

Summary of the March 09, 2010 Meeting  
Dare County Shoreline Management Commission

Members Present:

Warren Judge, Chairman	Richard Johnson
Paul Buske	Neil Morrison
Jamie Daniels	Gary Perry
Bob Oakes for Wayne Gray	Lee Wrenn
Jodi Hess	

The Shoreline Commission meeting was called to order by Chairman Warren Judge at 5:30PM in room 238 in the Dare County Admin Building in Manteo.

A motion was made by Member Daniels, seconded by Member Buske to approve the minutes of the February 16<sup>th</sup> meeting which was continued and reconvened February 23rd. Motion carried

*Agenda Item 2 – Expanded Public Comment*

Mr. Paul Tine, Chairman of the Chamber expressed appreciation for work being done to protect the shore and offered the Chamber's support.

Ms. Willow Kelly, Gov Affairs Director for the Homebuilders Association offered support of the Homebuilders for beach nourishment. She also clarified the current CAMA setback regulations which had been questioned at a previous SMC meeting.

Mr. Ray Midgett questioned whether funding could be used for soundside shoreline maintenance. Chairman Judge read the verbiage from the authorizing bill which appears to allow funding for all beaches.

*Agenda Item 3 – Discussion of Nags Head and KDH Plans*

Continuing on the question of funding Chairman Judge gave an outline of the original funding plan for local share funds. The bulk of funds were to have come from a one-time tiered assessment and a contribution by the Tourist Bureau. Room tax revenues were planned to cover the maintenance of the project for its 50 year life without the need for additional assessments.

He then gave an overview of the Nags Head and Kill Devil Hills plans and said the County would be a willing partner in these projects and others as they come along but cautioned that the BOC will not be able to fund 100% of every plan.

Member Richard Johnson said the BOC feels it needs to get a project going but there is a need to maintain \$6 to \$8 million in the fund for Hatteras Island and Oregon Inlet.

Mayor Bob Oakes offered additional information about the conditions in south Nags Head, number of homes threatened, and condemned. He presented charts and sheets showing fund balance projected out through 2021, illustrating funding of multiple beach nourishment projects (copies attached).

Chairman Judge asked member Buske several questions about the KDH plan. Buske said that the original KDH estimate was a safe, not to exceed estimate. Actual costs are expected to be in the range of \$20 million rather than the original \$27M figure. He said it's hard to make a decision on the division of current fund balance without the knowledge of whether the additional 1% tax will be implemented. "It will be needed to make the plan work."

Member Hess questioned how Internet bookings were affecting collection of taxes. As the trend toward third party bookers increases, the problem will become more significant. It was explained that the current practice is to collect 100% of rent and taxes. The booker then takes a 25% share (including the tax) and remits 75% to the owner. This effectively reduces the taxes collected by 25% on the percentage of homes/rooms that are booked in this manner.

Member Perry speaking of the proposed 1% additional occupancy tax said his fellow council members would not object to the tax if the Realtors supported it. A questionnaire has been sent out, but results have not been reported. Members Hess and Morrison said their councils had not taken a position yet but both would be meeting soon.

Chairman Judge said that the SMC's opinion of the proposed plans and associated tax would be valuable to the BOC. If the County is to get a bill in for the upcoming legislative session, it would need to be in by the first Monday in May.

***Additional Public Comment***

Mr. Bob Muller thanked the SMC for the thoughtful discussion. He suggested that future proposed projects should have a consistent standard for public beach access.

Mr. Paul Tine also thanked the SMC for their efforts and reiterated the Chamber's support.

Ms. Willow Kelly addressed a question regarding the membership of the Homebuilders Assoc. and the Realtors Assoc. being in favor of the additional tax that would bring Dare's rate equal to Currituck's 6% rate. The initial poll of the Realtors was positive but their policy is to give every member a voice in the matter before taking a position. In contrast, the Homebuilders Association allows their legislative committee to make a decision and they have expressed support for the tax.

Mr. Ralph ??? said that we should not just be thinking about the tax but rather the tax base and the quality of visitor experience.

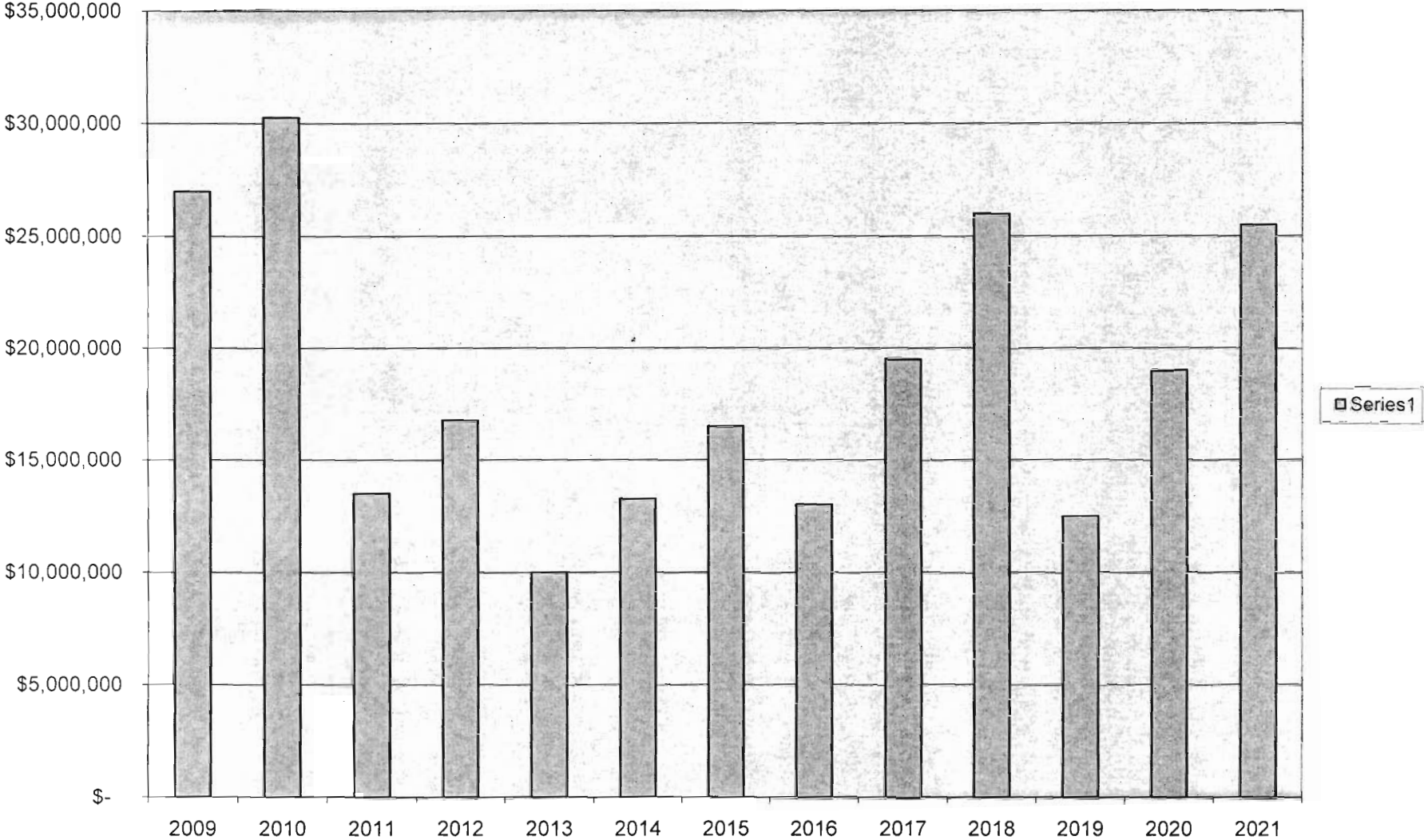
Mr. Ray Midgett said that occupancy tax is no different to the visitor than a sales tax.

Meeting was adjourned at 7:15 PM

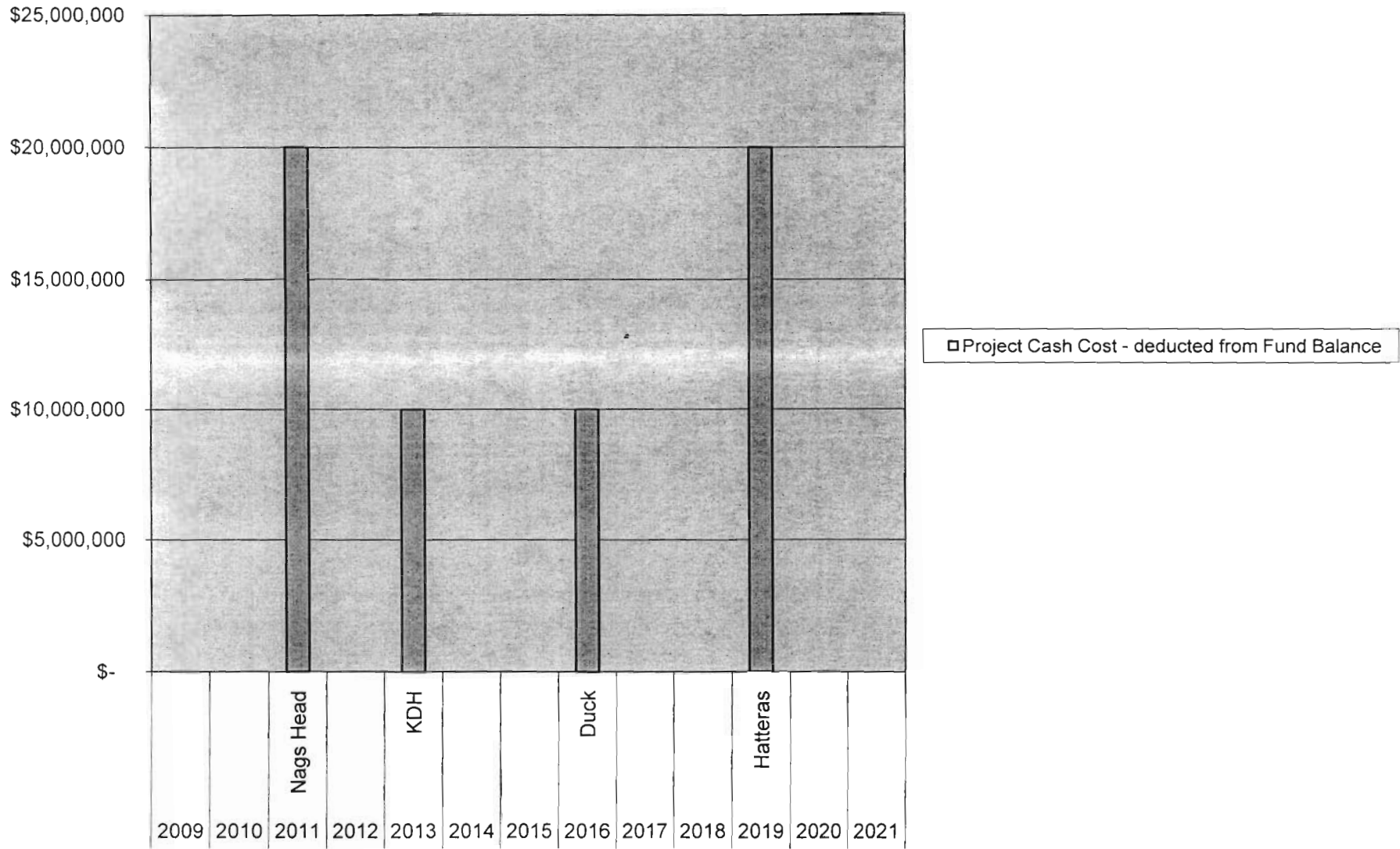
Submitted by: Lee Wrenn, Shoreline Manager

Adopted: \_\_\_\_\_

### Shoreline Fund Projected Balance



### Possible Project Schedule



	2009	2010	2011	2012	2013
Fund w/ 1% occupancy tax increase and Nourishment	\$ 27,000,000	\$ 30,250,000	\$ 13,500,000	\$ 16,750,000	\$ 10,000,000
Nags Head 10 mile project			\$ 3,250,000	\$ 3,250,000	\$ 3,250,000
Kill Devil Hills - assuming same unit cost as Nags Head			\$ 20,000,000		\$ 10,000,000
Duck					
Hatteras					

2009	2010	2011	2012	2013
\$ -	\$ -	Nags Head \$ 20,000,000	\$ -	KDH \$ 10,000,000

2014	2015	2016	2017	2018	2019	2020	2021
\$ 13,250,000	\$ 16,500,000	\$ 13,000,000	\$ 19,500,000	\$ 26,000,000	\$ 12,500,000	\$ 19,000,000	\$ 25,500,000
\$ 3,250,000	\$ 3,250,000						

\$ 10,000,000

\$ 20,000,000

2014	2015	2016	2017	2018	2019	2020	2021
\$ -	\$ -	\$ 10,000,000	\$ -	\$ -	\$ 20,000,000	0	0
		Duck			Hatteras		