



# City Council Workshop/ Planning Session

*13 January 2026  
City of Isle of Palms  
City Hall Council Chambers*



# Agenda

- Opening Remarks by Mayor Pounds
- Strategic Plan Review
- Current Projects Update
- New Initiatives
- Threats to IOP
- Legislative Opportunities
- Beach Funding Options
- Miscellaneous
- Adjournment

- *Five-minute comfort breaks at the top of each hour*



# Strategic Plan Review

- Extant through 2027
- Discussion on efficacy/relevance of current plan
- Discussion on drafting a new plan

- Thought Drivers:
  - What's the same since 2022?
  - What's different since 2022?
  - What's on the horizon?
  - Do we envision any fundamental changes needed?
  - How do we assess our priorities and goals?



# Current Projects Review

- Projects Extant Through 2026
  - Beach Restoration
  - Waterway Flood Mitigation
  - Drainage Palm Blvd
  - Marina Dredging
  - Marina Parking
  - Underground Power



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# New Initiatives Discussion





# Threats to the City

- Thought Drivers:
  - Revenue
  - Expenses
  - Projects
  - State & Federal initiatives/ mandates
  - Economic downturn
  - Catastrophic weather events
  - What else?





# Legislative Opportunities



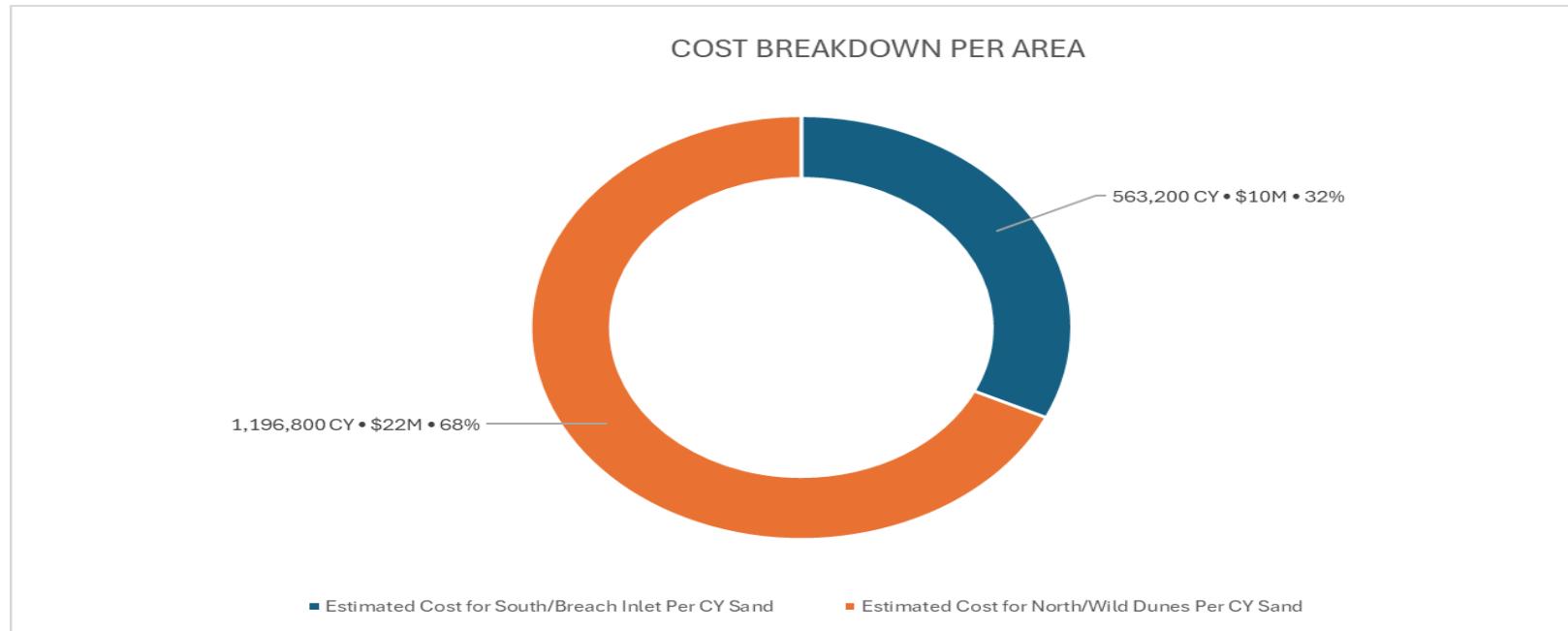
- Thought Drivers:
  - Funding flexibility
  - Grants
  - Special Tax District(s)
  - BCM regulatory flexibility
  - Earmarks
  - Lobbyist discussions

# Beach Restoration Macro Look



## High Level Cost Estimate Per CY Sand - Beach Nourishment FY26/27

Area	CY Sand	Percentage	Amount
Estimated Cost for South/Breach Inlet Per CY Sand	563,200	32%	\$10,342,243
Estimated Cost for North/Wild Dunes Per CY Sand	1,196,800	68%	\$21,977,265
Total Funding Required for Beach Nourishment	1,760,000	100%	\$32,319,508



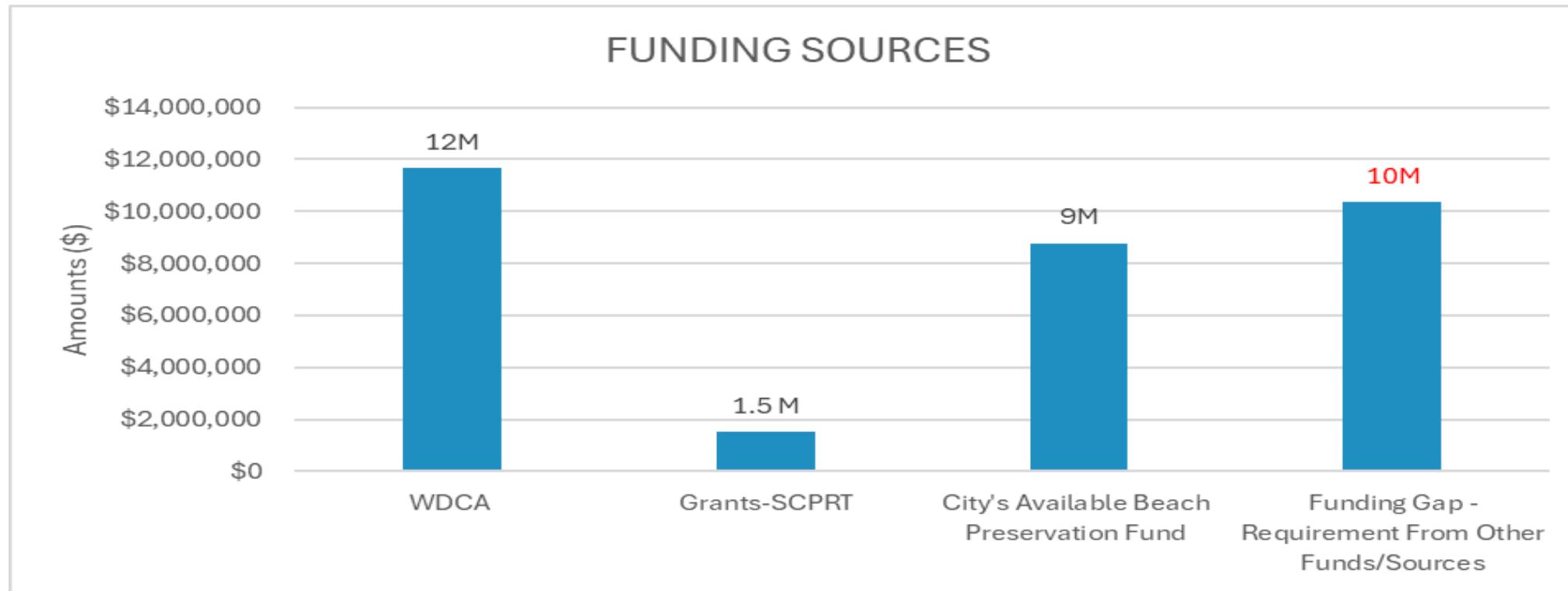
City of Isle of Palms Beach Restoration Project 2026  
Cost Estimates, Revenue and Funding Scenarios  
High Level Fund Balance and Revenue Impact Assessment  
As of 1/2/2026 - For Discussion Only



# Beach Restoration Funding Sources

## Funding Sources:

WDCA	\$11,647,951
Grants-SCPRT*	\$1,524,000
City's Available Beach Preservation Fund	\$8,661,082
Funding Gap - Requirement From Other Funds/Sources	\$10,486,476



\*If SCPRT grant is not awarded an additional \$1.5M will be required

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# Costs & Revenue Impact



## Summary:

### High Level Cost Estimate Per CY Sand - Beach Nourishment FY26/27

Estimated Cost for South/Breach Inlet	\$10,342,243
Estimated Cost for North/Wild Dunes	<u>\$21,977,265</u>
Total Funding Required for Beach Nourishment	\$32,319,508

### Funding Sources:

WDCA Funding - North/WD	\$11,647,951
Grants- South /Breach Inlet, other State/Federal Funding	\$1,524,000
City's Available Beach Preservation Fee Fund	\$8,661,082
City's Excess (Deficit) - Required From Other Funds/Sources	(\$10,486,476)
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Total City's Funding Required From Fund Balances	\$19,147,557

### IOP Revenue Impact

Annual Interest Income Impact - Current LGIP Rates	(\$782,005)
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# Gap Sourcing & Impacted Funds



## Potential Funding Sources:

Funding Gap - Requirement From Other Funds/Sources	<b>\$10,486,476</b>
Hospitality Tax Fund	\$750,000
Municipal Accommodations Fee Fund	\$5,200,000
State Accommodations Tax Fund	\$4,550,000
Total Other Funds/Sources	\$10,500,000

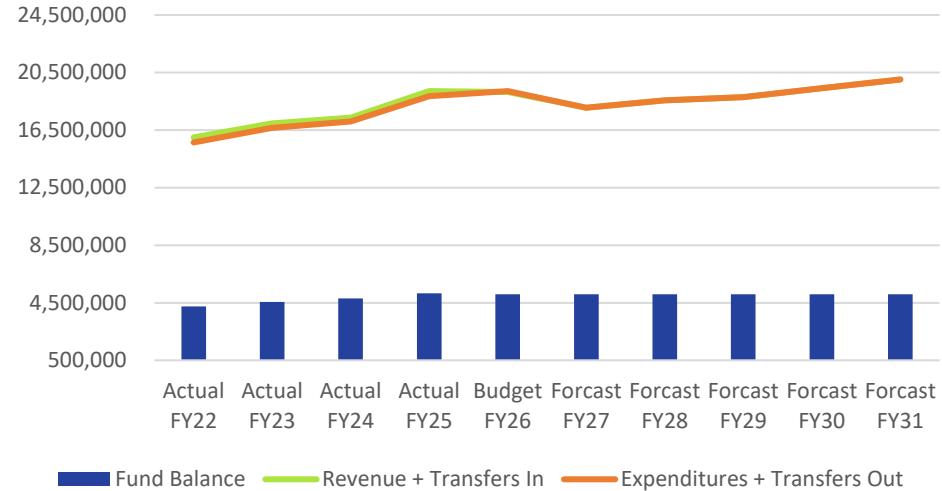
## FUNDING FROM OTHER SOURCES



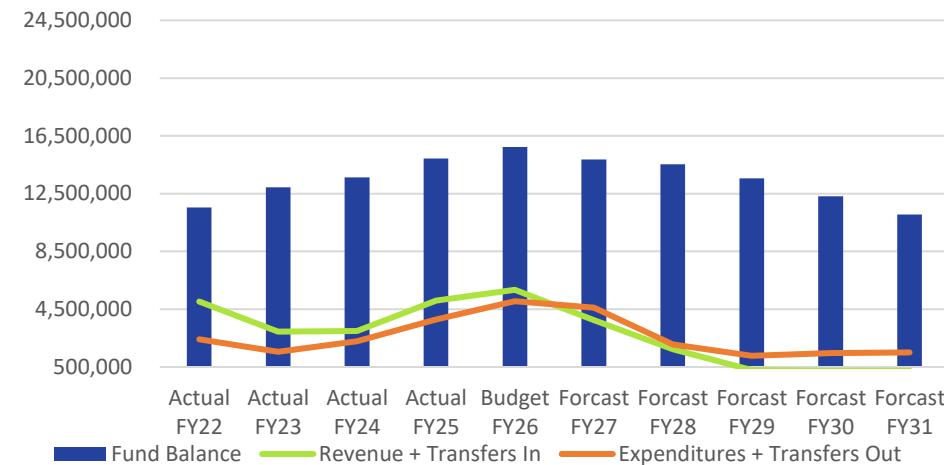
# Historical and Forecasted Ending Fund Balances (1/2)



## GENERAL FUND

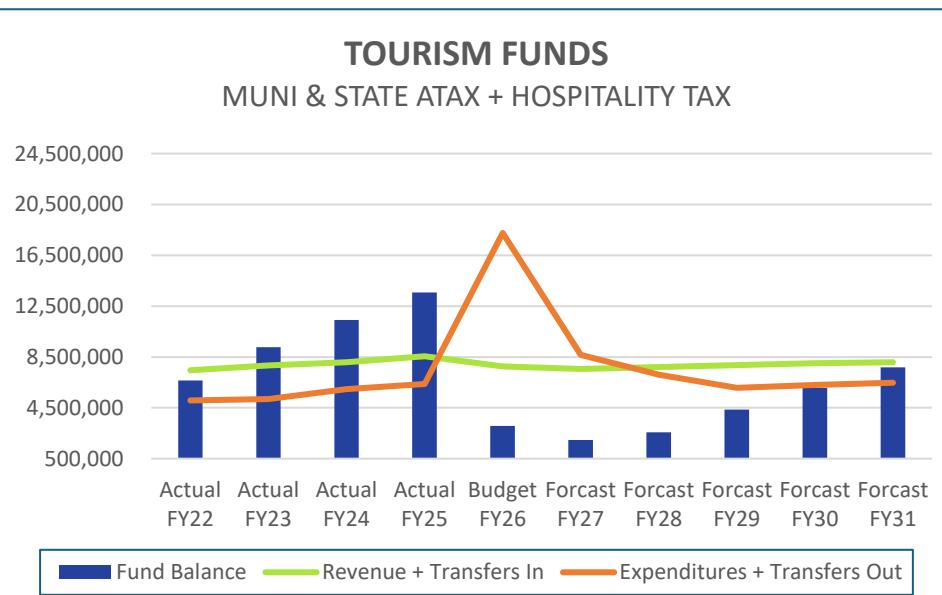


## CAPITAL PROJECTS FUND

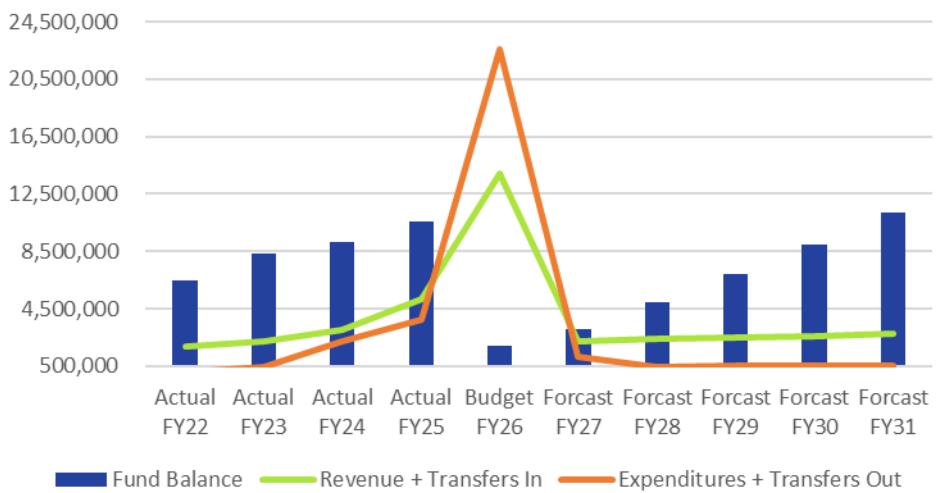


## TOURISM FUNDS

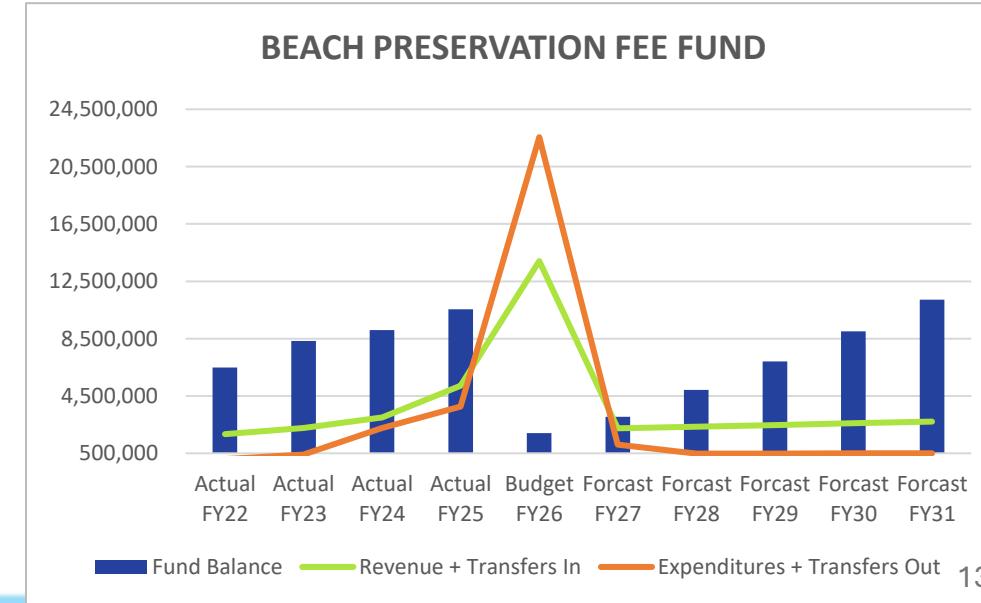
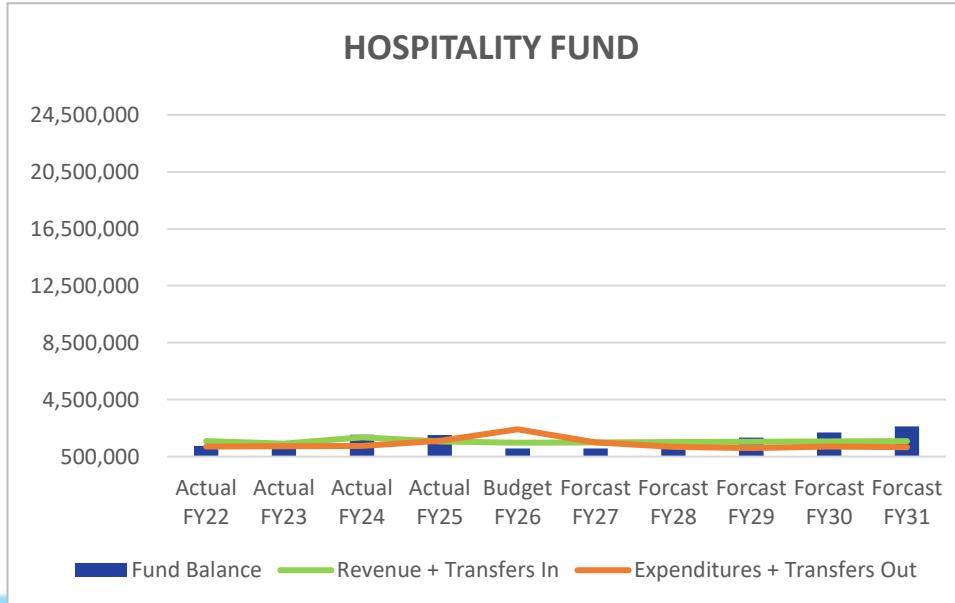
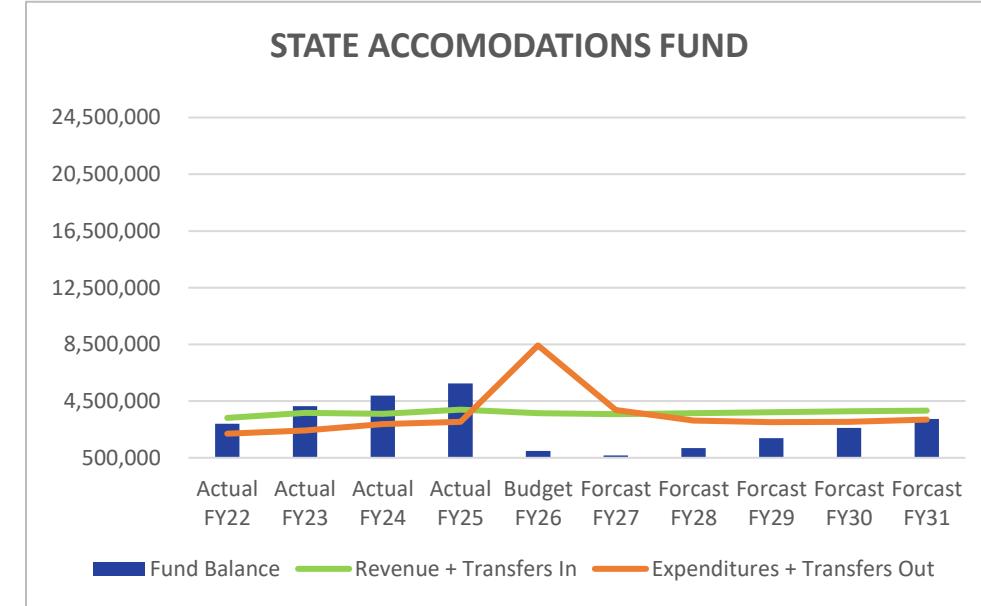
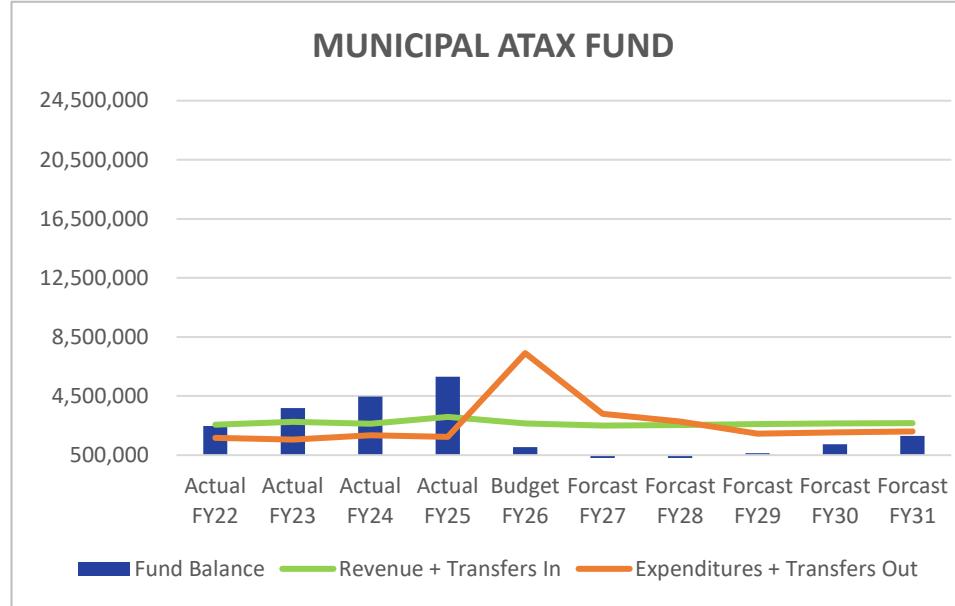
### MUNI & STATE ATAX + HOSPITALITY TAX



## BEACH PRESERVATION FEE FUND



# Historical and Forecasted Ending Fund Balances (2/2)





# Cost Sharing Factors – 2008 to Present

## BEACH RESTORATION PROJECT FUNDING

	Wild Dunes Only				Wild Dunes & Breach Inlet	
	2008	% of Total	2018	% of Total	2026	% of Total
IOP Portion -WD Public	1,900,000	20%	2,832,000	21%	8,832,933	27%
Private Contributions	5,926,000	63%	5,240,000	39%	11,679,095	36%
Charleston County	900,000	10%	-	0%	-	0%
State of South Carolina*	671,000	7%	3,614,000	27%	1,524,000	5%
FEMA	-	0%	1,895,000	14%	-	0%
Breach Inlet	-	0%	-	0%	10,283,480	32%
	9,397,000	100%	13,581,000	100%	32,319,508	100%

Note: The total collections from the private stakeholders in 2008 was \$7,108,000. Funds not used in the 2008 offshore project were used for a smaller focused erosion project in 2012 with approximately \$240,000 remaining that is included in the 2018 Stakeholder estimate of \$5,240,000. 2008 and 2018 Beach Restoration projects did not include Breach Inlet.

\*SCPRT grant has not been awarded as 1/8/2026.

**Scenario 1**

# Cost Sharing Scenarios

(2/2)

The City will contribute the same proportion as in the previous two beach restoration projects—20% in FY2008 and 21% in FY2018.

**City's contribution to project within WD**

<b>20%</b>	<b>\$ 4,270,400</b>
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**Scenario 2**

The City will contribute 48% towards the **entire project** which includes only public beach access. This includes 16% for Wild Dunes public access and all of Breach Inlet.

**City's contribution to project within WD**

<b>16%</b>	<b>\$ 5,024,000</b>
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**Scenario 3**

The City contributes a percentage of fees and interest derived from properties within Wild Dunes into the Beach Preservation Fund 47% of the total accrued between FY2019 and ~~FY2025~~st recent offshore beach restoration project was completed in 2018.

**City's contribution to project within WD**

<b>26%</b>	<b>\$ 5,551,520</b>
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**Scenario 4**

The City will contribute 47% toward sand placement in Wild Dunes, which closely aligns with the percentage of accommodation fees collected from Wild Dunes in 2024.

**City's contribution to project within WD**

<b>47%</b>	<b>\$ 10,035,440</b>
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**Scenario 5**

This scenario included Phase II permits, designing, monitoring, mobilization and construction cost. The City will contribute 47% toward soft cost, construction and sand placement in Wild Dunes, which closely aligns with the percentage of accommodation fees

**City's contribution to project within WD**

<b>47%</b>	<b>\$ 10,329,315</b>
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# Cost Sharing Scenarios



## 2025-2026 Offshore Beach Restoration Project

### Possible Funding Scenarios for portion within Wild Dunes

#### Current Estimates:

The City's FY27 Budget includes a total allocation of \$15,915,909 for the Beach Restoration Project, with \$15,340,909 designated for construction and \$575,000 for design and permitting of the City's portion, covering Breach Inlet and the Wild Dunes area.

Beach Preservation fund balance as of 12/31/2025 \$10,327,000

The total estimated cost includes \$5,000,000 for mobilization and demobilization, plus approximately 1,760,000 cubic yards of sand nourishment at an estimated \$15.00 per cubic yard, bringing the construction cost to \$26,400,000. Additional soft cost for consultants and other estimated expense of \$919,508 included in scenario 5.

Of the sand allocated to WDCA Resort (68%), 52% is designated for limited-use areas, while 16% is for public use.

#### City of Isle of Palms – Contribution Scenarios for Wild Dunes

Scenarios	City Contribution %	City Contribution to WD @ \$15.00 CY	City Total @ \$15.00	Wild Dunes Total @ \$15.00	Total Project @ \$15.00
1- Historical Basis	20%	4,270,400	14,318,400	17,081,600	31,400,000
2- Limited Use/Public Basis	16%	5,024,000	15,072,000	16,328,000	31,400,000
3- FY2018- FY2025 Revenue Basis	26%	5,551,520	15,599,520	15,800,480	31,400,000
4- Accommodations Tax Basis	46%	10,035,440	20,083,440	11,316,560	31,400,000
5- Accommodations Tax + Soft Cost Basis*	46% +	10,329,315	20,671,557	11,647,951	32,319,508



# Miscellaneous





# Adjournment