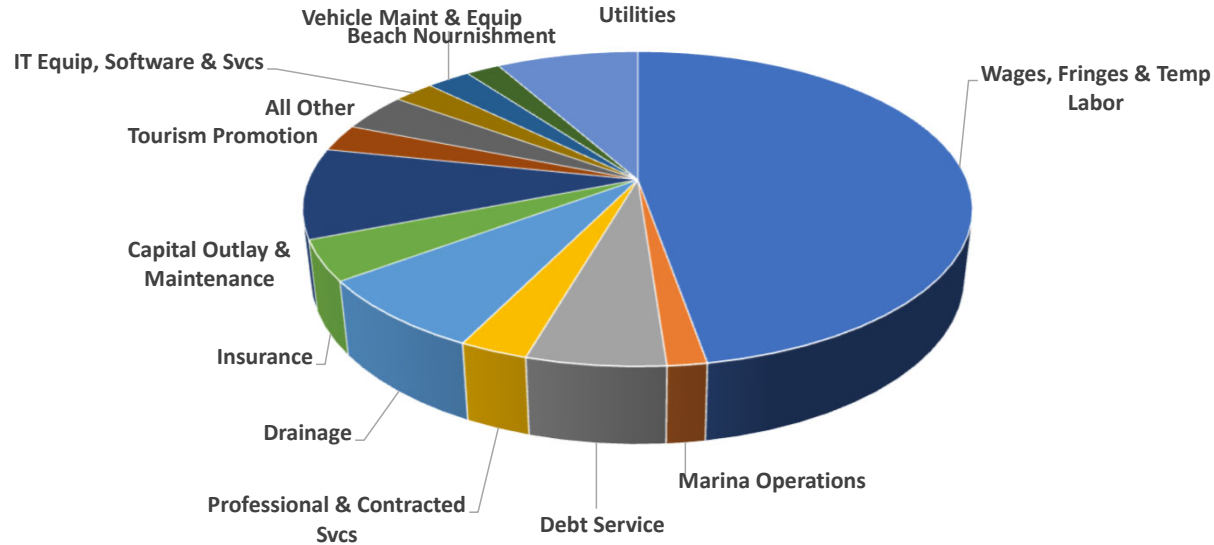
## \*Unaudited\* Revenues



FY 2024 Revenue Summary - All Funds		
Accommodations Tax	5,641,657	20%
Beach Preservation Fee	1,905,211	7%
Hospitality Tax	1,386,699	5%
Grants	1,036,740	4%
Local Option Sales Tax	966,099	4%
Parking	1,287,040	5%
Permits/Licenses/Fees	6,226,463	23%
Property Taxes	5,258,035	19%
All Other	2,524,379	9%
Marina	1,328,674	5%
<b>Total Revenues</b>	<b>27,560,996</b>	<b>100%</b>

# CITY OF ISLE OF PALMS FY24 ACTUAL

## \*Unaudited\* Expenses



FY 2024 Expenditure Summary - All Funds		
Wages, Fringes & Temp Labor	10,847,646	47%
Marina Operations	369,744	2%
Debt Service	1,298,970	6%
Professional & Contracted Svcs	641,989	3%
Drainage	1,732,943	8%
Insurance	950,403	4%
Capital Outlay & Maintenance	2,135,641	9%
Tourism Promotion	640,447	3%
All Other	902,266	4%
IT Equip, Software & Svcs	537,707	2%
Vehicle Maint & Equip	576,462	3%
Utilities	449,933	2%
Beach Nourishment	1,878,596	8%
<b>Total Expenses</b>	<b>22,962,746</b>	<b>100%</b>

## **Beach Preservation Ad Hoc Committee**

### **Local Revenue Increase Options to Discuss/Consider:**

#### **Beach Franchise Fees**

- Formally authorize certain commercial activity on the beach and charge a fee for permit. For example: base fee plus a % of gross revenues.
- Beach Chairs, umbrellas, surfing, others?
- Potential revenue - \$50K
- Revenue could be allocated to offset cost of beach garbage collection and maintenance of beach access paths, currently paid for by tourism funds

#### **Increase parking fees**

- Existing Fee Structure
  - 8am- 8pm, March 1<sup>st</sup> – October 31<sup>st</sup>
  - On-street parking – \$2.50 per hour
  - Lot A and B – \$10 Monday through Friday, \$15, Saturday, Sunday and holidays
  - Seasonal Passes – \$60
  - City generates XX annually
- Changes to consider:
  - Year-round paid parking on Front Beach
  - Raise rates during the season, and implement a lower rate in the off season
    - November – February \$5
    - March – October - \$15 Monday – Friday, \$20 Saturday, Sunday and holidays

#### **Charge for parking in beach parking district**

- Develop a paid parking plan/proposal for a portion of the beach parking spaces along Palm Blvd and the avenues where parking is available
- Approx. 635 parking spaces in the Beach Parking District
- Per state law, city may charge for parking in the public right of way, but must provide some free parking

#### **Special assessments**

- Create a special tax purpose district. Identify the funding gap of beach nourishment project and divide it among the properties that benefit from the project. Formula could take into consideration the proximity of each property to the beach and the benefits it would receive from the project.
- A special assessment could be added to the property tax bill and distributed over a specified time.

#### **Increase property tax operating mileage**

### **State and Federal Funding**

- Continue state lobbying efforts to garner support for the implementation of a statewide beach nourishment fund – a dedicated source of funding to help coastal communities fund large scale nourishment projects
- Continue requesting state budget allocations for IOP specific capital projects (including beach nourishment) to offset burden on local budget
- Pursue feasibility study for IOP to become a federally funded project through the USACE.
- Consider hiring federal lobbyists to secure federal funding for IOP projects
- Advocate for municipalities have the option to collect an additional .5% or 1% accommodations tax or sales tax for beach nourishment
- Transfer a % of MUNI and/or State ATAX surplus to beach nourishment fund