



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
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- *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





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



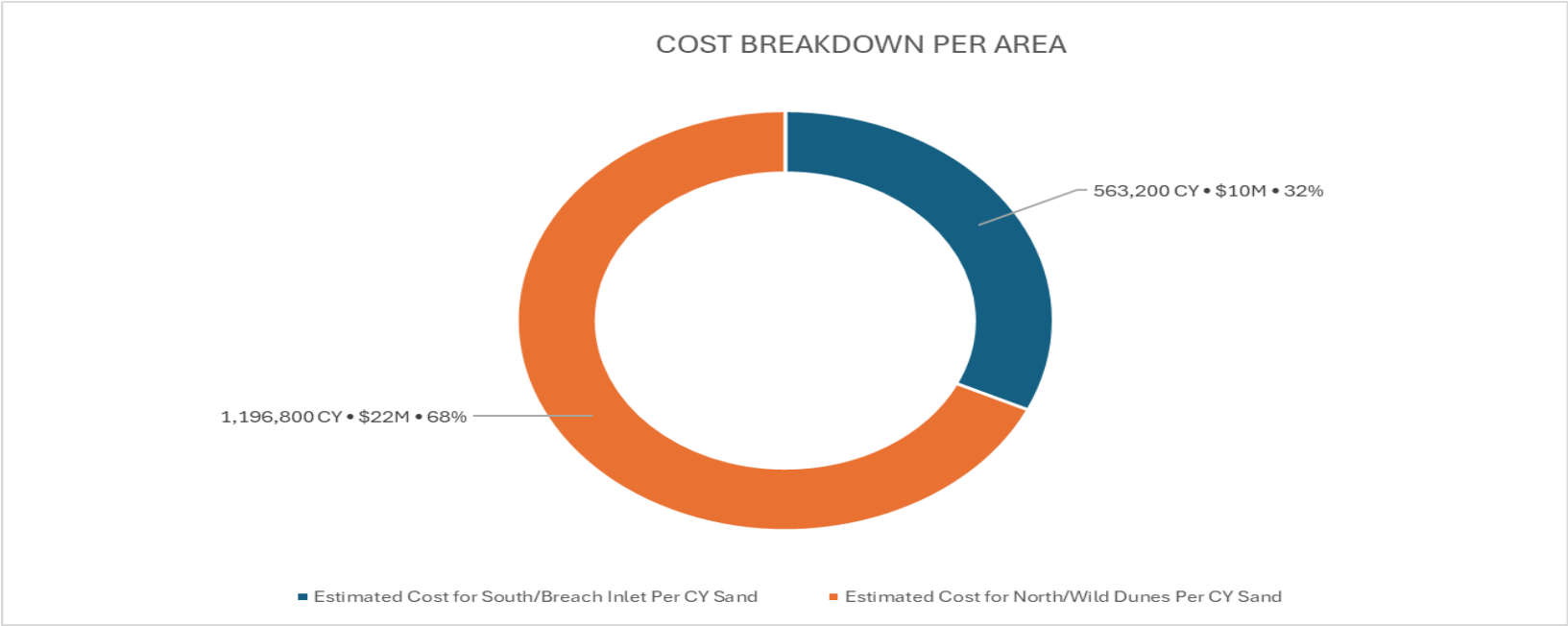
- Thought Drivers:
 - Funding flexibility
 - Grants
 - Special Tax District(s)
 - BCM regulatory flexibility
 - Earmarks
 - Lobbyist discussions

Beach Restoration Macro Look



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

A rea	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

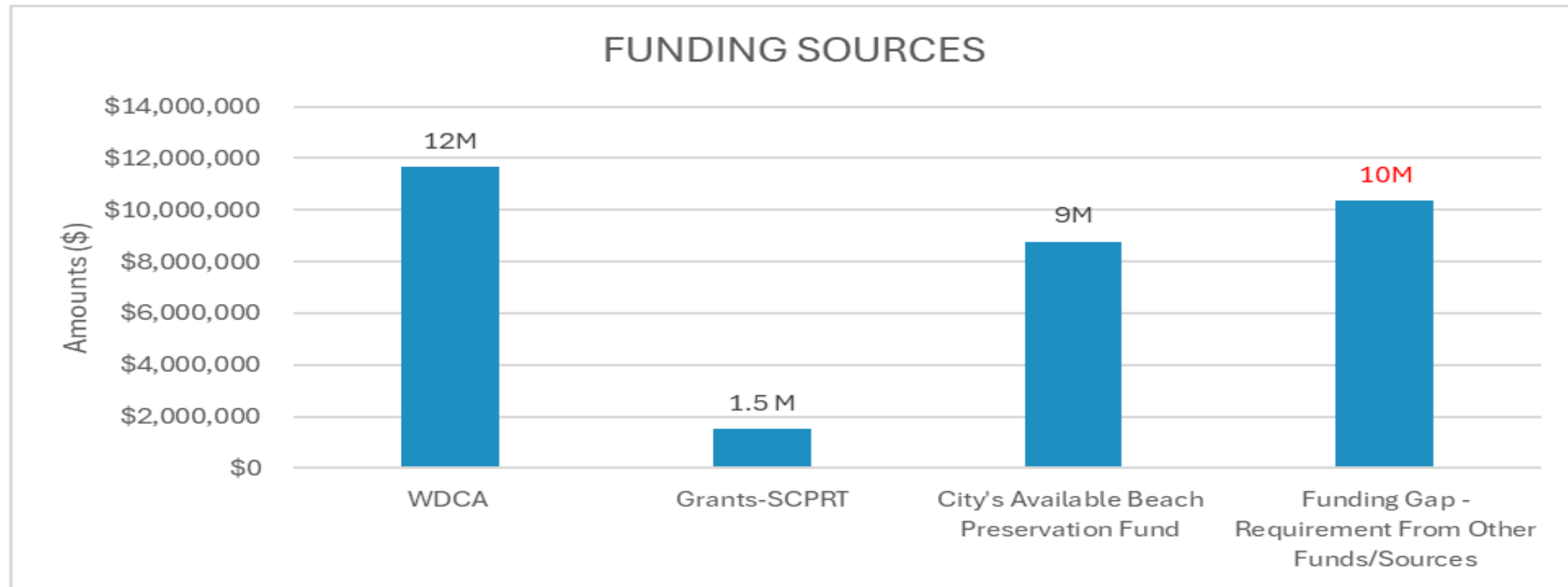


Beach Restoration Funding Sources



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**

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

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)

Total City's Funding Required From Fund Balances	\$19,147,557
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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

\$10,486,476

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

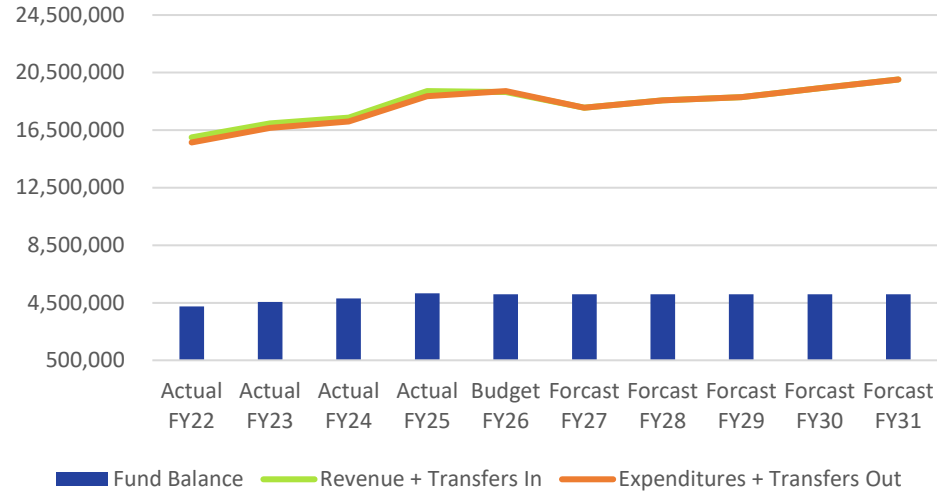
FUNDING FROM OTHER SOURCES



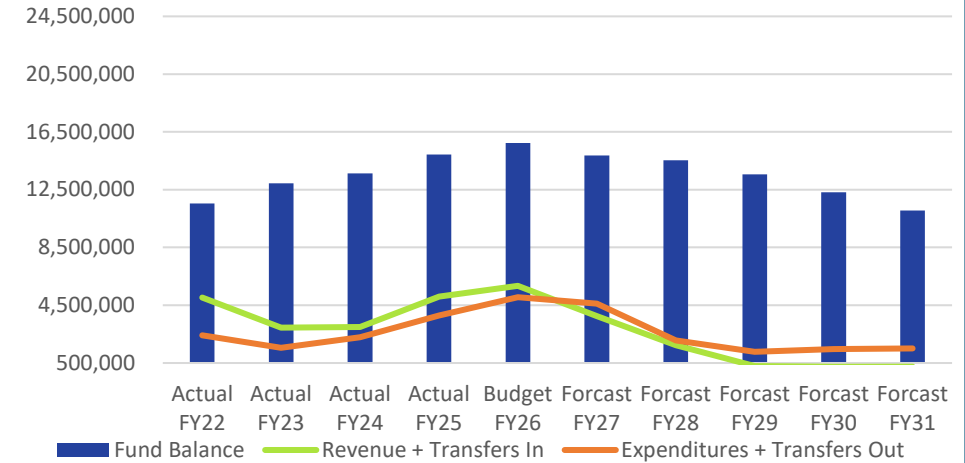
Historical and Forecasted Ending Fund Balances (1/2)



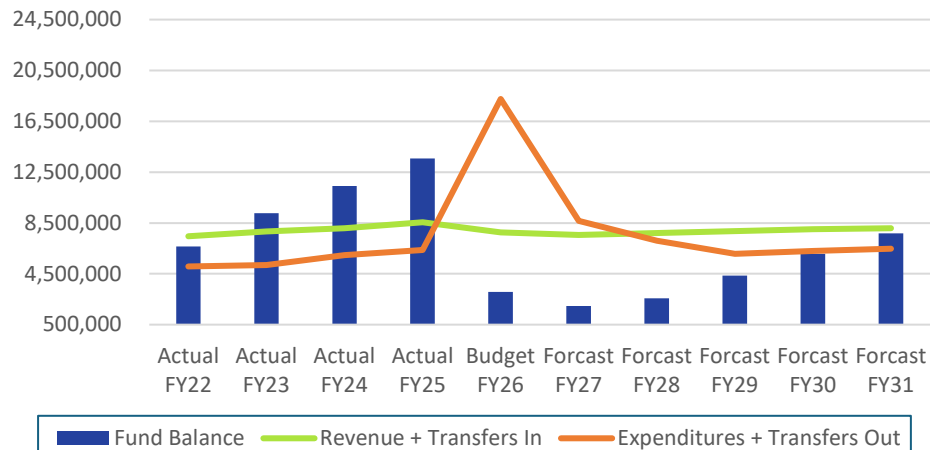
GENERAL FUND



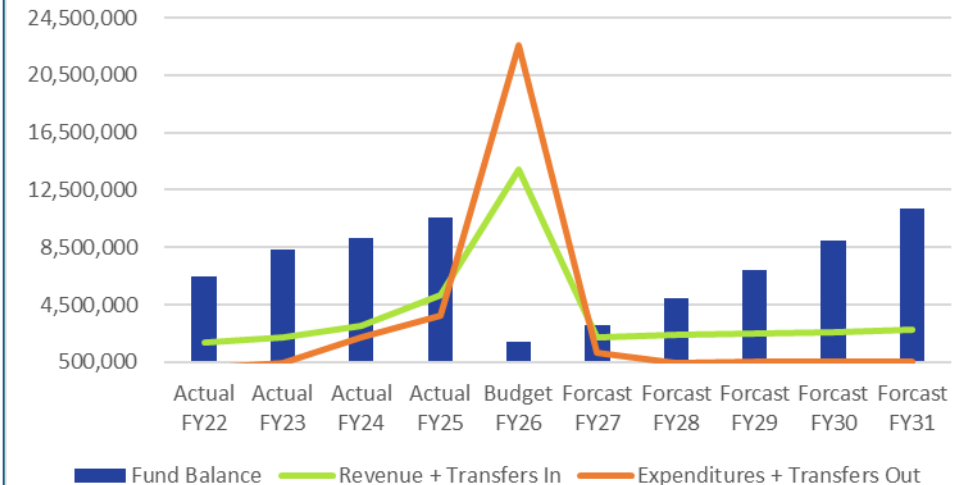
CAPITAL PROJECTS FUND



TOURISM FUNDS MUNI & STATE ATAX + HOSPITALITY TAX



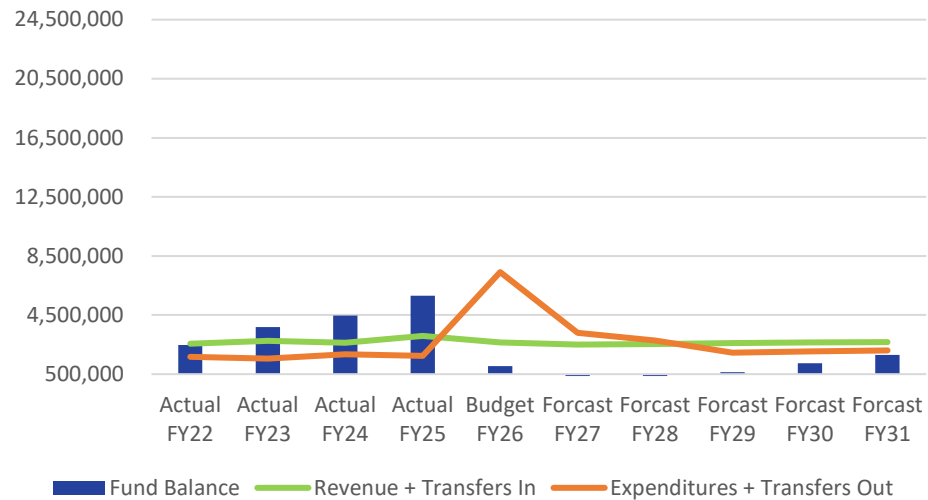
BEACH PRESERVATION FEE FUND



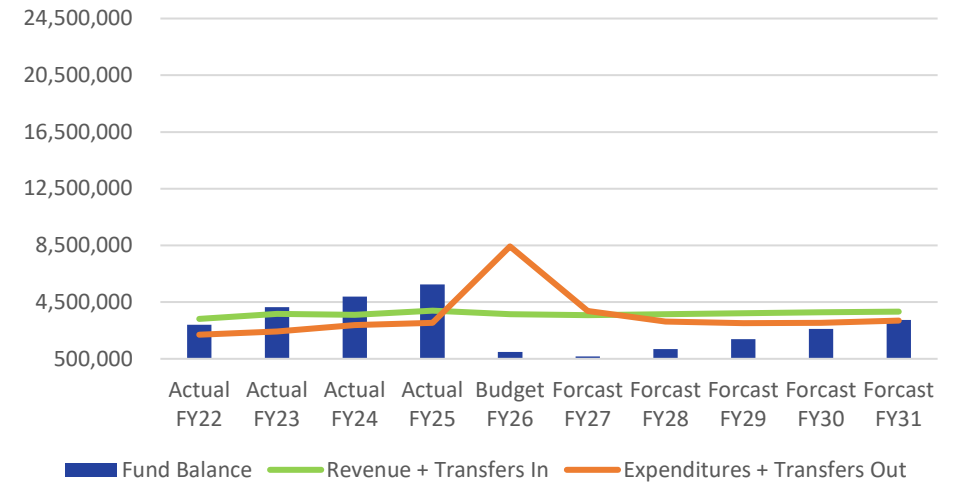
Historical and Forecasted Ending Fund Balances (2/2)



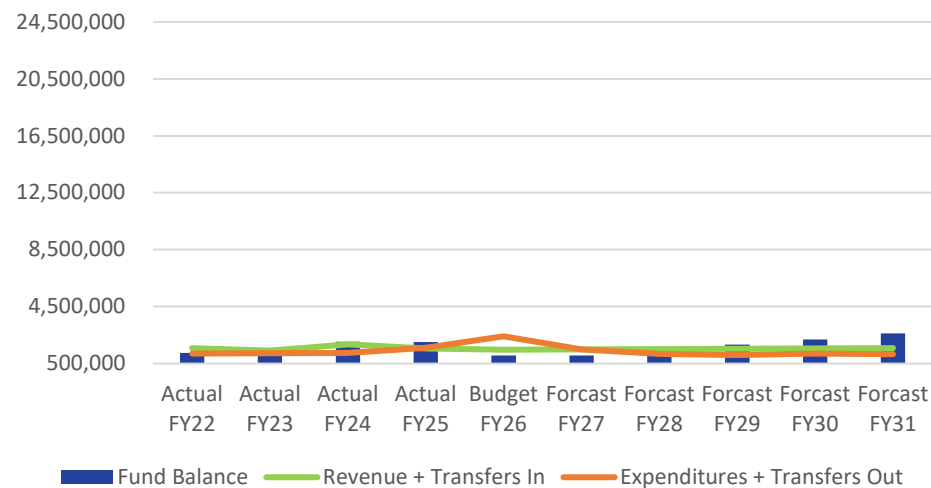
MUNICIPAL ATAX FUND



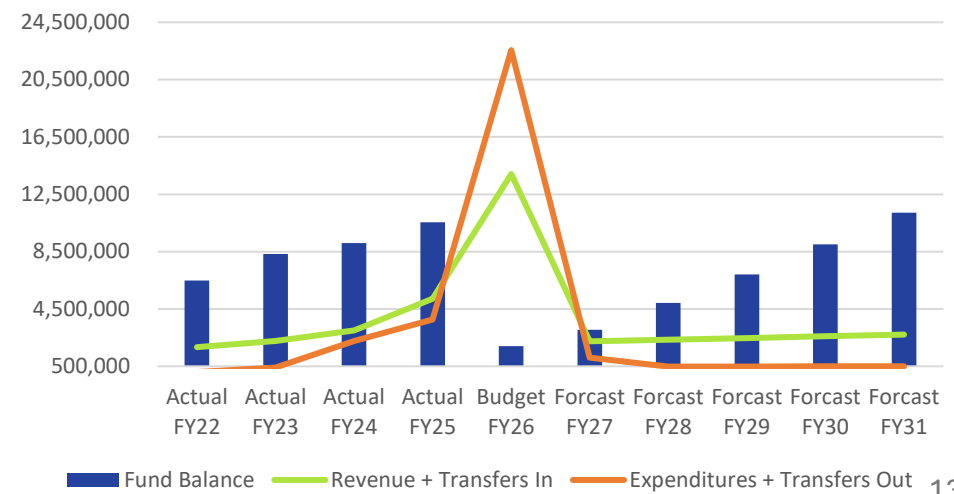
STATE ACCOMODATIONS FUND



HOSPITALITY FUND



BEACH PRESERVATION FEE FUND





Cost Sharing Factors – 2008 to Present

BEACH RESTORATION PROJECT FUNDING

	Wild Dunes Only		Wild Dunes & Breach Inlet	
	2008	% of Total	2018	% of Total
IOP Portion -WD Public	1,900,000	20%	2,832,000	21%
Private Contributions	5,926,000	63%	5,240,000	39%
Charleston County	900,000	10%	-	0%
State of South Carolina*	671,000	7%	3,614,000	27%
FEMA	-	0%	1,895,000	14%
Breach Inlet	-	0%	-	0%
	9,397,000	100%	13,581,000	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.

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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