

Tourists are back – It means

Ka-ching!

It's almost Memorial Day and I am finally getting used to having all of the traffic lights working and the parking meters on. I'm saving quarters and scanning for that rarity in Cape May, a parking spot.

Yes, our guests are back and I know that for a couple of months the 3,800 or so of us who live in town all year will have to share our piece of heaven with them.

Most people call them tourists and some can't wait for them to leave. I call them guests and I'm glad they're here.

Why? Because they pay more than their own way while they visit, they pay part of our way too.

Our guests pay to park, bringing in about \$830,000 from parking meters last year. This was added to our city's budget. They pay the room tax which adds about \$1,100,000 a year. Mercantile licenses and fees add another \$300,000.

Money collected for beach tags covers all costs associated with the beach, including tag checkers, lifeguards, rest-rooms and beach clean up. There is no expense to us as taxpayers other than our own beach tags.

So what does that mean to you and me? That revenue significantly lowers our tax rate. In New Jersey, a state notorious for high taxes we have the tenth lowest effective tax rate, thanks to our guests and their spending. Here are the "Top Ten Lowest Taxed" areas according to the State of New Jersey Web site:

Ranking	Area	Tax Rate
1	Avalon Borough, NJ	0.360
2	Sea Isle City, NJ	0.393
3	Cape May Point, NJ	0.419
4	Deal Borough, NJ	0.532
5	Ocean City, NJ	0.585
6	Alpine Borough, NJ	0.595
7	Bay Head, NJ	0.619
8	Lavallette, NJ	0.641
9	Walpack Township, NJ	0.668
10	Cape May, NJ	0.672

Do you notice what these areas have in common? They all are tourist destinations. I

have heard for years that our taxes were low so I searched the NJ state website to see if it was true. It is.

Consider the poor folks living in Winfield Township. Their effective tax rate is 14.642%! Audubon Park Borough's rate

is 7.088.

Why? They don't have visitors to help pay for services.

While showing prospective buyers homes in Cape May, the first thing most ask is "What are the taxes?" When I tell them or point it out on the property sheet, they are flabbergasted! They can't believe they are so low. Now I understand

their reactions.

I realize that we have a large population of retirees in our city, who are on fixed incomes, many of whom are not in favor of updating and improving our town and its infrastructure if it means taxes may rise.

I understand completely. But the bottom line is that it costs money to have clean streets, paved roads, street lights, proper drainage, water and sewer service, police and fire protection, and city employees to keep it all running smoothly.

I checked Cape May's yearly budget and I was shocked to learn that 52-percent of the needed revenue collected is tourist related. We are only assessed taxes on the other 48-percent!

Now I have heard the arguments that say we'd save a lot of expense if we had no tourists. I disagree and let me explain why. The seasonal

\$300,000. That is roughly the amount collected for mercantile licenses. All of the other services remain as fixed costs to the city and those of us who live here.

I suspect that if we as taxpayers had to pay the 52-percent of our city's budget that tourism covers, many of us could not afford it. Also, because living in Cape May is so desirable, our home values have not been as negatively affected as some other resort areas in this slow real estate market.

So, I am asking everyone to look at the big picture. It is important to us all to keep Cape May as a tourist destination. The mayor and city council need to develop a vision for Cape May to ensure this occurs.

We need strategic planning to get us there. Once the vision is determined, it is up to the city manager to implement the changes we need to make to get us to our goal. That means we need to maintain our infrastructure, spruce up, update or rebuild where necessary, and make our guests feel welcome. The transformation of the mall has been a great first step forward that we can all enjoy.

Once our guests arrive, we need to be nice to them. We all can be personally welcoming in little ways that cost nothing. Smile and say hello when you pass someone on the street. If you see someone looking at a map of our city, stop and offer to help. Give directions cheerfully. Carry some quarters with you in case someone needs change for parking.

Merchants, please remove your "We don't give change for parking meters" signs and attitudes. It is not the image we want to project. We want to be welcoming and friendly.

I've been in most of the stores and not one appears to be so busy that they can't be helpful and positively promote Cape May. With all that tourists need to pack for vacation, they haven't left home thinking about a pocket of change for parking meters. Changing a dollar into four quarters buys a lot of good will, literally and figuratively.

So whether you're sitting in traffic this summer or waiting for a table at your favorite restaurant, be thankful for all of your blessings, especially for being able to live in Cape May.

Smile and be grateful for the tourists who help keep our taxes down.



Real Estate Reality

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cash in your pocket

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