Summary Fact Sheet

- Beach (Project) ~Length 12,830'
- Project Zone Assessed Value ~$129 Million
- ~70-130 cubic yds/foot
- Total Fill = ~910,000 cu yds – 1.7 Million cu yds
- Sand Costs – ~11-16 Million
- Mobilization/Planning Costs ~4 Million
- Total Initial Costs ~15-20 Million
- Estimated Maintenance Costs = ~ $2 Million/Yr?
- KDH 's annual tourism related revenue :

  ~$140 million per year & supports 2,000 of the more than 4,000 jobs in KDH.

Visitor's Bureau

KILL DEVIL HILLS
Birthplace of Aviation
NORTH CAROLINA

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Fall 2012

Tourism Dollars Add To Quality Of Life For Dare Residents

Funds Provide For Community Development And Activities

By the numbers, tourism is Dare County's chief economic driver, meaning visitors create a demand that most of us who live on the OBX help to fulfill on some level. Whether you mate a charter boat, service hotel rooms, cashier at a surf shop or write mortgages for second home owners, you have a vested stake in Dare County tourism remaining vibrant. A lot is made about tourism figures and the health of the industry, from the web pages and broadcast reports of various media outlets to the water cooler discussions of small businesses and local associations. For a lot of us, though, it's easy to see the numbers in the newspaper without necessarily feeling the connection to our daily lives. Our hope is to share with you over the next few pages some of the ways in which tourism enhances quality of life.

Tourism means jobs and paychecks, and because of the taxes paid by visitors while they're here, we even enjoy significant tax relief. But in a more real sense, how many of the restaurants, stores and activities that we take part in could survive without visitors coming to the area? Visitors place a higher demand on our

Residents cont'd page 3

Dare County *By The Numbers*

In 2011, Visitor Spending Supported:

- ***$877 Million Into Local Economy***
- ***11,260 Jobs***
- ***$175.74 Million Payroll***
- ***#4 Rank Out Of 100 NC Counties***
- ***$2,472 Tax Savings Per Dare Resident***

source: 2011 NC County-by-County Economic Impact Study. www.nccommerce.com

How Tourism Helps Local Taxpayers

Without tourism, the revenue Dare County & the towns receive from the Occupancy Tax would have to be derived from other sources. The likely alternative would be an increase in our property taxes or a decrease in services. The chart below shows how much of on an increase would be needed to replace the millions of dollars tourism brings us through occupancy tax alone.

This is Your Town	This Your Town's Occupancy Tax Money 10/11	This Is Your Town's Property Tax Increase without Tourism Revenue
Duck	$1,004,468.00	4.3¢
Southern Shores	$697,630.00	4.1¢
Kitty Hawk	$1,056,475.00	7.5¢
Kill Devil Hills	$2,208,047.00	8.4¢
Nags Head	$1,852,917.00	6.0¢
Manteo	$609,962.00	9.5¢
Dare County	$3,496,235.00	2.0¢

Creation of Municipal Service District (160A-536) - Orange & Yellow Zone

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Cost & Funding Beach Nourishment

Dare Co Beach Nourishment Fund	$10,000,000
Special Obligation Bond ****	10,000,000
Total Project Cost	$20,000,000

Special Obligation Bond – 5yr amortiztion

A SO Bond issue is one that is collateralized by a specific revenue stream such as **Occupancy Taxes**. (see below)

Bond issue proposed is amortized over 5 years at a current rate of 2.45%.

Avg ANNUAL debt repayment will cost	**$2,110,250**
Paid by:	
Additional 1% of Occupancy Tax – BNF	**1,055,125**
Town's Current Share of Occupancy Tax	**1,055,125**

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Increase in Taxes to Replace Pledged Occupancy Taxes

1. Town-wide tax of 3 cents generates $606,100
   (total tax =35.09)

2. Municipal Service District tax of 32.09 cents
   (double) will generate 449,100
   (total tax =67.18)

Annual total from tax payers $ 1,055,200

(a handout of random property values and related tax levy in and outside of the MSD is provided)

samples

Town of Kill Devil Hills

Beach Nourishment Project

Sample Parcels

Rate Explanations

- 2012 tax rate = .235 per hundred dollars of valuation
- 2013 revenue neutral rate = .3209 per hundred dollars of valuation
- Beach Nourishment Project Town-wide rate = .3509 per hundred dollars of valuation
- Municipal Service District total rate = .6718 per hundred dollars of valuation
    - .3209 = revenue neutral rate
    - +.03 = Town-wide Beach Nourishment Project rate
    - +.3209= Municipal Service District rate

Sample Parcels

Parcel with the Median Value in Municipal Service District

Property is at 1915 North Virginia Dare Trail and was built in 1946 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
783,200	$1,841	**442,300**	$1,419	$2,971	$1,131

Parcel with the Lowest Improved Value in Municipal Service District

Property is at 2507 North Virginia Dare Trail and was built in 1928 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
239,100	$562	**155,700**	$500	$1,046	$484

Sample Parcels

Parcel with the Highest Residential Value in Municipal Service District

Property is at 1317 North Virginia Dare Trail and was built in 2003 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
3,775,100	$8,871	**2,646,000**	$8,491	$17,776	$8,904

Parcel with the Highest Commercial Value in Municipal Service District

Property is at 1731 North Virginia Dare Trail and was built in 1962 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
4,597,500	$10,804	**3,759,600**	$12,065	$25,257	$14,453

Sample Parcels

Parcel with the Median Value in Municipal Service District

Property is at 2108 North Virginia Dare Trail and was built in 1954 - **VE Zone**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
407,400	$957	**314,700**	$1,010	$2,114	$1,157

Parcel with the Lowest Improved Value in Municipal Service District

Property is at 2055 New Bern Street and was built in 1955 - **VE Zone**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
276,400	$650	**209,500**	$672	$1,407	$758

Sample Parcels

Parcel with the Highest Residential Value in Municipal Service District

Property is at 2050 North Virginia Dare Trail and was built in 2004 - **VE Zone**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
719,800	$1,692	**625,700**	$2,008	$4,203	$2,512

Parcel with the Highest Commercial Value in Municipal Service District

Property is at 2106 North Virginia Dare Trail and was built in 1968 - **VE Zone**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .6718	Difference between Beach Nourishment and 2012 Taxes
1,187,100	$2,790	**693,700**	$2,226	$4,660	$1,871

Sample Parcels

Property at 203 West Sportsman Drive and was built in 1988

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
230,300	$541	**169,400**	$544	$594	$53

Property at 606 West Fifth Street and was built in 1989

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
276,800	$650	**211,000**	$677	$740	$90

Sample Parcels

Property at 1718 Sunset Avenue and was built in 1986

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
287,500	$676	**207,200**	$665	$727	$51

Property at 1814 Seminole Street and was built in 2002

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
261,900	$615	**220,100**	$706	$772	$157

Sample Parcels

Property at 112 Camellia Drive and was built in 1970

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
282,300	$663	**202,000**	$648	$709	$45

Property at 721 Canal Drive and was built in 1998

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
409,100	$961	**326,300**	$1,047	$1,145	$184

Sample Parcels

Property at 104 Lowell Avenue and was built in 1965

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
334,100	$785	**214,700**	$689	$753	($32)

Property at 1103 Swan Street and was built in 2003

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
256,600	$603	**224,200**	$719	$787	$184

Sample Parcels

Property at 304 East Fresh Pond Drive and was built in 1996

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
402,400	$946	**315,500**	$1,012	$1,107	$161

Property at 215 Pine Grove Trail and was built in 1989

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
310,000	$729	**247,000**	$793	$867	$138

Sample Parcels

Property at 522 West Ocean Acres Drive and was built in 2010

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
247,400	$581	**228,500**	$733	$802	$220

Property at 2814 Bay Drive and was built in 1991 - **Sound Front**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
542,700	$1,275	**329,800**	$1,058	$1,157	($118)

Sample Parcels

Property at 1219B South Virginia Dare Trail and was built in 1946 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
375,500	$882	**284,900**	$914	$1,000	$117

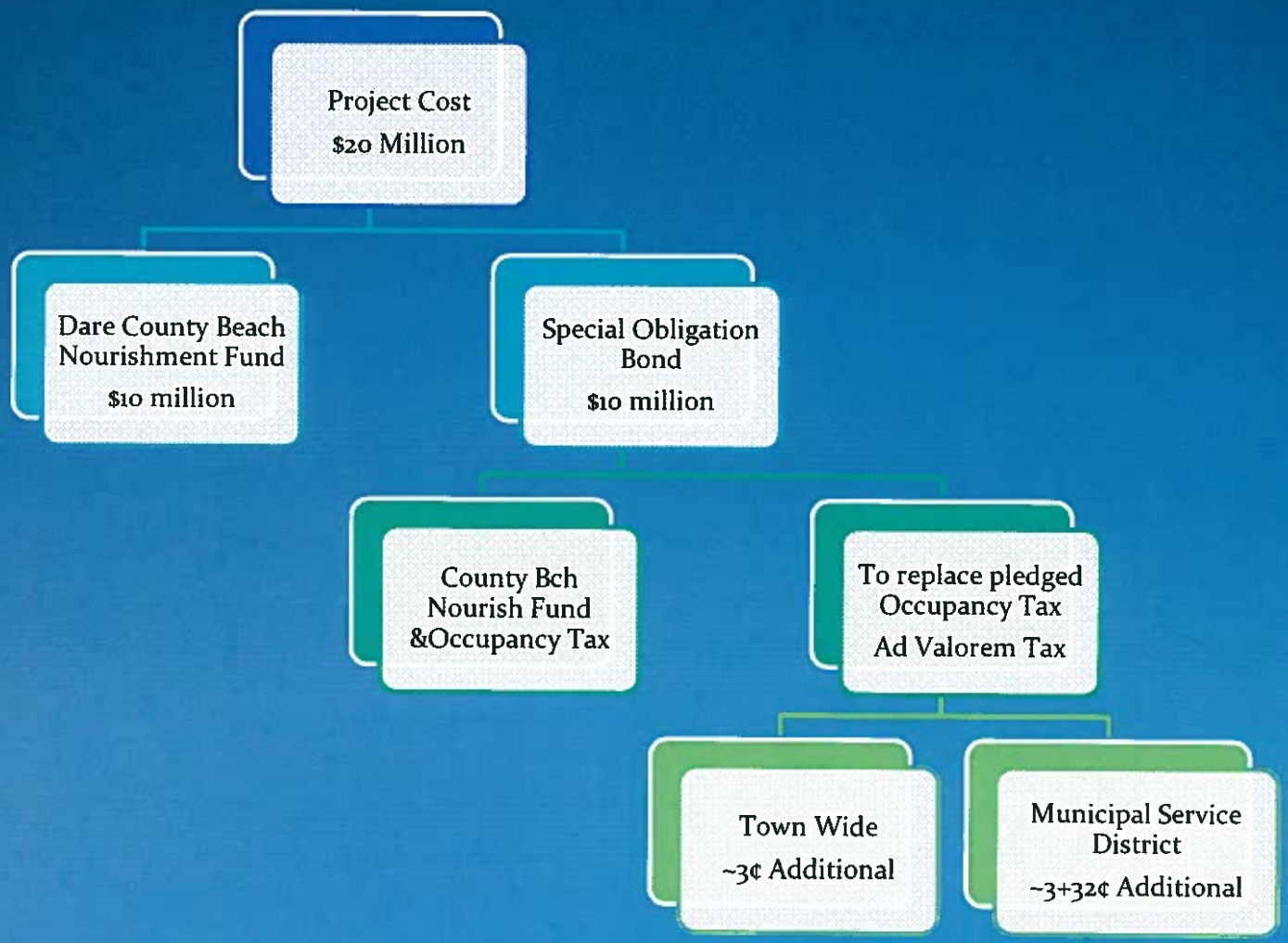
Property at 2027 South Virginia Dare Trail and was built in 1995 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
1,382,800	$3,250	**984,000**	$3,158	$3,453	$203

Sample Parcels

Property at 703 North Virginia Dare Trail and was built in 2003 - **Oceanfront**

2012 Value (based on 2005 market)	2012 Town Tax @ .235	New 2013 Value	Revenue Neutral 2013 Tax @ .3209	Beach Nourishment 2013 Tax @ .3509	Difference between Beach Nourishment and 2012 Taxes
3,255,200	$7,650	**2,329,400**	$7,475	$8,174	$524

Beach Nourishment Financial Overview

Financial Template