



Agenda Item: Discuss Seasonal Exemption Changes For Beach Parks

Background: R.A. Apffel and Stewart Beach operate seasonally from the second week in March to the second week of October - or exactly seven months out of the year. The beach parks are in operation seven days per week throughout the season.

Over the last few years staff has observed that park visitation drops significantly on the weekdays after Spring Break until Memorial Day. After the third week in August, weekday visitation significantly declines again until the close of season. However, staff has also observed that weekend visitation remains elevated after the parks close for the season, as the beach and parking lots remain accessible year-round and periods of warm weather blanket the island. Unfortunately, the parks are unable to generate revenue outside of the 7-month operating calendar due to the current method of receiving seasonal exemption status, which is defined by the number of months in operation.

Staff has identified an updated method for receiving seasonal exemption that includes operating for longer than a seven-month period. The updated method consists of comparing revenues from the six highest gross revenue months and applying against the six lowest gross revenue months in a 12-month period. Seasonal exemption status may be obtained if the average receipts over the lowest gross revenue six-month period are no greater than 33 1/3% of average receipts from the highest gross revenue six-month period. Implementing the 33 1/3% method will allow the parks to operate longer than seven months, thus capitalizing on our "off-season" visitation while allowing the parks to implement additional programming and events. Additional benefits include increased capability to onboard, train, and retain seasonal staff.

Staff Recommendation: Staff recommends the Board have a discussion regarding the modification of the operating calendar and method of achieving seasonal exemption status. Staff intends to take this concept to the Finance and Operations Committee in March to further investigate. Staff also intends to bring a recommendation back to the Board after vetting at the committee level.

Funding Source (if applicable): N/A