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## **Don't break camp**

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WHILE THE River's End Campground at Tybee Island will most likely require taxpayer subsidies until 2026, the island's City Council should not off-load the 7-acre tract.

They should remember the still-valid reasons the city purchased the property in 2006: To protect it against residential development pressure and to maintain a green space that offers a relatively affordable lodging option for tourists.

The campground costs the city about \$1.3 million to operate each year. Of that cost is about \$560,000 in principle and interest payments on a 20-year bond let on the city's behalf by the Chatham County Recreation Authority. Tybee has 17 more years to pay on the bonds.

Another \$750,000 or so is what it costs to run the facility, which brings in about \$1 million in revenues each year.

The city has subsidized the campground by about \$250,000 to \$300,000 a year, depending on camp site revenues. But after the bond is paid off, that relationship flips.

Based on the campground's revenue history, the city is likely to see about \$250,000 annually in what Tybee officials call "excess revenues over expenses," or what a business would call profit. A money-making concern run by a city that does not involve taxing locals is a rare and precious item.

And that's before the revenue from six brand-new rental cottages is figured in. Discovering how those cottages will affect income will take some time.

Tybee council members should give the tourist market time to respond to the upgrades. The next 17 years of subsidies are already expected to yield an eventual asset that pumps a quarter million dollars a year into city coffers, for as long as Tybee decides to operate the campground. That figure could be even higher with the new choices for budget travelers.

Short-term, the campground will probably remain, as Councilman Dick Smith describes it, a budget drain.

But over the long haul, the campground promises to become a virtual cash spigot, turning a 25 percent profit.

Considering today's real estate market (much cooler now than when the city bought the property), and the campground's revenue potential, it's wiser to ride the rapids now and hold on to River's End for long-term profit.

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