



Beach Preservation Ad Hoc Committee Meeting
Friday, August 16, 2024, 9:00am
1207 Palm Boulevard, Isle of Palms, SC and
broadcasted live on YouTube: <https://www.youtube.com/user/cityofisleofpalms>

MINUTES

Present: Andrew Vega, Cindi Solomon, Tim Ahmuty, Dan Slotchiver (via phone for part of meeting), Council Member Pierce, Mayor Pounds, Administrator Fragoso, Director Kerr

Absent: Council Member Miars

Also present: Charlton deSassure, Haynsworth, Sinkler, Boyd

1. **Call to order**
2. **Discussion of public financing options, including creation of a special tax purpose district to raise revenue for beach nourishment**

Mayor Pounds briefly reviewed the work of the Committee for the sake of Mr. deSassure, indicating the group has discovered a funding gap that needs to be addressed possibly with the creation of a special tax district.

Mr. deSassure suggested the City hire a consultant that would help them develop the tax district so it could withstand legal scrutiny but also to “sell” the idea to the property owners. Mayor Pounds said he did not believe that the residents will embrace the idea of assuming debt to pay for beach nourishment projects. He explained his vision of the special tax district would be islandwide and properties closer to the beach would pay more than those on the back end of the island.

Ms. Solomon agreed that the marketing of such a tax district would be crucial in helping residents understand the need for it. She also suggested that it would be a good idea to look at the budget annually and decide what projects might appear more palatable for which to incur debt. Mr. deSassure agreed that freeing up a predictable revenue stream (unlike accommodation taxes which fluctuate) would be more attractive to bankers.

Mayor Pounds expressed the need for the State to allow municipalities more flexibility in the way it assess fees and or uses taxes already collected, especially since the City is capped by the State on how much it can collect.

Administrator Fragoso agreed that, should the City decide to move forward with a special tax district, a consultant is needed to create an analysis of establishing who the beneficiaries and to what degree.

Mr. deSassure said he would research the special tax district and return to the Committee with answers about whether it is a vote of Council or a referendum that sets the process in order, how the tiering aspect could work, and if the district could be turned off and on as needed, depending on beach and funding conditions.

3. Next Steps

Additional topics still needing more discussion include the emergency triggers for beach projects, the range of monies created by the revenue streams discussed at the August 2 meeting, Wild Dunes' decision about public parking within the gate, and analyzing the investment of \$1.5 million to study whether or not the island should become a federally managed beach.

The Committee discussed the County's involvement in their efforts. Mayor Pounds said he believes the County will react much like the State when asked for funding. Director Kerr believes the County will say that the ATAX pass-through they send the City is their contribution to beach preservation. Ms. Solomon suggested that data about how many visitors come to the Isle of Palms is needed when talking with the County.

4. Adjournment

The next meeting of the Beach Preservation Ad Hoc Committee will be Friday, August 30, 2024 at 10:30am.

The meeting was adjourned at 10:01am.

Respectfully submitted,

Nicole DeNeane
City Clerk