

May 2, 2012

The Honorable Gene Chandler, Chairman  
and the House Public Works and Highways Committee  
NH Legislative Office Building, Room 201  
Concord, NH 03301

**RE: SB 324 relative to the use of funds generated by the Hampton Beach parking facilities.**

Dear Chairman Chandler and Members of the Committee,

The Division of Parks and Recreation in the Department of Resources and Economic Development fully supports SB 324. The bill would reallocate the parking meters revenue at Hampton Beach State Park from capital expenditures to operating expenses providing additional funds to support the operation of the state parks system at the seacoast and across the state.

The new \$14.5 million facility at Hampton Beach State Park was completed last fall. Visitors to the park have commented time and again how impressed they are with the State's new facility. Its completion has created great positive energy around the local community as well. We need to ensure that we have the resources to adequately take care of these facilities to ensure our visitors have the best possible experience. With two new bathhouses and additional second and third floor space, we now need operational funds rather than capital funds. The new facilities are roughly twice the square footage of the buildings that were there before and the number of toilets has increased by a third. The new facilities contain newer and more sophisticated systems, such as a new HVAC (heating and air conditioning) system, elevators, and more extensive landscaping and signage. We all also have high expectations regarding how well the new facilities and surrounding beach environment are maintained.

We do not charge a day use fee at the park. All the revenue to support park operations comes from the parking meters. Without meter revenue to support operations we would have to rely on revenue from other parks in the State. We estimate around 50,000 to 60,000 visitors on a good summer day and the local police department has estimated as many as 100,000 visitors on the beach on a busy day. If we were to charge the \$4 day use fee as we do for other parks, the fee would generate \$200,000 or more in revenue in just one day. By contrast, the parking meters generated \$1.54 million in fiscal 2011, which is an average of \$10,000 per day. If \$4.00 per day is reflective of the cost of providing services at a state park, this factor of 20 is an indication of the extent of additional demand for services at Hampton Beach State Park.

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We received approval from the fiscal committee to extend the meter season year round so that we could maintain services such as bathrooms, trash pick up, sidewalk and beach cleaning, etc. This is part of a larger effort to extend the seasons of our parks to serve visitors and the local community. At Hampton Beach, we are hoping this will lead to local businesses also extending their season to support the visitors resulting in revenue being generated in the local community. Without this legislation, we could not extend the season. All the revenues would go into the capital improvement fund instead of supporting the staff to keep the facilities open. We would have to take revenues from other parks in the system to support the operations at Hampton Beach, which we would not do.

Additionally, this legislation would allow additional funds to lapse into the Parks Fund instead of going into the capital improvement fund. We have a critical need here. We are currently carrying a loss forward of \$836,228. The Ten-Year Strategic Development and Capital Improvement Plan released in January of 2010 documented financial needs of \$28.5 million to attend to deferred maintenance in the next five years and \$71 million to replace and redevelop needed facilities during a ten year period.

We would appreciate your support to be able to use the revenue generated by the parking meters where there is the greatest need in the park system.

Please let me know if I can answer any questions and thank you for allowing me to testify on behalf of this bill.

Sincerely,

Philip A. Bryce  
Director

C: George M. Bald, Commissioner

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