## Is Resort Business and Tourism More Of A Plus or A Minus?

There is no denying that being a tremendously popular destination can create both a plus and a minus for everyone from the resident, to the visitor, to the business and their employees.

The resort area of Dewey and Rehoboth, and several surrounding locations, have seen increased visitation for decades. The most noticeable changes include the overall **year-round** visitation as well as the **extended weekend overnight visitor**. In addition, the development of numerous new communities throughout Sussex County has created a noticeable increase in the number of **day only visitors**.

A resident who observes their neighborhood street transform from residential parking into a street that shares parking with visitors or renters, might easily label the situation to be negative. On the positive side, without the visitors there would not be the vibrant business community that offers everyone including residents an array of choices from entertainment to restaurants.

The lodging tax that is collected for the State by the hotels/motels is another positive for residents. Without tourism, each household would pay an additional \$1,468 in taxes each year. Additional savings to the resident is accomplished through the collection of the 8% State Accommodation Tax which provides funding for beach replenishment and the State General Fund. The General Fund provides for a number of both statewide and local needs, i.e. police equipment, roadways, signage, etc.. A portion of the General Fund is also utilized for grant funding that the municipalities apply for and receive from time to time for various municipal projects.

The marketing money the Chamber receives from the 8% tax, if not provided by this tax, would become a budget line item in the municipal budget in order to market itself. This is a cost the residents do not need to provide. Therefore, the residents do benefit directly from the lodging tax. Sussex County hotels & motels alone collected \$8,390,182 from July 1, of 2018 to June 30, of 2019, while a total of \$25,642,289 was collected by all hotels/motels in the State for the same timeframe.

It is hard to deny that there is a true value in tourism given the 3.4 billion it contributes to the State's GDP, the 522 million collected in fees and tax revenue, and has become the 4<sup>th</sup> largest private employer in the State. Yes, tourism and business success is most certainly a plus for our communities.

For the business and residential communities located within municipalities available parking can be a competitive issue for all. Residents, businesses, employees and visitors look for ease of access to work, dine, shop or play. Whether a lifelong resident or a new resident, living in a resort comes with the knowledge that sharing space requires compromise.

Visitors are the lifeblood of Tourism and they want the same things that the resident, business, and municipality desires... a clean, safe, and friendly environment for all.

The challenges of growth are numerous and require planned, long term, systematic solutions as well as the acceptance that we are all in this together and we all need to keep our community hat on to meet the challenges.

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REHOBOTH BEACH-DEWEY BEACH

CHAMBER OF COMMERCE