



TOWN OF PALM BEACH

Office of the Town Clerk

REPORT OF THE SHORE PROTECTION BOARD MEETING HELD ON TUESDAY, NOVEMBER 25, 1997

I. CALL TO ORDER

The meeting of the Shore Protection Board was called to order at 1:40 P.M. on November 25, 1997 in the Commission Chambers of the Town of South Palm Beach.

II. ROLL CALL

On roll call, the following Shore Protection Board Members were in attendance: Chairman Garrison D. Lickle, Vice Chairman George M. Moffett, II, Eileen C. Curran, Charles C. Isiminger, Joel Martino, and Richard Raffo. Board Members Wayne F. Dimm, Edward Hennessy, Jr., and Gerald H. Levy were absent from the meeting. Others in attendance included: Town of South Palm Beach Mayor Margot Roberts, Town of South Palm Beach Commissioner Ernest Muro, Palm Beach County Department of Environmental Resources Management Engineering Assistant Bob Clinger, Applied Technology & Management (ATM) Vice President Dave Decker, Kate Gooderham of Gooderham and Associates, and Economist Dr. William Stronge of Florida Atlantic University. Staff members in attendance from the Town of Palm Beach were: Town Manager Robert Doney, Assistant Town Manager Peter Elwell, Director of Public Works Al Dusey, and Deputy Town Clerk Susan Eichhorn.

II. APPROVAL OF AGENDA

The Agenda was unanimously approved as printed, through motion of Board Member Charles Isiminger, seconded by Board Member Eileen Curran.

III. CONSIDERATION OF SHORE PROTECTION BOARD MEETING REPORT FOR MEETING HELD ON OCTOBER 21, 1997

The Shore Protection Board Meeting Report for the meeting held on October 21, 1997 was unanimously approved through motion of Board Member Richard Raffo, seconded by Board Member Eileen Curran.

IV. DISCUSSION OF ECONOMIC IMPACTS OF COASTAL PROTECTION PROJECTS WITH DR. WILLIAM STRONGE, FLORIDA ATLANTIC UNIVERSITY

Chairman Lickle explained that the Shore Protection Board was now at the phase where assistance was needed in developing the economic modeling to pay for the coastal protection project. ATM had completed the update of the Comprehensive Coastal Management Plan (CCMP), however, per the direction of the Town Council, the financing mechanism had purposely been left out.

Dr. William Stronge addressed the Shore Protection Board, distributing information on the Captiva Island project. He explained that the island of Captiva was a predominately privately owned island, with a little over 1,000 properties. The amount of public access to beaches was limited, and yet the project, which cost approximately \$10 million, included approximately \$2 million from the Federal Government, \$2 million from the State government, and a similar amount from the county government. Therefore, they had been able to establish that there was a public benefit as well as a private benefit in maintaining the beaches. The remaining amount of money was collected as a special assessment levied island-wide against property owners. The particular formula used to determine how much each property owner would be assessed was highly complex.

Dr. Stronge referred to a table contained in the Captiva Report, showing the benefits of the project, explaining that an economic analysis would furnish this type of information. He noted that most of the recreation benefits were actually received by people who were occupying structures that were not immediately on the beach. He suggested that one way to think of storm protection versus recreation was that storm protection summarized the unique benefits given to people on the coastline, whereas recreation brought benefits into play that were received by people who were not on the coastline, as well as the people on the coastline.

In response to the query of Board Member Martino concerning the benefits received as a result of having a public seawall, Dave Decker of ATM explained that there had been no differentiation between public and private in evaluating the benefits; the evaluation had been concerned with the coastal shore protection structures only, as well as a land loss analysis.

Board Member Curran commented that it was increasingly difficult to secure insurance on properties, and asked if there had been better insurance rates for homeowners as a result of the Captiva project?

Kate Gooderham, Gooderham & Associates replied that the Captiva project had allowed Lee County to experience Federal flood insurance rate reductions.

Assistant to the Palm Beach Town Manager, Peter Elwell clarified that Lee County was the local government, as Captiva was not a municipality. The Town of Palm Beach participates in the Community Rating System (CRS), and has achieved a 5% flood insurance rate reduction at this point. Within the Town, property owners would be potentially able to receive a 10% discount on flood insurance if the Town undertakes more coastal protection projects or other CRS improvements.

In regard to recreation benefits, Dr. Stronge recommended that a survey be taken of people using the beach in order to ascertain the value of the recreation benefits. He explained that the survey results were used for legal and popular support in going forward with a referendum. After determining the benefits, applying them to costs, and obtaining the share of costs, that figure was divided by assessed valuation to calculate a millage rate.

Chairman Lickle clarified that a survey would be needed regardless of which economic model was selected, unless a pure across-the-board special assessment based on assessed values was used.

Kate Gooderham commented that it was vital to understand the economic component to any shore protection project, and there were unseen benefits that the public would not be aware of, such as protection of water lines, electrical lines, etc.

Chairman Lickle questioned how to move forward in order to come to a conclusion on the best economic model to use?

Dave Decker of ATM commented that he believed it would be beneficial to make a list of all the economic model options and the pros and cons of each. He gave the opinion that the recreational benefits may be relatively insignificant from the public perspective.

Dr. Stronge mentioned that in all of the studies he had seen the single biggest beneficiary of beach restoration at the local level was the local school board. He explained that ultimately the benefits translated into an increase in property values, and the biggest property taxpayer was usually local school boards.

Palm Beach Town Manager Robert Doney pointed that \$.45 out of every \$1.00 of taxes collected in the Town of Palm Beach currently went to the Palm Beach County School Board.

Board Member Isiminger noted that there were many differences between Palm Beach and Captiva, especially regarding the degree of importance of the beach to the community. He maintained that there would be great deal of controversy in Palm Beach.

Chairman Lickle responded that Captiva was being referred to only as a model to be studied

for similarities, and specifics could be detailed according to the situation in Palm Beach.

In response to questions concerning development of a survey, Dr. Stronge replied that it would be reviewed by the governing body for approval before it was implemented. He maintained that the project could be looked at as an infrastructure funding situation. The same options that were available for water, sewers, etc., were also there for the beach.

Four economic model options were discussed:

- Ad Valorem Taxation
- Apportionment Plan through Ad Valorem Taxation
- Multi-Tiered Taxing District
- Cost Sharing Based on Oceanfront Footage

Debate ensued regarding using an economic model based on ad valorem taxation for residents, with commercial and tourism interests included at a different rate. Dr. Stronge submitted that there was a grey area in residential taxation, as many residences were used in a similar manner as hotels, for example, condominiums rented, etc.

Palm Beach Town Manager Robert Doney suggested that the Shore Protection Board identify each funding alternative for the Town Council, as well as the reasons for recommending or not recommending. He noted that it would also have to be very clear that the governing body of each community involved would be presented with the funding issues as well, in order to make decisions based on their own unique circumstances. He pointed out that funding opportunities from government sources should be maximized regarding public portions of the beaches.

Chairman Lickle questioned the cost of doing a survey, as recommended, and the procedure for accomplishing it?

Mr. Doney responded that a Request for Proposal (RFP) would be appropriate from two or three analysts that could perform the work. He explained that the Town Council would need specific information in order to make funding decisions.

Dr. Stronge estimated that a recreation study would cost approximately \$35,000, which would include ten days of interviewing every sixth or seventh person on the beach for a five mile beach area. The engineering component would have to added, which was estimated at approximately \$70,000 for an approximate eleven mile beach area.

Chairman Lickle suggested that the proper procedure to follow would be to appear before the Town Council and present them with the data regarding the necessity of an economic analysis in making the decision as to which financing option to adopt. Since there was no longer a quorum present, there could not be an action of the Board, however it was decided that Mr. Lickle could appear based on the discussion that had occurred.

Chairman Lickle explained that prior to today, the vision of the future was that sometime between now and February/March, the ATM Report would be submitted and accepted by the Town Council, including the financing package, economic model, educational package, and plain English workbook. Then a series of public forums would be held to discuss the issues in order to consider a referendum in February 1999. Until today, the Shore Protection Board had not fully understood the economic model alternatives, mainly the surveying procedure. An intelligent recommendation could not be made until the survey and accompanying data was gathered. He considered that there were two routes available to take in obtaining the survey: to use an engineer already retained by the Town of Palm Beach to hire an economist to do the survey, or to go through the RFP process.

Dr. Stronge advised that he would send copies of surveys that had been done in other communities to the Shore Board members so that they would have an idea of what would be included in such a survey. In addition he would identify by letter the pros and cons of the four economic models for review of the Shore Protection Board members.

Dave Decker of ATM pointed out that any funding program would have to take into account the inlet to inlet concept, recognizing governmental boundaries. He noted that the reaches designated did not recognize governmental boundaries, but were more from an engineering and shoreline dynamics perspective. He suggested that each local government be approached to determine participation.

V. DISCUSSION OF PUBLIC EDUCATION EFFORT WITH KATE GOODERHAM OF GOODERHAM AND ASSOCIATES

Kate Gooderham addressed the Shore Protection Board, stating that she began working on beach and shore issues in 1980, with South Seas Plantation in funding a private project on the northern two miles of Captiva Island. Her primary function had been to work towards getting the property owners to support the municipal services taxing unit. She had since worked in a number of communities that had done primarily private projects. She noted that before Dr. Stronge had become involved with the Captiva project, several methods of paying for the project had been attempted but had not been accepted by property owners. She had also worked with Applied Technology & Management on the public education component of the Long Boat Key project, and had helped with the Bald Head Island, North Carolina public education component and development of the apportionment plan.

Ms. Gooderham suggested that the education program be presented in manageable pieces to the public, rather than all at one time. Public hearings could be scheduled to disseminate information, as well as the use of quarterly newsletters for public information.

VI. CONSIDERATION OF APPLIED TECHNOLOGY & MANAGEMENT'S SUMMARY REPORT FOR THE UPDATE OF THE COMPREHENSIVE COASTAL MANAGEMENT PLAN AND CHAIRMAN LICKLE'S DRAFT "LAYMAN'S OVERLAY" DOCUMENT

This item to be discussed at the next Shore Protection Board Meeting.

VII. STATUS REPORT ON "PEER REVIEW" OF THE COMPREHENSIVE COASTAL MANAGEMENT PLAN (CCMP) UPDATE

This item to be discussed at the next Shore Protection Board Meeting.

VIII. IDENTIFICATION OF TIME, LOCATION, AND ITEMS FOR CONSIDERATION AT THE NEXT SHORE PROTECTION BOARD MEETING

The next meeting was scheduled for Tuesday, December 16, 1997 at 9:00 A.M. at the South Palm Beach Commission Chambers.

IX. ANY OTHER MATTERS

There were none.

X. ADJOURNMENT

The meeting was adjourned at 6:10 P.M.

SHORE PROTECTION BOARD



Garrison D. Lickle, Chairman