

**MINUTES OF THE SPECIAL MEETING
OF MAY 19, 2009 OF THE TOWN COUNCIL
TOWN OF CAROLINA BEACH**

May 19, 2009

The Town Council of the Town of Carolina Beach met in a special session on May 19, 2008 at 10:00 a.m. in the Council Chambers at the Municipal Administration Building, 1121 N. Lake Park Blvd., Carolina Beach, North Carolina. The following were present: Mayor Joel Macon; MPT Wilcox; Councilman Gilbert; Councilwoman Efirid and Councilman Jerry Johnson. Also present were Town Manager Tim Owens and Town Clerk Lynn Prusa.

Mayor Macon called the meeting to order.

Mr. Scott Diggs with Lanier Parking, opened by saying they were honored to be the town's parking management company and thanked everyone for their work for the last 5 months. They have already implemented some changes in the way they are doing things that are contributing significantly to the bottom line. Freeman Park has been very successful and they are already \$85,000 over our projected budget in the revenue category. They received an e-mail from the town manager about a month ago to begin working on a couple of ideas on ways in which they felt they could look at increasing revenue and make some changes to the financial structure of the way they do things. He presented a spreadsheet designed to identify that (*Exhibit 1*). He said as you go through it, what Council will see is some information that has been provided to them which is historical data for the parking operation from the gross revenues from the operation over the past 4 or 5 years. The whole first section is related to parking lots, parking meters, citations and parking permits. This is everything that is happening on the street. He said for purposes of the discussion today they are going to be using all of the 2008 numbers for their comparisons in which they are going to tie the latter pages to so they can see what has happened historically prior to them taking over. The next category is Freeman Park and it shows the citations, the amount that has been collected, etc. The bottom section adds all of it together and shows what it represents through that period of time.

Next he reviewed the Carolina Beach meter parking lot rate increase opportunity (*Exhibit 2*). This is something that would contribute to the bottom line in the event they were to raise parking rates from the on-street environment and has nothing to do with Freeman Park. At the bottom where he has done assumptions you can see what the current rate is, which is \$1 per hour, and he has shown a couple of different choices. An increase to \$1.25 would represent a 25% increase in your rate, \$1.50 would make it a 50% increase in rate. They have what they call a utilization reduction factor which is making some assumptions. He asked Council to tell them if they feel the assumptions need to be modified. The assumption is that if they raise their rate to \$1.25 maybe less people will come to Carolina Beach or park there because of that. He doesn't know if that will be true or not. They assumed that only 93% of the people that came here and parked last year would park again rather than using a straight 25% increase. At the \$1.50

rate they made the assumption that only 89% of those people who came last year would come. They always try to be ultra conservative on their projections.

Councilman Gilbert asked what their projection is on the drop off in revenues from 2007 to 2008. Comments were made that it probably had a lot to do with the weather, the storms.

Councilman Gilbert said looking at this their Freeman Park citations that were down \$3,000, your annual fee was down \$70,000. Just looking at Freeman Park and then going up to parking lot collection revenues - the collection revenues were pretty much on time. Their parking lot meter revenues off, parking citations was a percentage that he would guess is that they are off from year to year. That is what he gets just looking quickly at his numbers.

Mr. Diggs said they took over January 1st so they don't know a whole lot about what happened last year because this was done by the prior parking company. He can comment on some things they have changed and some observations they have been able to make during their first 4-5 months, one of which is that they think the people are doing a better job on the street. He is not sure the coverage last year was as good as maybe it should have been. The way they are running the machine at Freeman Park and keeping that machine functioning. They have to clean the money out every day on the weekends. There were some operational procedures they have noticed that weren't what they would like them to be and that they have changed. He thinks the protection of their cash has improved significantly and their people are doing a better job of writing citations and doing what they are supposed to be doing by working their beat. He hopes the answer is that they are doing a better job.

Councilman Gilbert said that a \$60,000 difference in their Freeman Park annual fee, in looking at their fudge factor, did they look at the economy as an impact. He mentioned raising fees might deter people. He just wondered if when they looked at those numbers and said that was where the economic trend was for that season and we are looking at something different this year.

Mr. Diggs said they are trending it straight off 2008. From an economic perspective, they believe that this year is going to be a better parking year in their beach environments than last year. Gas prices last summer were in the \$4 range and they have been rising a little bit lately but not to where they were so they feel tourism will be better. Using Wrightsville and Myrtle Beach benchmarks, it looks like presales in hotels are better than last year. He doesn't know that they will see a reduction this year because of the economy. What they will see if they raise rates, typically what people will tend to do is find a place that is less expensive or free. If you stay below Wrightsville Beach, which at \$1.25 they would be, Wrightsville is \$1.50, this will still be a less expensive option than Wrightsville. To go free you have to go much further south. He doesn't know if their utilization reduction factors are going to be as high as what he has shown but he felt it was prudent to put something there. They can change that percentage to whatever they think. If you go with the numbers they have used, he reviewed what those increases

would be. At \$1.25 the meter revenue would go from \$226 to \$263 giving a 16% increase, at \$1.50 it would take it to \$302 giving a 30% increase.

Councilman Johnson said they had already decided to go to the \$1.25 rate.

Mr. Diggs said that is their conservative estimate about how much new money that would bring and that is a derivative of their 2008 meter revenue and that was a lower number than they had seen historically. He also believes there is going to be an impact from the things they are doing as a parking company that are different. He has not factored that in. If that happens, that is going to be gravy.

MPT Wilcox asked about increase relative to the daily rate increase in the parking lot.

Mr. Diggs said this one is at \$7, are they talking about \$8?

Mr. Owens said they are talking about \$7 or \$8. The projection for \$7 is fine.

Mr. Diggs said strategically speaking, they like the day max idea. It works very well in their beach environments because typically what happens when people come and they start looking at pay stations in particular, they will look at how many hours they will have to pay and decide to pay for the whole day because they like the convenience of it. They also know in advance what it will cost. Another thing that is good to do is if you are trying to structure residents' passes and who is going to use that lot, you want to try make your best parking locations the ones that are going to be utilized most by your paying customers. Example: Wrightsville does not allow their resident pass to be used at any of the surface lot locations that are right on the beach and that have the bath houses. They would like that space to be used by someone who is going to be paying and turning over regularly instead of that lot filling up with all their residents. The residents are parking on the streets in a meter location. On street, single space environment is where the resident pass is valid in Wrightsville. The increase in the daily rate is included in the \$263.

Mr. Owens said that the net max at going to \$8 and \$1.25 would be roughly \$50,000.

Mr. said yes if there is no impact from the job they are doing as well.

Councilman Johnson said he did not want to mirror Wrightsville Beach. He knows there were a lot of ill feelings when they went to \$1.50 and he hopes they would stay at \$1.25. It would be preferable and more alluring to out-of-towners coming here. If we could live with \$7 he thinks we should stay at that.

Mr. Owens said we haven't implemented yet, he wanted to go through all this and they can do either one.

Councilman Gilbert said Wrightsville Beach, number of parking spaces compared to Carolina Beach, the ratio of the premium parking spaces to where the residents, or non-

premium in Wrightsville Beach, and looking at the revenues of that with respect to those number of parking spaces - is that what is on the handout?

Mr. Diggs said it is a comparison of Carolina Beach side by side with Wrightsville (*Exhibit 3*). It doesn't get into the premium space question he just asked but it does compare revenue per space and the day maximums and the hourly and so forth.

Councilman Gilbert said we're doing \$250,000 and they are doing \$1.5 million.

Mr. Diggs said in the meters and pay stations, that figure takes citations off of the table as well.

Councilman Gilbert asked, relative to the number of pay stations, if that includes their meters. Someone responded by saying yes it does - meters and pay stations.

Mr. Diggs said Wrightsville Beach resident parking passes are \$25 and each resident can purchase two of them, two per real estate parcel. If you have a quadriplex, you can still only buy two.

Councilman Gilbert said our resident parking passes, anyone can buy those for \$50. Are we saying we only issue 116 residential parking passes? Mr. Owens said he didn't know, and that number seems a little low.

Ms. Loomis with Lanier Parking said those are the \$50 ones. She looked at the historical data for 2008 and then divided that number by \$50 and that is the number the town actually tracks. She didn't know if that was residents but she thinks that number includes non-residents. Mr. Owens estimated around 2,500 VID's.

Mr. Diggs said if they decided not to offer the \$50 passes to non-residents their revenue would go up because 116 people are going to spend more money than \$50. In Wrightsville you can only buy that pass if you are a resident or property owner there. If you are a commercial business in Wrightsville, the number is \$290, which was designed so that if a construction worker comes in to work on a property and occupying a parking spot that could be a revenue generating space. About 1,000 residents are buying passes in Wrightsville.

Mr. Owens asked if their revenue per space was just meter and pay box revenue excluding citations and Freeman Park. Mr. Diggs said yes.

Mayor Macon said, regarding the \$50 passes, a lot of times you have employees in the downtown area who are purchasing them. It is not something he would be interested in changing because there are employees working in these businesses and they need a place to park and they can buy that instead of having to pay all year long. It's an incentive to come in and get your town decal instead of waiting until a hurricane is on its way. As a citizen you can park in the lot for free and they feel that is something important to the community because their taxes help pay for parking lots.

Mr. Diggs reviewed Freeman Park (*Exhibit 4*). What they have been asked to do there is to project and show what they think would happen if they raised two different options, both the permit price and the daily price at Freeman Park. He referred everyone to Option #1, if they increased the rate to \$55, and Option #2, if they increased the rate to \$60. At the bottom of the page shows the annual permit assumptions and the daily permit assumptions. Using the utilization reduction factor, the annual increase using Option #1 using a 97% factor there would be a 10% increase in the price and increase revenue by \$8,000 and a 20% increase if you raise it \$10 increasing revenue by \$15,000 from the annual passes. The same logic holds true with the daily passes. Here they used an Option #1 with a 96% reduction factor and 91% in Option #2. In Option #1 if you change the daily pass from \$10 to \$12 it would increase the revenue by \$50,000. Option #2 shows an increase from \$10 to \$15 with a raise in revenue by \$121,000 or a 36% increase.

Mayor Macon said he thinks the thing they are talking about on the parking meter and the parking side is trying to create more spaces. They definitely need to maximize what spaces they have. He thinks they have a lot of places they could use for parking that they are currently not using that they need to look at.

Mr. Owens said the only places he can think of that they have identified and he wants to try to implement some of those when they come in with the Wilmington Beach project because we will have a contractor on site who could probably do a lot of that work is Bowfin and Texas and Bowfin and Tennessee. The only other opportunity would be maybe at the north end where you go to some one-way streets and beyond that he is not sure where else they would be able to. Most of their right-of-ways are pretty small.

Mayor Macon asked where they stand on 421.

Mr. Owens said DOT said they can do this if it meets the general statutes. He needs to get a definitive yes. His concerns about Lake Park at this point are: all the striping is not out there, particularly as you get down towards the Scotchman. DOT is going to repave shortly and, plus, they are going to be doing the stimulus project. He has some reservations about implementing the Lake Park element of it this summer. They can do it but, to him, that would be a good project to do at the beginning next season. Cape Fear they can do anytime. That's our street and they can put meters up at any time. It might be wise to be consistent with Lake Park when they do Cape Fear as well. The rest of it, they can talk a little more about implementation. We are waiting for the meters to come in, the meter boxes, and we can reprogram those to meet the \$1.25 and the \$8. The Freeman Park box is coming in within the next few weeks. We can make that change then. The meters, he thinks they are purchasing something where they can go in and change the rates on the meters. They can do that soon. They have some signage they are going to put out at Freeman Park which says that daily passes are now \$15 so people don't get down there and all they have is a \$10 bill and have to turn around and get \$5. So they have some signage to put out to warn folks the rate has gone up. And some of the signage changes can come pretty quickly too.

Mayor Macon said the more parking we have available and properly marked, the more people will be coming down here. Wrightsville Beach is full and people are trying to find a space. People know they have 1,000+ spaces. The more spaces you have, the more likely people are going to come to the beach and try to find a place to park and he thinks it is important to maximize those spaces.

Councilman Johnson said he thought they had already decided to raise daily rates at Freeman Park to \$15 and keep the annual rate at \$50.

Mr. Owens said they had. These are just projections and different options.

Mayor Macon said Freeman Park has been packed already this year and maybe they need to look at possibly more parking in that area. People can carpool and you are reducing the number of people driving out there, plus some people park and walk. He thinks when they look at Freeman Park they need to be thinking about the fees and maybe the fees would help control the amount of activity there. If it is \$20 for a day pass and more for the year pass, is that going to reduce the number of people going out there so it is more of a control of the situation? He doesn't know. Are they just going to pay the money regardless so they can drive out there for their own convenience? He doesn't know but he thinks that is something they should send back to the Freeman Park Committee and maybe the Police Advisory Board and take a look at it. He thinks Freeman Park is going to continue to grow and become even more of a problem. Maybe the fee can help with that. He asked for Council's thoughts.

Councilman Johnson said he thinks what he is saying is fine but he thinks, as far as sending back to Freeman Park Committee to look at it, he would defer that to the end of this season. See what the daily increase in the fee does number wise so they have a better idea of approaching the situation. Without the new data he doesn't know how you would come up with any decision on it.

MPT Wilcox said he personally would be careful about how they do the fees. If they increase the fees to a point where they think it is not going to decrease the attendance, he thinks that is fine. That's revenue increasing and doesn't diminish our economic spin-off. Every time they lose somebody who comes down here because it's \$20, they are not just losing \$20 pass. They are losing the gas fill up, ice purchase, food, bait and tackle, etc. so there is a substantial spin-off.

Councilman Johnson asked if the \$15 fee is implemented yet.

Mr. Owens said they are waiting for the new parking box to be set up. The foundations are set and they are just waiting for it to come in and at that time they will put the \$15 fee into effect. They are about two weeks out.

Mayor Macon said there was something like a mobile ticket booth and asked if that is something they need to look at as an option where they could get some power out there

and have a mobile ticket booth because he is concerned about the people who are out there during the summer. He doesn't know if you can get a CAMA permit to put the temporary booth out there.

Mr. Owens said he thinks they can but he feels if Council wants to do something he would rather do some kind of shelter type thing as opposed to a ticket booth because he thinks they want people out checking passes and handing out brochures, not stuck in a little ticket booth taking money. He is not proposing any big changes unless Council wants to do that.

Mayor Macon said they are open to what Lanier Parking's needs are to effectively do their job.

Mr. John Crawford, the Parking Manager for Carolina Beach, said the comments that he gets is that the price issue is more for locals. People who call from out-of-town think it is a bargain. There aren't other parks like this where they can camp and do the things they want to for the prices. He doesn't feel the price increase will hurt the town overall, especially if they keep the annual passes somewhat close to the \$50 even if they go up a little. As far as the collections and everything, so far they haven't had any issues as far as getting people on the beach. 5-10 cars backing up temporarily is usually more of an issue and being stuck than our people being able to collect the money. So far they haven't any time where they have done hand collections of money and passing out tickets. If the machine goes down and they have an emergency and it's the weekend, they will do what they have to get them on the beach. So far they have kept everything running. They are also talking about being able to set up the extra time machine that is going to be at Canal, they should be able to sell passes out of there if they program it correctly. That will be a backup as well. They will have two locations that can run simultaneously if need be.

Mr. Owens said that is true for any of the boxes. They also talked about the Canal Drive parking lot at the north end, having a place where you can pass through, maybe put an air station there and a pass machine.

Mr. Crawford said he is doing a trial program at Walgreens as far as selling the annual passes. They just started with 10 but the manager wants to see if he can promote it at the kiosk as you come across the bridge. He hasn't heard back from him yet.

Mr. Owens said this weekend they are going to staff more than not. They were kind of slim in April, as far as staffing out there. He thinks on weekends they were there from 10:00 a.m. to 9:00 p.m. on Friday and Saturday and 10:00 a.m. to 4:00 p.m. during weekdays so they are trying to ramp up a little. This weekend they are going to have somebody there from 9:00 a.m. to 11:00 p.m. or whenever that person can go home.

Mr. Crawford said that actually on Saturday and Sunday, since he has a little room in the budget, they are going to start at 8:00 a.m.

Councilman Gilbert said that Freeman Park, after Wednesday, becomes a very cheap date

night after 10:00 p.m. A lot of people go down there after 9:00 p.m. and 10:00 p.m., nobody is on the gate and they go down there and build a fire and hangout. You might need a season of observing. You may have already missed your window for the spring by not manning that gate at extended hours to optimize your revenues. An observation was you had two people running around on scooters with nobody parking and the gate was left open. Maybe future fall and spring fishing you look at that. He hasn't noticed on the police reports that he sees a lot of fines or citations for going through that gate. He would guess that they are not enforcing it maybe in those shoulder seasons.

Chief Younginer said they are enforcing it but, at the same time, they were asked not to harass people out there so they try to check passes without disturbing everybody out there.

Councilman Gilbert said that was a concern a couple of years ago because the police were in a bad situation coming up to a car, flashing a flashlight in there you might run into a politician you don't want to run into. It is a challenge to enforce it. If they man that gate you will optimize those revenues without having to shine flashlights in people's cars.

Chief Younginer said this past weekend Lt. Goodson was out there and when they left at 9:00 p.m. he sat back and walked over to the side as people started rolling back through there and he stopped them and directed them to the machine.

Councilman Gilbert asked what the daily camping rate at the state park is. He was told \$25 a night. He has talked to some folks who said the daily fee should be competitive. He has talked to the hotel owners who have observed that we have a camp that is \$25 a night that is full most of the summer. The people who go to that camp may go to the north end because it is \$10 but his thought was that a fair entry fee, from his perspective, would be \$25 and would be competitive. If people don't want to pay \$25, they have an opportunity to pay \$8 to park all day at a parking lot. If they don't want to park for \$8, there is the bargain. It's not \$10 or \$15 to drive on the beach, it's the luxury of driving on the beach and he thinks they have to equate that to a value. They have to impart more value. The difference between \$8 and \$10 is only \$2, is that what they equate for the luxury of driving on the beach. They might be missing something if that is the way they are margining value. They should look at the opportunity they have with the beach and maybe regulate it, optimize our revenues but also give them a \$25 camping night. They have a huge product that he thinks is undervalued, especially with the \$25 camping.

Chief Younginer said the other word that is out is if you walk in, a lot of people carry those camp bags all the way to #6. That's free.

Councilman Gilbert said he wants to hear how they are going to optimize per parking space.

Councilman Johnson said he thinks there is a way you can do a daily fee but also do a camping fee if they're camping all night.

Chief Younginer said someone would have to check all those campsites.

Mayor Macon doesn't know if this is possible but, if you are a resident of New Hanover County it's \$50. Carolina Beach runs it but it is county property so you make it \$50 to NHC residents. Anybody who is not a resident of NHC it's \$100 and then you change your daily passes to \$25. He agrees with Councilman Gilbert. It's a great resource and he thinks there are people going out there who would be staying in some of the mom and pop hotels and it is something they should really think about. What we are doing at Freeman Park and whether or not the fees need to be appropriate. Whether or not you can even set up a system that would allow NHC residents to be \$50 and people who are not, \$100 and then a \$25 daily fee. We are a cash points world, everything is \$20 and easy to get.

Councilman Gilbert said he agrees with the Mayor but he doesn't think he would convolute the Freeman Park annual fee. He thinks \$60 is a value. If they decided on \$55 this year, there's your odd number and good luck with your \$5. \$60 is a value for a year-round pass that gives you unlimited camping any day you want to go. You can't go to a KOA or state park and get that. If he goes to the Outer Bank it is \$45 or \$50 maybe a night. Their focus on the daily permits, that's what they look at. He thinks \$15 is low. \$20 will differentiate between the resources. They have a parking lot resource at \$8, now you can drive on and have all the luxury of camping functionally unlimited if you don't leave, he guesses. Those are the things they need to look at.

Scott said he thinks that is a fantastic suggestion. Council decides what they want to do and how they want it done and they can do it from an operational perspective. They can work with the Police Department to enforce and run with it but the machine gives them the capability and capacity to program it however Council wants it. If you want to sell a night pass, day pass, whatever you want to do, they can make the machine do whatever you want.

MPT Wilcox said he thinks those are all valid points but he thinks in that analogy you lose a segment of the community who would drive out there who just want to drive on the beach. They don't want to camp out or bring a family out there. He doesn't know what the percentages of those are.

Mayor Macon said he is at \$60 and \$20. What they told the Town Manager the other day, budget-wise, for what they were telling him to plug into his budget and he was working with Lanier Parking to project the revenue that came out of that so he could plug the numbers into his budget.

Mr. Owens said he did not take a whole lot into consideration regarding those numbers. He used trends basically and current numbers.

Mayor Macon said what he was trying to think of after he left that meeting where the Town Manager was speaking of his concerns - people camping, carpooling, and things of

that nature.

Councilman Johnson said he thinks they would be sending the wrong message. If they are talking about a 100% increase in the daily fee this year. He thought they had agreed on the \$15. Let's see what that does this season. They agreed to keep the \$50 annual so we are not penalizing our residents. Now we're talking about increases again.

Mayor Macon said they were talking about increasing the yearly pass anyway. They are going to have a problem keeping enough change in the machine.

Chief Younginer said it would encourage people who buy a daily pass to bring it down and turn it in for a yearly pass.

Mr. Owens said our VID's are the same thing at \$15. When we have a hurricane, we don't have enough \$5 bills for folks that are lined up trying to buy the VID's. A daily pass at \$20 would be easier to administer. You might lose the daytrippers.

Scott said they do about 300 transactions on a weekend per day. They will do it however Council wants but, from an administrative perspective, it is a whole lot easier with a \$20 bill and there isn't a change issue.

Ms. Loomis said the machine the town is purchasing for Freeman Park is a Shelby unit which has two hoppers in it. One contains about \$1,500 worth of quarters and then you also have dollars. They can also make it do dollars and not quarters since your increments are going to be dollar based.

Scott said the revenues with the change from \$15 to \$20, using a utilization factor, will create a significant increase in your income. The machine can be programmed to do whatever Council decides.

Mayor Macon made a motion to go to \$20 for the daily pass and \$60 for an annual pass. MOTION CARRIED 4-1 WITH COUNCILMAN JOHNSON VOTING NO.

Mr. Owens said that is something they will implement once they get all the boxes in and do that within the next few weeks.

Mr. Diggs said the other discussion is to look at the numbers on implementation of parking meters on Lake Park Blvd. and Cape Fear Blvd (*Exhibit 5*). What they tried to do here is to be ultra conservative. At the top is the percentage of the hours that are detailed in line 6 that would be occupied during a particular month of the year. It takes the number of spaces and does the math. They suggested here if they used the dollar rate on Lake Park to use a smaller number and then on Cape Fear they used \$1.75 so they used some smaller numbers at those locations and they also made the assumption that a fair number of residents would use those spaces so they tried to use the amount of time that a parking spot would be paid for, not occupied, and in those projections, trying to be very conservative, they came up with the fact that it looks like Lake Park would generate

\$33,000 in additional revenue in the meter and Cape Fear would generate about \$15,000 in additional revenue in those meters. They are trying to encourage people to use those spaces so that if you have someone who is looking for a better value they can park in those locations and walk a little further.

MPT Wilcox said they will have no way of knowing because there are no signs with the prices.

Councilman Gilbert said, with respect to the discussion with the construction that is projected for Lake Park, he would like to hear Council's opinion on not going ahead with meters now but enforcing the 2 hour parking on Lake Park.

Mr. Owens said these are some significant changes and they have to go out and re-stripe a lot of these areas that are in existence now because some of them, particularly along Lake Park towards the Scotchman and just one solid line with no dividing lines for parallel parking spaces. We have to do that, we have to put in all the meters, summertime is here, we're going to be doing the stimulus project that will temporarily be in front of people's storefronts portions of the summer and then we also have the resurfacing coming up in the fall. Those are all kinds of obstacles but we can do whatever Council wants to do.

Mayor Macon said he doesn't think we are going to be able to do this, this year, but next year he would like for himself and anyone else on Council who is interested and someone from Lanier and someone from Planning, two Council and the other two get together and ride around town and take a look at what we have and come up with a plan to finalize what we are going to do with the parking issue. We have been talking about a lot of different issues over the years and he would like to look at it in the big picture instead of trying to piecemeal it so much and come up with some solutions to the parking. We have all summer to talk about it and look at it.

Councilman Johnson said after the DOT does the overlay, correct him if he is wrong, we have not made any decision, he thinks the Town Manager asked Council but he doesn't think they ever decided how they are going to do the parking spaces on Lake Park. Are they going to proceed as they are looking towards the streetscape or are we going back to what we have now?

Mr. Owens said he would recommend going back to what they have now. The streetscape project, even if he had a blank check, would be 3, 4 or 5 years out, possibly because of permitting and engineering. In order to implement streetscapes you're going to have to tear a lot of that up. Basically, the way it works out is, those angled spaces, the backend of that space that's closest to the roadway actually becomes the edge of your new sidewalk so it's not a real detriment and you would have more spaces, 75 or so, than if you had parallel parking.

Mayor Macon said we're not ready to do Cape Fear and the Harper improvements yet.

Mr. Owens said Cape Fear possibly he is going to put that on the agenda for June. We have the grant money and we need to decide what to do with that.

Mayor Macon said you don't want to redo it and then redo it again because it doesn't conform to what we are trying to do with the entire streetscape. The other thing he wants to talk about is downtown Wilmington and parking meters. When he is going downtown to grab some lunch or shop or something, he carries a container of quarters for meter spaces and is happy when he can find one. He doesn't look at it as being that difficult. If they can keep metered parking rolling over, that would be a good thing for business owners and is convenient.

Councilman Gilbert asked what is the pleasure of Council? Enforce the hourly signs or the hourly meters?

Ms. Loomis said that is implemented differently, depending on what city you are in. In Charlotte at a parking meter, say a 2 hour spot, you would have to actually move your car or you would be issued a different violation and then that is adopted into your ordinances. In Wilmington or Wrightsville Beach you have to keep the meters fed. If Carolina Beach decided they wanted them to implement another restriction, then that is something they could enforce. They could do that with the equipment they have.

Councilman Gilbert said that, traditionally in a main street or downtown situation, you want parking turnover. You don't want an employee who works there to be squatting on a parking place that could be a patron who could be coming in. There are different philosophies on it. He would say that maybe in your non CBD areas that you consider maybe feeding the meters all day or whatever you want to do because that is a revenue orientation but, when it comes down to the visitors who want to go to that restaurant but you have a whole bunch of people squatting and that is basically what they are doing now. We have a business district that allows 2 hour parking but people can squat on those things all day and go to the beach and we are not turning over the parking. His question is, maybe not today but, as a town and a Council and staff, we need to deliberate on, do we want to be friendly to our visitors and not require them to park 3 blocks away because we have our contractors, employees and residents parking in those primary spaces where people are going to drive through and keep going. From a business standpoint he thinks that is the discussion they need to have at some point.

Mayor Macon said therein lies the parking pass for the residents so that they don't take up the metered spaces because they can parking in the parking lot for free. The lots are fairly convenient around downtown.

Scott said, as Ms. Loomis pointed out, in most cities they do it differently at different blocks. One block you might be forced to move and another you can stay all day.

Mr. Owens asked the Mayor if he would like to meet during the summer so they could see what the crowds look like and then make it sometime in the fall.

Mayor Macon said he is talking about, as far as interested parties who want to get together and try to figure some of this stuff out, all he is trying to do is come to some kind of conclusion. It seems like they talk about the same things all the time. He wants to come to some kind of conclusion on what spaces they can increase, where they can increase them and maybe even looking at future parcels they think would fit into - right now it is a little haphazard how they look at a future parking lot based on when something becomes available. He thinks maybe we should be a little more organized about some of that.

Mr. Owens said he feels we need a parking plan. We have never funded one. CAMA used to fund those types of plans but not anymore. .

MPT Wilcox said until we fix our parking problem, whatever that is, our peak demands are a few times a year, certainly during the summer. Why are we not looking at some of these private properties like the Astor lot and other places and trying to negotiate with those folks to use those lots during the summer and have great revenue on them. That is a key piece of property in an area where we need parking spots. There are other parcels in other areas where people may be inclined, regardless of the size of the lot. There's SECOF lot on Cape Fear, which is being used for amusements, but there is another lot out there. Have we looked around to see what types of empty lots might be in places where we could do something that would make sense?

Mayor Macon said that is exactly what he is talking about.

Councilman Gilbert said he has an observation for a parking study that you want to spend money on, just at looking at the Wrightsville Beach numbers, they are not triple our fees but they are triple our revenue. It doesn't look like it's the number of parking places, but it's the availability of alternative parking places. There is not a whole lot of free parking there to be had. Right now you can go to our CBD and there will be five contractors parking under a no parking sign and our entire metered parking on Cape Fear is empty. It sets a precedence. If you go over to Tennessee and it's a good surf day, that parking lot could be empty on a spring day, after April 1, but there are 30 people in the water. What intrigues him about the numbers is that they are more than triple our revenue. So, what is the relationship of alternative available parking in Wrightsville Beach and Carolina Beach from Lanier's observation that, no matter how many parking lots we have, if there is still a good majority of alternative parking, people may just go park on the side of the street. If our discussion today is to optimize our revenues and we are only talking about raising the fees, he thinks 75% of it is not shepherding into our parking lots. We have a huge parking lot off of Lake Park that has a trolley stop sign on it, that used to have an entry way there and it has a metal box to pay for parking. We had leased parking when he moved here and when you ask why we don't have leased parking now, it's because there was no revenue sharing. There was no revenue to share because there was a stuff box and the person we were leasing it from was just for revenue sharing. The Marriott lot, the green lot and any other lot that had a metal stuff box on it, if you went back and inventoried the revenues out of those boxes and you would see there was no revenue sharing. If we think we have too few parking spaces, then we have to develop some level

of accountability in revenue sharing where we can do it. The green parking lot is underutilized because we don't shepherd people into that lot. If we had an entryway and had a public parking sign ...

Mr. Owens said they have ordered the sign. They are not going to do the entryway unless Council wants to because the elevations would make it difficult to do. There will be a big sign underneath that trolley stop sign that says public parking and he thinks they chose a color that you can see.

Councilman Gilbert said that Wrightsville Beach has little to no available, alternative parking where Carolina Beach we have an abundance of it. Our available parking outweighs and replaces our pay for parking.

Mr. Diggs said the way the contractors are doing it in Wrightsville Beach is they bring all their trucks to the job site early in the morning, dump everything they need and then excess vehicles they take and park them somewhere else. And typically some of the vehicles are parked in the driveway itself.

Mr. Owens said there is a lot more surface level parking and/or vacant lots than at Wrightsville Beach.

Councilman Gilbert said he would like to hear from Lanier Parking who obviously has managed a successful parking operation where we can't, through all these years of management, to get it where it is at least paying for itself not out of a tourism fund. He thinks Wrightsville fixed it a long time ago.

Mayor Macon said we know what the problems are and we need to identify those problem areas and then make a decision about what we want to do about it. He doesn't think we need to pay someone to do a parking study. We can put a group of us together, take a look at it and come back with some photos and some solutions.

MPT Wilcox said our land mass and layout in Carolina Beach is entirely different from Wrightsville Beach. There is no comparison.

Councilman Gilbert said he was approached by a restaurant owner here who wants to lease an empty lot and park on it. The former Operations Director explained to him, from a stormwater standpoint and an EPA standpoint and impervious pavement, that if you start parking on that lot it becomes impervious. Is a parking lot permitted by right and once someone has a vacant lot and starts parking on it, what is that impact with respect to stormwater and from the impact fee of the planning standpoint of it? Not to be answered today but he thinks that was a good point. Once they start rededicating their lots for surface parking that's never been parking or maybe drained and will become less permeable with parking on it, just from a building standpoint, how do you permit that and what would be the impact on that?

Mr. Diggs asked who is using their spaces right now? Who is paying for them and who

isn't? Wrightsville has done a very good job and are very protective on the resident pass issue. Every single year they want to have more and more resident passes. The more you let out the more they are going to get used and into the hands of people they are not intended for. Most of the spaces being used there are being paid for and he thinks that is key. Depending on how many of your \$5 passes are being distributed, how many of the \$50 passes are being sold - that's a big factor. You bring up a good point on the employees but there is a give and take there on how friendly you want to be on the issuance of those passes which is important. We have increased the revenue in Wrightsville Beach significantly since they have been there and it has been an evolution. The west side streets used to not be metered and they were put in to make more money on the east side streets. Everything began to get locked down for all the spaces on Barrier Island, he can't think of any place where you can park for free there. The only thing left is Harbor Island. If you want free, you have to go to Harbor Island. He thinks it's an evolution as well from a consulting perspective. We are consultants as well. If you want them to get engaged and get involved, for existing clients they basically discharge our expenses. They are not looking to make money on it. If they are looking for them to get involved in a full-blown consulting type of survey, maybe this fall or winter, they would be happy to do that. That is sort of the evolution of what has happened at Wrightsville and Carolina Beach will get there too. Lanier has done partnerships recently in Myrtle Beach. Everybody is familiar with the Pavilion and the Pavilion garage which was empty for 3 years since the Pavilion was torn down. They just engaged in a deal with the DRC, which is the Myrtle Beach city component and B&C to do a deal where they have now reopened the Pavilion garage. They are running it under their City of Myrtle Beach contract. It is a revenue share situation. They are sharing in the operations. They bought digital pay stations to run that garage and it is now open for parking. They have another private property owner in Myrtle Beach they have partnered with and they have leased that property and it is a revenue share situation as well. So that is completely possible and they know a lot about it Council wants them to get into that kind of stuff.

MPT Wilcox said, from a general perspective, he doesn't want to be Wrightsville Beach. He doesn't like going there because it is an unfriendly parking and enforcement situation and he is not saying we should be slack but he wants us to be a friendlier and more inviting destination.

Scott said they have come a long way just in the past 4 or 5 months and they are going to see some significant improvements to their operation, to customer service - it's already happening, the revenue component which is going to happen. There is a significant change that is already taking place. He commended the town staff. They have had a lot of very good meetings together and they have been fantastic.

Councilman Gilbert asked if it is their opinion that they can increase their revenues to get the revenues similar to Wrightsville Beach but still be able to maintain the friendliness and the appeal that Carolina Beach has historically had compared to other beach communities. Mr. Diggs said absolutely.

Mayor Macon asked Chief Younginer when the guys pull off of the box at Freeman Park,

would it be beneficial if instead of the officer who is assigned to the north end if he has any down time to sit right there. Would it encourage people to see a police car sitting there.

Chief Younginer said it would but he doesn't have a lot of down time down there. He is already putting in overtime out there because it has gotten so busy in what is going on enforcement-wise. That person who is out there working has a helper right now and he is using other officers to go out there check those gates and sit there and watch. When he does have down time he does better sitting towards that curve where he can be seen both ways on that end.

Mr. Owens said he would like to summarize things they talked about today. What he heard is the metered, hourly rate will be \$1.25 very shortly. The pay boxes hourly rate goes to \$1.25 and \$8 for a day. The Freeman Park is \$60 for a yearly pass and \$20 for a daily pass. They never made any kind of decision about Lake Park or Cape Fear. His recommendation is that they not move forward on those two and if you have to move forward on either one of them then it would be Cape Fear.

Mayor Macon made a motion to hold off on moving forward with Lake Park and Cape Fear until they can further analyze the situation and try to be prepared for next year in conjunction with the other options that they are looking at. MOTION CARRIED UNANIMOUSLY.

Mayor Macon made a motion that our lots go to \$8 for all day. MOTION DENIED 4-1 WITH COUNCILMAN GILBERT, COUNCILMAN JOHNSON, MPT WILCOX AND COUNCILWOMAN EFIRD VOTING NO.

Mr. Crawford said he has a mandatory staff meeting called for this Thursday and a lot of what they are going to go over is the enforcement of the different parking areas and the 2 hours streets on Lake Park, the 2 hour free, they are going to step up the enforcement on that.

MPT Wilcox said to be careful about some of those 2 hour free parking areas. He knows some of the property owners have put up their own signs.

Councilman Gilbert asked about the 2 hour meters and whether you are required to move your car after that period of time. When they decided that the 3 hour meters in the parking lots would be turned over to get the surfers out of there every 3 hours, that's is where he was going with it.

Mr. Owens said he will interpret our ordinance in our parking program, he doesn't know how it is enforced, he should. The 3 hours is 3 hours maximum and you have to leave. That is how he would interpret it. He would interpret it probably the same way in the CBD. He doesn't think they are doing it that way but he would say the same thing in the CBD, it's 2 hours period and then you have to go to another block or leave or whatever but we are not enforcing it that way. He thinks they are enforcing it that way in the 3

hour lots. He doesn't have the ordinance in front of him.

Mr. Diggs said to tell them how they want to do it, they will do it any way they want.

Mr. Crawford said the interpretation that he has is the town permits are allowed to park in a 3 hour metered space for 3 hours and then they have to move and he found no other reference or any other direction from anybody that indicates somebody feeding the meter, town sticker or not, cannot stay there as long as they feed the meter up until the 7:00 p.m. curfew.

Councilman Gilbert said that is where he is confused. The 3 hour meter, he doesn't see how you interpret that differently from the 2 hour meter or 2 hour parking. If we are going to tell people we're going to enforce 2 hour parking on Lake Park and then we are going to enforce 3 hour parking in a meter. He doesn't see how you deviate from it. The design of it was to turn over parking in your CBD because 2 hours was long enough, let's open that space up for another paying customer. That was his mentality but he could be wrong.

Councilman Johnson said the way he understood it was that a resident that has a pass can park in the 3 hour parking lot at that metered space for 3 hours max for free but if that resident with a sticker decides he wants to stay beyond that 3 hours he can do so as long as he is feeding that meter.

MPT Wilcox said he looks at a 2 hour parking zone and a 2 hour meter as two different things. If they want to have an ordinance that says you have to move every 2 hours, fine. Figure out a way to do it and do it. Right now if they don't have something in our ordinance and a resident gets a ticket for staying in a spot because they stayed more than one 2 hour cycle, that we're going to fine them for it, he doesn't think we have the ability to do that.

Councilman Gilbert said he is going from his experience in a business district so you don't have people squatting in front of a business all day and that is how it is traditionally administered.

Mayor Macon said to take a look at the ordinance and if it doesn't cover it then bring two options to keep it as it is or you have to rotate out of it and they can make a decision on it later.

Councilwoman Efird made a motion for \$7 all day in the parking lots. MOTION CARRIED UNANIMOUSLY.

Mayor Macon asked the town manager where they stand on Council allowing staff and maybe two Council members to take a look at the parking issue to fix some of the problems that we may have.

Mr. Owens said he can schedule a meeting on a summer day and then sometime in the

fall to look at it.

Councilman Johnson asked if they can set a date for the new rates of \$1.25 and \$7 to go into effect.

Mr. Owens said that is something they need to do administratively and will do as soon as they can but he needs to talk to everybody and find out it affects folks. There are a lot of things they need to get straight first.

Councilman Gilbert asked to qualify what he heard in that they are not going to enforce any time limits or restrictions until the ordinance is reviewed and brought back in June.

Mr. Owens said on the meters, the 2 hours meters you can feed all day. The 3 hour meters you can feed all day. The 2 hour free spaces is where they were talking about moving to 2 hours only or doing some enforcement.

Councilman Gilbert suggested that before they start enforcing that to make sure it gets out there, media and everybody else, because people have spent a lifetime squatting on those parking places and they don't have any history of it.

MPT Wilcox suggested giving warnings.

Mayor Macon said that is up to the parking company.

There being no further business to discuss, **Councilwoman Efird made a motion to adjourn. MOTION CARRIED UNANIMOUSLY.**

Respectfully submitted,

Lynn N. Prusa
Town Clerk

Approved: _____