



STATE OF NEW HAMPSHIRE
DEPARTMENT of NATURAL and CULTURAL RESOURCES
DIVISION of PARKS and RECREATION
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January 23, 2019

The Honorable John Cloutier
and the Public Works and Highways Committee
Legislative Office Building, Room 201
Concord, NH 03301

RE: HB 492 relative to rates for parking meters

Dear Chairman Cloutier and Members of the Committee,

Please accept this testimony on behalf of the Department of Natural and Cultural Resources, Division of Parks and Recreation regarding HB 492 relative to rates for parking meters. **The Division is opposed to this legislation** for the following reasons.

The bill would increase the parking meter rates by 25 cents per hour raising an estimated \$269,400 in revenue to be provided to the Towns instead of being used to support the operation of state park beaches and the State Park System. Even with the demands on our operations and need to address deferred maintenance, we have not raised our day use parks fees since 2012. We try to avoid fee increases so our parks, while not free, are as inexpensive as possible for visitors and so the cost to use a park is not a barrier to access. Because we have not raised those fees does not mean that the additional revenue is not needed to operate, maintain and expand our park system.

The State Park System in New Hampshire is operationally self-funded, one of the only such systems in the country. RSA 216-A:g, Fees for Park System states that "*The general court does not intend that all park facilities be self-supporting.*" Funding for the administrative cost of operating the entire park system, and to operate parks that do not generate any revenue or do not generate enough revenue to cover operating costs, are all covered by the parks which generate a surplus of revenue over cost. In fact, of the 93 parks in the system, less than half generate revenue; and, of those that do generate revenue, approximately half generate positive revenue to support the rest of the entire parks system. The other half lose money. The north region, for example loses over \$400,000 a year and it was 10 years ago the Parks Fund had a \$2.6 million deficit.

The Town of Hampton would by far be the biggest beneficiary of this legislation. When taking into account all of the investment, the operations at Hampton Beach State Park loses the state money. Attached is calculation of profit and loss from Hampton Beach State Park. The meters generate over \$2 million in revenue and after expenses, net \$431,000 dollars to the Parks Fund to help support the rest of the park system. However, if we included the \$800,000 of debt service the state is paying from the general fund, primarily for the seawall repairs and the recent \$14.5 million redevelopment, Hampton Beach loses over \$400,000 a year. Including the Hampton RV park results in a net of \$19,000 in FY 2018. This is the net revenue for an estimated two million annual visitors to our state parks in Hampton.

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On an average summer day, the Division estimates that there are 40,000 people on the beach and on a busy summer day that number swells to 80,000 people or more. By contrast there are from 4,000 to 7,000 people at most who are paying state parks at the 1,482 metered and leased parking spaces along Hampton Beach and North Beach (assuming 5 persons per vehicle and all parking spots are full) for all of the services that state parks is providing at the beach.

In 2018, the Division's lifeguards had a total of 197 ocean rescues, reunited 200 lost children with their families, and addressed 4 major medical calls and 485 first aid calls, signed out the accessible beach chairs to 198 visitors, and addressed over 2,000 violations of park rules. In addition, the Division collected 132 tons of curbside trash which we pay the Town to dispose of, and 175 tons of beach trash rakings. We also maintain the five bathrooms that serve the visitors to Hampton Beach.

Hampton Beach is unlike our 20 inland beaches where all visitors pay entrance fees to support that park and the entire park system. The state's investments and operation at the ocean beaches primarily benefits the stores, restaurants, lodging, and parking lot owners in the Town of Hampton, and the Town itself through an increased tax base. The primary financial beneficiary of this park is not the State Park System.

Consider:

- An analysis of the assessed values of properties north and south of the Seashell Complex before and after the redevelopment indicates that the average assessed value for real estate sold in the area adjacent the \$14.5 million redevelopment increased by 54%;
- It has been estimated that over \$200 million has been invested in Hampton following the redevelopment of the Hampton Beach State Park;
- The Master Plan shows that the Town operates over 1,000 parking spaces. The Town of Hampton receives around half a million dollars of revenue from Town parking lots. None of the visitors who are parking in these town lots are paying for the lifeguards, trash removal and the other services that state parks is providing;
- In the last five biennia, there has been a total of \$34.2 million of capital budget investment across the state in the 93 state parks whose revenue is dedicated to the parks account in the Parks Fund to support the entire system. Of that total, \$19.7 million or 58% has been invested in Hampton and 61% has been invested in the seacoast; and
- The \$269,400 in revenue to be provided to the Towns through the increase in parking fees is more than the \$226,218 net income in FY 2017 from the South Region (that includes parks like Monadnock and Sunapee) and considerably more than the \$91,378 net income from the Central Region (that includes parks like White Lake and Wellington).

The attached summary shows our additional investment in, and commitment to, the success of Hampton Beach State Park. We have put on more staff in the off season when we are not collecting parking fees to keep the bathrooms open, we plow the sidewalks and have also been plowing more of our parking

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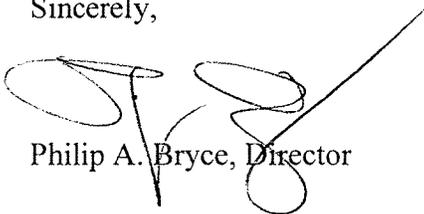
lots. The winter operations primarily benefit the residents of Hampton and we are pleased to support the community in this way.

The Division has a very positive and supportive working relationship with the Town Police, Fire and Rescue, and Public Works departments, this being a top priority for our agency. We also work closely with several local organizations, such as Chamber of Commerce, the Village District, and the Hampton Beach Area Commission to ensure the visitors have a safe and wonderful visit. This partnership is a major reason why Hampton Beach is regularly recognized as one of the best beaches in the region and the nation. For example, CBS Boston listed Hampton Beach as No.1 in Beach Week Top 5 New England Beaches, the Natural Resources Defense Council gives Hampton Beach a superstar rating in beach water quality, and most recently, Better Homes and Gardens named Hampton Beach as one of the top ten beaches across the nation.

However, we oppose HB 492 because of its impact on the financial condition of the entire State Park System and the precedent it sets that could unravel its financial structure; the capital and operational investments we have made at Hampton Beach are substantial, especially compared to the rest of the park system, exceeds our obligations under the deed, and primarily benefit the businesses in Hampton; and, it threatens to unravel the ongoing commitment to the partnership between Parks, the Town, and local organizations that has been so successful.

Thank you for the opportunity to testify and please let me know if I can answer questions or provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Philip A. Bryce". The signature is stylized with loops and a long, sweeping line extending upwards and to the right.

Philip A. Bryce, Director

Cc: Sarah L. Stewart, Commissioner



Department of Natural and Cultural Resources
Division of Parks and Recreation
Hampton Beach State Park
Investments, Actions and Activities
January 2012 - January 2019

Since the completion of the re-development of the facilities at Hampton Beach December 2011 at a cost of \$14.5 million, NH State Parks has continued to make capital and operational investments in the park to support the visitors, businesses and local community. Many of the actions taken below were a direct result of feedback from the community meetings that are held in Hampton in the spring and fall and include additional costs above and beyond what has historically been invested to operate the park, particularly in the off-season.

INVESTMENT¹

1. Reconstruction of the entire North Beach seawall completed (2012-2014 \$4 million).
2. Railing repair contract awarded to repair priority areas.
3. New beach rake purchased to lessen the amount of sand in the beach rakings. (subsequently the town has prohibited beach rakings at the transfer station).
4. 17 new lifeguard chairs constructed.
5. New paving and drainage installed at South Beach RV Park.
6. Store and bathhouse renovations completed at South Beach.
7. New equipment purchases totaling \$396,062 (details below).
8. Dune restoration project at South Beach area in cooperation with UNH Sea Grant Program.
9. Secured US Park Service sign-off for restoration of the jetty at South Beach by the Army Corp.
10. North Beach stairs repairs given highest priority after winter storm damage.
11. New seacoast radio system installed in in 2018 to provide adequate lifeguard communication (\$525,000+).

PARK OPERATIONS

1. Year Round Restrooms open to public:
 - a. Prior to re-development only the North Beach and Ross Ave restrooms were open
 - b. Seashell, M Street, A Street and North Beach are now open year round.
2. First Joint Operating Plan with Town of Hampton agreed upon in 2012 to document coordination of resources to provide an effective working relationship in carrying out their respective duties for the operation and maintenance of State and Town facilities.

¹ See end of document for detail of investment

3. Winter Maintenance:
 - a. Prior to re-development limited winter maintenance took place, mostly to provide access to open facilities and to provide access to parking lots.
 - b. Plowing, Shoveling, sanding, salting Seashell complex/stage area since 2012.
 - c. Plowing sidewalks and parking lots from Haverhill Ave to Boar's Head in 2013.
 - d. North Beach sidewalk plowed as of 2017.
4. Beach Raking increased over the years to give 28 more days of cleaning (\$67,515).
5. Beach raking debris disposal started in 2014 through private contracted dumpsters.
6. Agreement with F&G to remove fishing gear from beach.
7. Trash collection and recycling is provided daily year round. Number of barrels are reduced in the winter, but trash collection continues from Haverhill Ave-North Beach. Barrels may be removed for storms.
8. Off season beach cleaning including derelict fishing gear, dead animals and trash.
9. Beach grading annual contract to level beach for visitors and swimmers starts mid/late April rather than mid-May.
10. Parking meters and park services extended in 2012 to include April and October to encourage visitors in the shoulder and off seasons.
11. Opened up opportunity to local businesses to provide catering services for events held in the Seashell Pavilion.

STAFFING INCREASES

1. A new Seacoast Regional Supervisor approved in the budget process to provide additional oversight of the park in 2014.
2. Seacoast Regional Manager interview panels included one individual from the Hampton Beach Area Commission and another resident of the seacoast.
3. Hired year round Park Manager IV in 2017 to supervise park maintenance/custodial operations.
4. The Seacoast Regional Office moved from Odiorne Point State Park to the Hampton Beach Pavilion in 2012 to provide more direct oversight of beach.
5. A part time year round grounds man position was created to focus on landscaping and grounds at the park.
6. Additional winter season staff including maintenance mechanic for plowing operations added in 2015.
7. Plant Maintenance Engineer position was updated and reclassified to higher pay grade to bring a greater skill set to high level maintenance and trade work.
8. Park Manager III position reclassified to Plant Maintenance Engineer I position to offer higher pay grade and attract greater skill set to high level maintenance and trade work. Hampton Chamber and Village District staff were part of interview panel.

VISITOR SUPPORT

1. Replaced the Division run store at the Seashell Complex with a Marine Discovery Center operated by the Blue Ocean Society to enhance the family experience at the beach
2. Entered into agreements with the Hampton Chamber of Commerce and Village District to strengthen the relationship by documenting shared expectations.

3. Universal accessibility to the beach was improved as a result of the redevelopment project by providing multiple access points and the installation of seasonal wooden walk ways on the beach.
4. Six beach wheelchairs purchased (requested over 198 times through summer 2018))
5. Community meetings are held twice a year starting in spring of 2012, to review operations and receive feedback from the public. This is the only park where this occurs.
6. Parks supported the passage of legislation to allow the State Park Plate to be used at metered parking spots in the shoulder seasons.
7. Lifeguards receive certification from the United States Lifesaving Association (USLA) instead of Red Cross provide them with better training for ocean based lifeguarding.
8. Increased hours of lifeguards into evening especially during riptides and expanding lifeguard coverage through the Seafood Fest.
9. Lifeguards won the New England Lifeguard championships, 2014, 2015 2016, & 2018 (first), 2013 & 2017 (2nd).
10. Participate in the Hampton Village District New Year's Eve celebration by opening Seashell Pavilion for free cookies and hot cocoa/coffee/cider with 297 attendees in 2018.
11. Supported the police department erection of barriers along Ocean Blvd to control pedestrian access.
12. Parking ticket system upgraded to allow visitor to get current status of fines on-line avoiding confusion over late fees.
13. Through the terms in the JOP the Town is extended use of facilities at reduced or no cost to support public safety and recreation department events.
14. Allowed the Town to use South Beach parking lot in winter of 2014/2015 for removal snow from local streets.
15. (31) Special Use Permits issued for approximately 50 events per year to bring visitors to the area and support local business including the Seafood Festival, Penguin Plunge and Sand Castle competition.
16. Implemented double lane entry into South Beach to help to ensure cars would not be backed up onto Route 1 on busy days.

INVESTMENT DETAIL

<i>Equipment</i>	<i>Year</i>	<i>Cost</i>
Instructional parking signs	2018	\$9,666
Outdoor shower (North Beach)	2018	\$2,315
Bobcat Tracks	2018	\$4,244
UTV – Lifeguard	2018	\$12,900
Seacoast Radio Upgrade	2018	\$553,229
160 Bollard Covers	2017	\$4,999
Jet Ski & Trailer	2017	\$13,624
Beach Wheelchairs (3)	2016	\$6,750
Beach Wheelchairs (3)	2018	\$6,524
UTVs/ATV (4)	2012-2016	\$40,374
Vehicles/Dump Truck(7)	2012-2016	\$165,649
Kubota Tractor	2014	\$66,229
Beach Rake*	2013	\$48,723
Bob Cat	2013	\$9,340

<i>Capital Improvement</i>	<i>Year</i>	<i>Cost</i>
Railing Repair (Storm)	2018	\$24,000
North Beach Stairs	2018	\$49,373
Railing	2017	\$90,000
Pay Station Upgrade	2017	\$84,000
Paving at South Beach	2016	\$228,009
South Beach Renovation	2016	\$43,000
Seawall	2012-2014	\$4,080,272
Kitchen Upgrade	2013	\$100,000
<i>Pending</i>	<i>Year</i>	<i>Estimated Cost</i>
Trash Truck	2019	\$75,000
Seashell Stage Upgrades	2019	\$50,000
Sunfish Refurbishment	2019	\$10,000 year 1, \$3,000 year 2&3
Beach Banners	2019	\$5,860
Line stripping	2019	TBD
Railing Replacement	TBD	TBD

**Note new beach rake purchased in 2018 FOR Hampton Beach and this older rake is being provided to the Town of Rye*

STATE OF NEW HAMPSHIRE
DEPARTMENT OF NATURAL AND CULTURAL RESOURCES
DIVISION OF PARKS AND RECREATION
SEACOAST REGION - HAMPTON BEACH
PROFIT AND LOSS STATEMENTS - FY 2018

HAMPTON METER OPERATIONS PROFIT AND LOSS FY 2018 Report Reference

HAMPTON BEACH METER OPERATIONS SUMMARY (7300/7301)

Hampton Beach Meter Operations - Revenue	\$ 2,362,122	Pg 5
Hampton (Seacoast) Meter Operations - Expense	\$ (367,987)	Pg 5
Capital Improvement Fund (CIF) Transfer - Debt Service	\$ (200,000)	Pg 5
FY18 Encumbered (Accrued) Expenses	\$ (135,529)	Pg 5
Hampton Meters Revenue	\$ 1,658,606	
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Net Revenue Transferred to Parks Fund	\$ 1,696,841	
CIF Addition (hampton Meter Transfer net CIF Expense)	\$ 62,492	Pg 5
Total Parks Fund Transfer and CIF add/(loss)	\$ 1,759,333	

PARKS FUND ACCOUNT HAMPTON REVENUE SUMMARY

Revenue Transfer From Meter Operations	\$ 1,696,841	Pg 5
Seashell Complex Other - Revenue	22,101	Pg 25
Hampton Beach Main - Revenue	40,906	Pg 25
Total Hampton Beach Revenue to Parks Fund FY 2018	\$ 1,759,848	

HAMPTON BEACH DIRECT EXPENSES (PARKS FUND 3702)

Seashell Complex - Operating Expenses	\$ (194,165)	Pg 25
Hampton Beach Main - Operating Expenses	\$ (641,286)	Pg 25
Hampton Lifeguard Services	\$ (361,744)	Pg 26
Subtotal Hampton Beach Direct Expenses	\$ (1,197,195)	

Subtotal - Hampton Beach Operations Net Income \$ 562,653

HAMPTON BEACH ALLOCATED EXPENSES (PARKS FUND 3702)

Hampton Beach Admin and Maint Exp Regional Cost Allocation 51%	\$ (169,854)	(See Allocation)
Hampton Beach Meter Operations Pro Rated Exp Adj	\$ 38,438	
Net Regional Cost Adjustment	\$ (131,416)	

Subtotal Hampton Beach Operations Expenses \$ (1,328,611)

Subtotal Hampton Beach Operations Net Income \$ 431,237

HAMPTON BEACH SUMMARY

Debt Service on Regional Capital Investments \$ (831,735)

Hampton Beach Revenue Add/(Loss) Net of Debt Service \$ (400,498)

Hampton RV Camping Site Net Revenue \$ 420,079

Total Hampton Parks Net Revenue \$ 19,581