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PAWLEYS ISLAND | Funding local government

Once 3rd rail of town politics, property tax on the table

BY CHARLES SWENSON
COASTAL OBSERVER

Pawleys Island property owners will have their first serious discussion about a property tax since the town was formed over 30 years ago. It will be part of what town officials call a "holistic approach" to the red ink that is forecast to wash over their budget like Pawleys Creek in a spring tide.

"This is not something I or anyone on council ever wanted to bring up," Mayor Jimmy Braswell

told about 20 property owners who showed up at a meeting this week to hear discussion about a business license fee.

But after some owners and council members questioned the fairness and efficiency of the business license, the council agreed to expand the discussion.

Council Member Sarah Zimmerman said she would be willing to pay a flat annual fee if the money was earmarked for beach renourishment.

"We need a holistic approach," Council Member Guerry

Green said, adding that would also include spending.

The town will see its \$800,000 operating reserve dwindle to about \$35,000 over 10 years at the current rate of spending unless it finds more revenue, according to a forecast by Administrator Ryan Fabbri.

The town has never had a property tax. State and local taxes on vacation rentals account for 41 percent of the revenue in the town's current budget. Taxes on phone lines and insurance premiums collected for the town by

the S.C. Municipal Association account for another 19 percent of its \$1.9 million in revenue.

"We have graciously been allowed to operate the town on the accommodations tax," Braswell said. "Today, there is a problem."

The town is considering a business license because under state law it cannot adopt a property tax rate without approval from the General Assembly. Although the town only has two inns that are considered commercial activity – both grandfathered under the zoning ordinance – a busi-

ness license would be required for people to rent their houses. It would also be able to require companies located off the island to get a license to do business on the island, such as contractors and beach services.

Of the 271 cities and towns in the state, 220 have business licenses, said Scott Slatton, public policy advocate for the Municipal Association. That includes the town of Seabrook Island, which, like Pawleys Island, has no property tax.

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Tanya Ackerman/Coastal Observer



Winter in full bloom

The Grand Strand Camellia Society's annual show boasted 900 blooms in 14 classes, bringing a splash of color to winter at Inlet Square Mall. At left, Lousia Ann Lee of Litchfield holds the camellia bloom her grandfather Mack McKinnon of Murrells Inlet named for her. Below, David Elliott of Murrells Inlet discusses the finer points of camellias with Wina and Tom Mowery of Pawleys Island.



COUNTY COUNCIL

Residency challenge likely to end in court

BY CHARLES SWENSON
COASTAL OBSERVER

A hearing on Friday will determine whether County Council Member Austin Beard is a voter in the district that he represents. It won't determine whether he is eligible to continue to serve, officials say.

The local chapter of the NAACP filed a challenge to Beard's voter status last week after presenting the council with documents its leaders say show that Beard lives in Georgetown rather than the Andrews address in District 5 shown on his campaign filings. The county Board of Voter Registration and Elections will hear the challenge.

It is the first such hearing the commission has held, said Donna Mahn, who became director of voter registration and elections in 2006. "We've never had one, so I don't know how it will go," she said.

Marvin Neal, the NAACP chapter president, will present his information. Beard will have the opportunity for rebuttal. "It's not a public hearing," Mahn said. The commission takes evidence, she added, it doesn't investigate.

State law has a broad definition of a person's "domicile." It is "a fixed home where he has an intention of returning when he is absent."

The law specifies some, but

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SCHOOLS | Coastal Montessori

Charter school director who oversaw expansion announces departure

BY CHARLES SWENSON
COASTAL OBSERVER

The director of Coastal Montessori Charter School announced this week that she will step down. Nathalie Hunt is the second director since the school opened in 2011 and oversaw its move to a new building.

"This decision was not easy. I truly consider this school my first child – a child I had the privilege to nourish and support each step of the way from infancy to adolescence. I love your children and the Montessori Method," Hunt wrote in the school's weekly newsletter after announcing the decision to staff.

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Nathalie Hunt in 2016.

LEGISLATURE | Selling Santee Cooper

Lawmakers say ratepayers will be their top priority

BY CHARLES SWENSON
COASTAL OBSERVER

State legislators say they will focus on ratepayers rather than ideology when they consider proposals to sell Santee Cooper, the state-owned electric utility. A report on four offers from private utilities is expected to emerge next month from a committee reviewing the sale.

Santee Cooper provides retail power to customers in Georgetown, Horry and Berkeley counties, but it provides wholesale power to municipalities and co-ops around the state. It has about \$8 billion in debt, half of which comes from a partnership with SCE&G in the failed expansion of the V.C. Summer nuclear plant.

Tom Swatzel, a former Georgetown County Council member and a political consultant, has been urging property owners associations to contact local lawmakers to support the sale of Santee Cooper. He called the utility's debt "a ticking time bomb" for ratepayers. An investor-owned utility would buy up the debt, provide power more economically and retain jobs for current Santee Cooper employ-



The state-owned utility serves retail customers on Waccamaw Neck.

ees. Any rate increases would require approval from the state Public Service Commission.

"I love Tom Swatzel. He's a great guy," state Sen. Stephen Goldfinch said. "He's on the wrong side of this."

A company whose first obligation is to its shareholders won't have the incentive to maintain low rates, particularly if they are buying Santee Cooper's debt, he said.

"You can't tell me they're not going to come in here and not raise rates," Goldfinch said. "My rateholders, people who pay rates

to Santee Cooper, don't want to see their rates go up."

Santee Cooper has said its rates will rise 7 percent at the most by 2025, Goldfinch said.

State Rep. Lee Hewitt said he has already heard from one POA in support of the sale. "It's easy to say 'sell it,' but you don't know the offers or the terms," he said.

Hewitt and Goldfinch understand there is a philosophical reason to support the sale. They don't think the state should be in the electricity business. "The reason it got in the power business has gone away," Hewitt said.

INSIDE THIS ISSUE



Belles of the ball: There were a few Elsas, too, when the Waccamaw High Acting Troupe held its Princess Breakfast.

SECOND FRONT

Outdoors: On hike of a lifetime, couple learned to love songbirds and noodles.

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