



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

RESOLUTION IN OPPOSITION TO OFF-SHORE EXPLORATION AND PRODUCTION OF PETROLEUM RESOURCES ON THE CONTINENTAL SHELF OFF THE COAST OF NORTH CAROLINA

WHEREAS, off-shore exploration for natural gas or oil has been a recurring issue in North Carolina for nearly 30 years; and

WHEREAS, the Town of Kill Devil Hills Board of Commissioners has acted numerous times to adopt language opposing off-shore drilling since the first resolution was adopted in 1989; and

WHEREAS, in his February 2013 State of the State Address Governor Pat McCrory's reaffirmed vow for "...immediate action to begin drilling off [the] Atlantic coast..." calls for strong action by North Carolina's coastal communities, environmental conservation organizations, and all interested persons and businesses, to stand firmly in opposition to this serious economic and environmental threat; and

WHEREAS, the 20 counties that comprise North Carolina's coastal region generate more personal and commercial income, public revenues, and employment opportunities, than the petroleum and natural gas industry is estimated to bring into the State, specifically

1. In 2013 a record \$20.2 billion in domestic visitor/tourism spending was realized in North Carolina; and
2. Out of the 100 counties in the State of North Carolina, in terms of travel expenditures, three of the top 10 counties, in 2012, are coastal counties, including #4, Dare County, which generated \$926,320,000; and
3. 41% of the Outer Banks' overnight visitors reported "beautiful beaches" as their motivation activity during their stay; and
4. Direct tourism employment in North Carolina is approximately 197,700 persons, with a direct tourism payroll of \$4.6 billion; and
5. Visitors to North Carolina generated more than \$3 billion in federal, state and local taxes in 2013; and
6. The National Marine Fisheries Service reported fish landings in 2012 in North Carolina to be worth \$72,905,625; and
7. Because of North Carolina's tourism industry, each North Carolina household saves \$435 in state and local taxes as a direct result of visitor spending in the state; and
8. In Dare County, tourism revenue offsets each resident's taxes by \$2,400; and

WHEREAS, as illustrated above, visitors from all over the world come to enjoy in so many different ways the natural beauty of our clean beaches, salt and fresh water marshes, sounds, and tributaries; and

WHEREAS, many of these natural areas provide sanctuary and nesting/breeding grounds for diverse groups of migratory birds, turtles, whales, fish and other forms of wild life;

WHEREAS, along with recreational enjoyment, our coastal waters and natural habitats provide the world with some of the best wild-caught seafood, renowned for its freshness and exceptional quality; and

WHEREAS, in 2013, Dr. Mike Walden, William Neal Reynolds Professor of Agricultural and Resource Economics prepared “The Economic Potential from Developing North Carolina’s On-Shore and Off-Shore Energy Resources” as a research project to take an “objective look at the benefits and costs of developing North Carolina’s energy resources.”; and

WHEREAS, the study concluded that off-shore drilling would generate \$181 million in annual income, of which \$11 million would be public revenues, with 1,122 jobs created, over a seven-year build-up period; and

WHEREAS, after the first seven years, over a 30-year period off-shore drilling would generate \$1.9 billion in income annually, of which \$116 million would be public revenue, with 16,910 jobs created; and

WHEREAS, these projections are contingent on the actual quantities of oil and gas off-shore, as well as actual prices of these resources; and

WHEREAS, the estimated revenues from off-shore exploration and mining of oil and natural gas do not come near the proven and anticipated growth of revenues directly related to North Carolina’s tourism industry; and

WHEREAS, along North Carolina’s northern Outer Banks region the county and local governments are pursuing shoreline protection through beach nourishment to protect and preserve the opportunities for beach enjoyment; and

WHEREAS, the inherent risks to our region from off-shore oil and natural gas exploration and drilling have the potential to irrevocably harm our natural environment, our economic well-being, and our overall quality of life, proven by considering just two massive oil spills in waters contiguous to the United States:

1. The Exxon Valdez in 1989, which leaked 10.8 million gallons of crude oil into Prince William Sound, causing \$300 million dollars in environmental damage, and causing 32,000 watermen, who made their living mostly on commercial fishing, economic harm, and reduced tourism by 35 percent in southwest Alaska in the year after the spill; and
2. The Deepwater Horizon oil spill in the Gulf of Mexico in 2010, which leaked 205.8 million gallons of crude oil, contaminating 1,100 linear miles of coastline, and caused a net negative impact on tourism across Louisiana, Alabama, Mississippi and Florida even though perception of damage and impact on leisure activities and the seafood industries

of these states was found to be worse than the actual physical environmental damage caused by the oil spill; and

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE TOWN OF KILL DEVIL HILLS continues to be opposed to exploration and production of petroleum resources on the continental shelf or elsewhere off the coast of North Carolina; and

BE IT FURTHER RESOLVED, THAT THE BOARD OF COMMISSIONERS OF THE TOWN OF KILL DEVIL HILLS urges all coastal region local governments, Governor Patrick McCrory, and the entire North Carolina General Assembly to oppose offshore petroleum production policies that risk the proven tourism-driven economy of coastal North Carolina.

This the 9th day of June 2014.



SHEILA F. DAVIES
MAYOR

ATTEST:

MARY E. QUIDLEY
TOWN CLERK