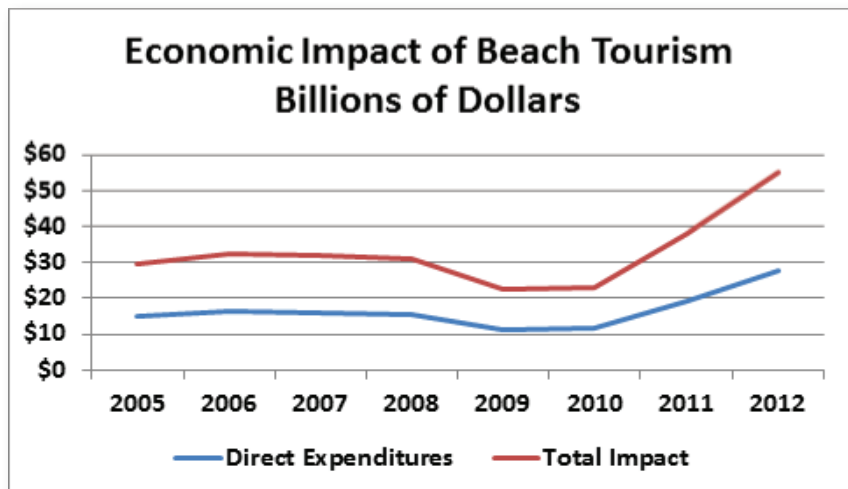




HEALTHY BEACHES DRIVE FLORIDA'S ECONOMY

Beaches are the engine that drives Florida's tourism economy. Beaches are our Number 1 tourist attraction – In 2012, **91.4 million** out-of-state visitors traveled to Florida. 38.4 million, or **42%** were beach-oriented visitors.

The 2012 economic benefits of beach tourism were **\$55.2 billion** in sales added to Florida's economy.



Unfortunately, 399 of the State's 825 miles of sandy beaches are critically-eroded. The primary cause of our beach erosion is the interruption of the natural flow of sand by navigation improvements at Florida's 60 inlets. Through decades of successful intergovernmental funding partnerships, 222 miles are now part of "managed" erosion control projects, mostly restoration, renourishment, or inlet sand bypassing. At last count, a majority of these nourished beaches are part of federally-authorized projects. This means up to 65% federal cost-sharing for scheduled maintenance, an even higher percentage when mitigation for navigation improvements is included (for example: Nassau County, St. Johns, Ft. Pierce and Brevard's North Reach), and 100% federal expense to replace major storm-caused sand losses (most recently associated with Hurricane Sandy and Tropical Storm Debby).

Delray Beach



October 26, 2012 during Hurricane Sandy



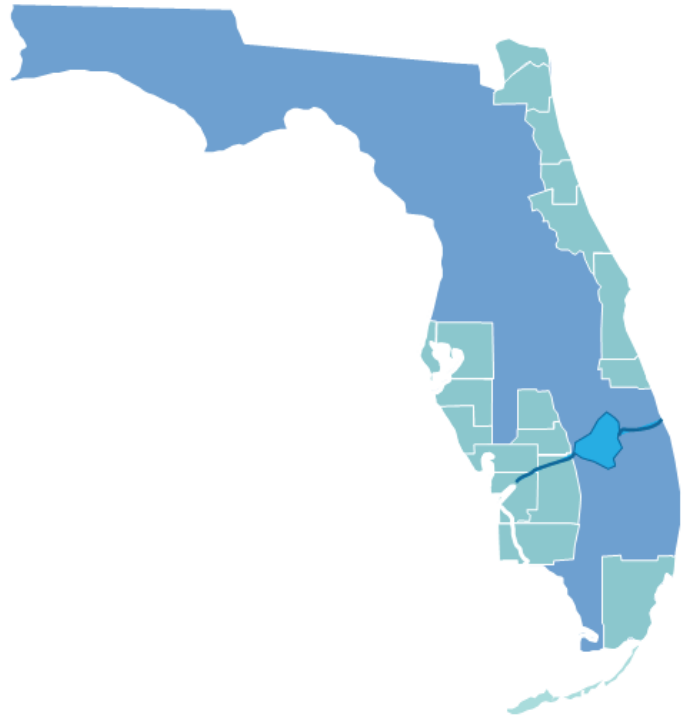
Post-Construction April 24, 2013



Neither the State nor federal government (U.S Army Corps of Engineers) anticipated the **2013/14 response to the storms of 2012**. Pre-storm, the federal government had only two programmed FY2013 projects for Florida with a total cost of \$5 million. Their final post-storm program includes **13 beach and 9 navigation projects with sand placement, putting 7.5 million cubic yards of sand on 38.5 miles of Florida's storm-damaged beaches, at a cost of approximately \$145 million, with over \$14.5 million in mobilization savings**. The Legislature responded with the \$20 million needed to match specific federally-authorized beach projects, and also provided over \$13 million in state dollars for sand losses in 10 coastal communities with non-federal beach and dune projects, which after the Hurricane Sandy FEMA denial had no cost-sharing options.

2013 FEDERAL PROGRAM FOR FLORIDA Sand on the Beach

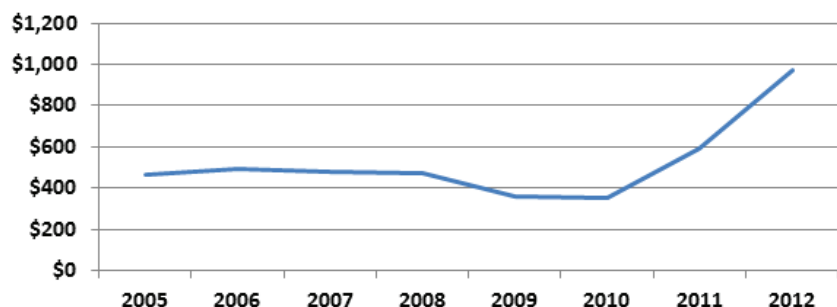
Beach Projects	End Date
Pinellas County - Treasure Island	Jul-14
Pinellas County - Long Key	Jul-14
Manatee County	Apr-14
Lee County - Gasparilla	Complete
Brevard - North Reach	Apr-14
Brevard - South Reach	Complete
Martin County	Complete
Ft. Pierce Beach	Complete
Palm Beach County-Jupiter/Carlin	Mar-14
Palm Beach County-North Boca	Apr-14
Palm Beach County-Delray Beach	Mar-14
Palm Beach County-Ocean Ridge	Feb-14
Broward County Segment II	Feb-14
Inlet Management	
Port Everglades	Complete
Port Canaveral	Complete
Palm Beach Harbor	Complete
Ft Pierce Inlet	May-14
St Lucie Inlet	Feb-14
St Augustine Inlet	Complete
Ponce Inlet	Complete
AIWW- Jupiter	Feb-14
AIWW – Bakers Haulover	Apr-14



BEACHES — FLORIDA'S ECONOMIC ENGINE AND THE BENEFITS THEY PROVIDE

In addition to the \$55 billion total statewide impact of beach tourism, state sales tax paid by beach tourists in 2012 was almost \$1 billion (\$972 M) (Dr. William Stronge)

Sales Tax Directly Paid By Beach Tourists
Millions of Dollars



For every dollar the state appropriated for beach projects (FY 2012/13) it **received \$48.60** in revenues. With this **ROI**, instead of asking whether the state can afford to spend more money on beaches, perhaps we should be asking if we can afford not to.

Florida beaches have an annual **recreational value** of about \$50 billion. Florida's beaches had approximately **810 million day visits in 2012**, the most of any state or country in the world (Dr. James Houston, 2013). They have more tourist visits than all U.S. theme parks and national parks combined (Themed Entertainment Association, National Park Service, 2012).

528,000 jobs were created in Florida by beach tourism in 2012. This is twice the number of jobs created at the bottom of the recession in 2009, suggesting investing in beaches is a worthy component of any economic recovery strategy (Stronge).

While the tourism and recreation benefits of Florida's beaches are center stage, beaches in terms of **storm damage reduction** are a vital part of Florida's **coastal infrastructure**. The total value of insured coastal property in Florida is nearly \$2.5 trillion (Insuring Florida, 2007). A study following the 2004 and 2005 hurricane seasons of 28,000 properties in eight impacted Florida counties showed that restored beaches **prevented a loss of \$1.8 billion in property values**.



Post-Sandy, Brevard County South Reach (November 1, 2012)
Scarping of dune – evidence that entire berm was submerged in this prime sea turtle nesting habitat.



Brevard County South Reach (January 9, 2014)
The repair and nourishment of Brevard South Reach, in progress, is 100% federally-funded (\$11.7 million).

DID YOU KNOW?

- Brevard beaches are among the ten most visited beaches in the U.S. (Travel and Leisure, 2012)
- St. Petersburg beach is the "Traveler's Choice" number one U.S. Beach Destination and Miami Beach is second. (TripAdvisor 2012)
- Delray Beach is named "Most Fun Small Town in America." (USA Today and Rand McNally)
- The Best Family Beach in the World is Destin. (Travel channel 2013)
- Cape Florida, Key Biscayne, a frequent Dr. Beach top 10 favorite, was one of three Florida beaches in his top 10 beaches for 2013.

ALL OF WHICH ARE RESTORED BEACHES!



WHY REPAIR AND MAINTAIN FLORIDA'S BEACHES?

- All beach projects provide far greater benefits to Florida's economy than cost to taxpayers. For the State of Florida, **every dollar** spent on beach projects generated almost **\$48 in sales tax revenues**. (Stronge, 2013)
- Federal, state, and local **tax revenues generated** by Florida beach tourists **are 100 times the total expenditures** on beach nourishment in Florida. (Houston, 2013)
- Generally, every dollar spent by the State of Florida on beach management is matched by \$1 in local government funding, and up to 3 in federal dollars – add to this post-storm 100% federal coastal emergency funding and FEMA Category G beach funding of sand losses only.
- With Florida bringing in approximately **\$12.5 billion in international** beach tourist spending, federal and state funding for beach nourishment is an exceptional investment.
- A 1% decline in spending by Florida beach tourists reduces sales tax revenues by more than \$20 million. (Houston, 2013)
- If the **State** of Florida **matched local spending** on beach nourishment as a percentage of taxes collected that are generated by Florida beach tourists, the state's beach program would be funded at **\$45 million annually**. (Houston, 2012)

Since 1998, expressed legislative intent in Chapter 201.15 was to allocate a minimum of \$30 million annually for the preservation and repair of Florida's beaches. Storm damage recovery and revenue surpluses provided additional dollars (2004-2007) that helped to address the backlog of projects; the program was maintained with scarce general revenue during the recent recession. Despite a significant funding increase for beaches in the current fiscal year to address storm damages from 2012, a measurable backlog remains and the agency's budget request of \$25 million for FY14/15 will satisfy less than 30% of the immediate funding need. **Just to sustain original legislative intent, adjusting for inflation through 2013, Florida's beach program would have to be currently funded at \$43 million.**

STATE FUNDING SUPPORT FOR FLORIDA'S BEACHES (10-Year Profile: FY2004-05 thru 2013-14)

FY 2004-05	\$30M
2004 Special Legislative Session Appropriation [Hurricane Recovery]	\$68.4M
FY2005-06	\$70.3M
FY2006-07	\$50M
FY2007-08	\$47.4M
FY2008-09	\$21.9M
FY2009-10	\$15M
FY2010-11	\$15.54M
FY2011-12	\$16.25M
FY2012-13	\$21.9M
FY2013-14	\$37.5M

