

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?
- Revenue could be allocated to offset cost of beach garbage collection and maintenance of beach access paths, currently paid for by tourism funds
 - Estimated revenue - \$50K

Increase parking fees

- Existing Fee Structure
 - 8am- 8pm, March 1st – October 31st
 - 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 \$1.3M annually
 - Estimated revenue of 15% increase - \$200K

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
 - Estimated revenue - \$200K

Property Tax Increase

Increase operating millage by the maximum allowable rollback/recapture (3 years) to cover operating expenses from PD, FD and PW currently covered by tourism funds, to free up tourism funds to be used for beach nourishment.

- Estimated additional property tax generated by a 3 year rollback would be \$728K.

Increase Building Permit and Business Licenses Fees

- Increase building permit fees by approx. 15% and business license fees by 10% (not including STR which were increased in 2023)
 - Estimated revenue increase - \$290K

Issue Debt for large nourishment projects

	FY23	FY24 FORECAST	FY25 Budget	Potential additional revenue	Total
Building Permits	923,328	611,273	611,273	91,691	702,964
Business Licenses	2,295,728	2,205,358	1,984,822	198,482	2,183,304
Parking Lot Fees	673,699	732,003	700,000	105,000	805,000
On Street Parking Meters	618,580	627,594	678,000	101,700	779,700
New Paid Parking	-	-	-	200,000	200,000
Beach Franchises	-	-	-	50,000	50,000
Property Tax Operating Rollback (3 years)	4,039,999	4,336,509	4,336,509	782,000	5,118,509
	8,551,334	8,512,737	8,310,604	1,528,873	9,839,477

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 engaging federal lobbyists to advocate/secure federal funding for IOP beach nourishment and other capital 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
- Advocate for changes to state law that would either cap the amount of state ATAX dedicated for tourism promotion (currently 30%) or provide flexibility to use a portion of the 30% state ATAX for beach nourishment
- Advocate for changes to state law that would allow implementation of real estate transfer fee for beach nourishment
- Advocate for changes to the Municipal Improvements Act (MID) to authorize imposition of assessments, in lieu of taxes, for beach nourishment projects