

Vote "4" Issue #4

Tuesday, November 2

Political advertising paid for by the Beaches for Jobs Committee, P.O. Box 8029, Galveston, TX 77553, Armin Cantini, Treasurer

WHAT'S THE PLAN?

Passage of Issue #4 in the election Tuesday, November 2, will create a 15-year, one-eighth of a penny sales tax to renourish Galveston beaches. Crews will pump 715,000 cubic yards of sand by pipeline over 3.5 miles, from Big Reef on the Island's east end to the beaches between 10th and 61st streets.

HOW WILL THE SALES TAX FUNDS BE USED?

Sales tax proceeds of about \$433,000 per year will be used to repay bonds issued through the Texas Water Development Board.

Of the many plans suggested for repayment of the bonds, this is the method of payment most certain to be accepted by the Texas Water Development Board, with minimal expense to Galveston taxpayers.

WHEN WILL THE NEW BEACHES TAKE SHAPE?

Probably in time for the 1994 summer season. Work begins as early as January, 1994. Kids will be frolicking on the new beach areas within a couple of weeks after the pumping stops.

HOW WILL THE SAND LOOK?

Basically the same as it looks at East Beach now -- dredge site studies indicate light yellow sand about the same color and consistency.

HOW BIG WILL THE BEACH BE?

When the sand first goes down, the dry sand area between water's edge and the Seawall will be about 220 feet.

That'll adjust to 150 feet fairly quickly, and stabilize at that depth (of course,

the size of high and low tides on any given day will vary, so this is an average).

HOW LONG WILL THE NEW BEACHES LAST?

We all know you can't fool Mother Nature, and no one has found a way to stop the flow of beach sand. Based on experience in other coastal areas around the country, engineers who have done this kind of work estimate most of the sand placed on Galveston beaches will stay in place for 10 to 15 years, barring the occurrence of major storm damage. The engineers predict we'll have 140-foot beaches through the year 2001, possibly longer.

Even storm damage may not be as bad as you'd think. Much of the sand stirred up in a storm is suspended in the water and comes back to shore later, through natural wave action...the renourished beaches of Miami Beach are still in place after Hurricane Andrew, for example.

WHAT ARE THE BENEFITS?

Jobs. Obviously, expanded beaches will expand tourism and business opportunities along the Seawall. With publicity about the new beaches circulating nationwide, thousands more visitors will be attracted to the Island, spending more and creating a larger market for hotels, motels, restaurants, pubs, souvenir shops, tour operators, concessionaires and many other businesses.

New businesses will crop up on vacant property, and existing businesses will add employees, too.

Off the beach, the story is the same: Visitors will buy gas, groceries, clothes and restaurant meals, and they'll visit

museums, attractions and events throughout Galveston Island.

Those tourism businesses won't grow in a vacuum -- they'll buy office supplies, banking services, insurance, furniture, health care and so on. Their new employees will turn every dollar they earn into something like \$4 worth of economic impact, as their purchasing power circulates throughout Galveston.

And all of that economic growth will generate increased sales tax revenue for Galveston, meaning there will be less pressure on property taxes for essential city services.

And don't forget yourself: You'll enjoy the beautiful addition of a wonderful new beach in your hometown, where you can spend lazy afternoons, take long morning walks or play spirited afternoon volleyball games.

JOBS -- HOW MANY?

It's impossible to say exactly how many, but let's walk through some arithmetic:

Suppose the outcome of increased beach tourism is just eight new small restaurants, a couple of convenience stores reopened, eventually a new hotel, a dozen concessionaires on the beach and two or three new beachfront visitor attractions. That's not an unreasonable estimate, is it? Even that minimal expansion of business limited just to the Seawall, would add between 300 and 350 new jobs to Galveston.

And that doesn't include the jobs created by the beach reconstruction itself, construction jobs on new/remodeled buildings, or new beach maintenance jobs.

They won't all be "minimum wage" jobs, either. For every 8 or 10

Jobs (continued)

entry-level jobs is a supervisor, and for every 8 or 10 supervisors is an administrator/manager.

And this little exercise doesn't even begin to take into account jobs created by expanded business all over the Island, or the jobs saved by retention of existing businesses.

A good guess? Based on the above arithmetic, it's not unreasonable to predict 1,000 jobs will be created or retained in Galveston by the time all of the new beach's effects are realized. A small 1990 beach renourishment project on Florida's Gulf Coast (Anna Marie Island), for example, has already created some 400 new jobs and \$9.5 million in new payroll.

HOW MUCH WILL IT COST?

The total cost will be about \$4.8 million. An eighth of a cent would add about a penny to a \$10 purchase of taxable merchandise (remember, essentials like prescription drugs, medical supplies and groceries are excluded). On a \$15,000 new car, this sales tax would add \$18.75. For a pair of jeans, you're talking about 3 cents. This isn't likely to be a hardship on anyone, and would cost the most for

people who spend the most.

WHO WILL PAY THE SALES TAX?

Galveston's 6.5 million visitors will pay about 40 percent of the tax each year, and that may increase over the years as the beach attracts more visitors to spend more money in Galveston.

Galvestonians will pay most of the remaining 60 percent -- but keep in mind every dollar raised through economic development sales taxes reduces local property taxes, so the financial impact on property owners may be negligible.

IS THIS TAX PERMANENT?

No, the sales tax will be in place for 15 years. Voters could renew it in the year 2008, but other funding sources like parking fees, private development and a better business climate may eliminate the need for it by then.

But remember: Renourishing beaches is a continuing process, and we should keep adding small amounts of sand over the years to avoid ever having to do this massive replenishment again.

WHO'LL BE IN CHARGE OF IT?

The work will be performed by

contractors under the supervision of the City of Galveston and the engineering firm of Coastal Planning and Engineering of Boca Raton, Florida.

That company, by the way, is one of the leading coastal engineering firms in the country, with some 28 successful beach management projects under its belt. Some of its more notable projects have been in the communities of Captiva Island, Miami Beach, Boca Raton, Ft. Lauderdale, Hilton Head and Pensacola.

The State of Texas will collect the sales tax revenue from merchants, as it does with every sales tax. Those proceeds will be returned to the Parks Board, which will repay the bonds issued to pay for construction. The beaches themselves will be managed and cleaned by the Galveston Parks Board of Trustees, which manages most of the other beaches on Galveston's east end.

WILL THE PIPELINE STAY?

No, buying the pipeline would increase the project cost to about \$10 million. And it would probably deteriorate before we need to use it again. We'll just use it for a couple of months until the job is finished, and take it up.

The Beaches for Jobs Committee
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