**Town of Damariscotta**

**Lincoln County Regional Planning Commission**

 **2012 ASK Program Grant**

**Final Report**

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**University of Southern Maine - Tourism and Hospitality Program**

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**Aligning page numbers**

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**Lincoln County Regional Planning Commission 2012 ASK Program Grant Background**

*“The rehabilitation of the Harbor Parking Lot has been identified in four recent planning studies undertaken by the Town of Damariscotta as the key element in preserving the historic Newcastle-Damariscotta Village by enhancing its role as the Gateway to the Pemaquid Peninsula region”* (ASK Grant Narrative 2012). The specific issues that need to be addressed in the parking lot are as follows:

A. ***Traffic Flow Management:*** During July and August, the parking lot is daily congested and often filled to capacity with tourists.

B. ***Amenities***: Lack of public restroom facilities, bicycle and pedestrian amenities.

C. ***Infrastructure/safety***: The pavement is in a state of disrepair and sewer and storm drainage is not adequate to deal with imminent storm surge events.

**Research Summary**

There are numerous financing options available, such as increasing municipal taxes and grants, to address the needs in the municipal parking lot. The research funded by this ASK Grant is specifically charged with addressing fee-based alternatives for financing so as to accomplish optimal generation of revenue during the summer months.

The Town of Damariscotta contracted with Tracy S. Michaud Stutzman, Ph.D., a Lecturer in Anthropology and Tourism/Hospitality at the University of Southern Maine as the primary researcher on this project. She has more than a decade of experience working on economic and community development projects in rural Maine and has held contracts with Eastern Maine Development Corporation, Piscataquis County Economic Development Council, and the Maine Office of Community Development. She currently teaches and researches the impact of tourism on Maine communities. Marjorie Jarry, a Tourism and Hospitality student at the University of Southern Maine, assisted her.

Research took place between May 1 and June 30, 2013. Before analyzing and determining recommendations, researchers spent time visiting Damariscotta; reviewing previous town planning reports and other research on the concept of pay-for-parking; interviewing various Damariscotta stakeholders; traveling to Boothbay Harbor to view the pay for parking system there; interviewing other communities with pay for parking systems; and researching the costs of various pay-for-parking systems.

**Town Heritage**

Damariscotta is a small historic village located on the shore of the Damariscotta River in Mid-Coast Maine. The Damariscotta River is a tidal estuary of the Gulf of Maine. It was incorporated as a town on March 15, 1848, and the downtown is a National Register Historic District. At its conception, the town was developed as a shipbuilding center but with the decline of manufacturing, today it is considered a service center with a library, hospital, wide variety of retail stores, restaurants, and a theater in its downtown. Its location on the tidal river, its community festivals and events, its location as the gateway to Pemaquid Point Lighthouse, and its access to the Atlantic Coast and Monhegan Island have all made Damariscotta popular with tourists (Damariscotta Heart and Soul Planning Charrette Report 2010). The number of tourists visiting Damariscotta is expected to grow by 10% over the next 10 years, faster than any other sector (2014 Damariscotta Comprehensive Plan–Vol II Draft). This steady increase of tourist traffic in the summer months will likely further exacerbate the issues in the Harbor Parking Lot.

The population of Damariscotta is 2,218 with 1,051 households holding 578 families. There are 186 seasonal households and 840 summer residents. The median age of the town is 50.7 years with more than 30% of the population over the age of 65 and 41% of households containing one or more persons 65 years or older. The town is 14.71 square miles, of which, 12.42 square miles is land and 2.29 square miles is water (2010 U.S. census information in 2014 Damariscotta Comprehensive Plan – Vol. II Draft).

**Community Planning**

Community research and planning reports over the past decade have consistently indicated many of the same general and specific issues and recommendations around parking in Damariscotta:

* Make small changes to improve parking and circulation downtown through a parking management plan to deal with traffic flow and safety, most especially during the summer months when there are high amounts of tourists.
* Create satellite parking and potentially a parking structure to deal with the need for additional parking.
* Create amenities like a waterfront boardwalk, better access to the water, and public restrooms.
* Add information signage around the waterfront.
* Question: any need to mention the future potential siting of a multi-modal transit stop/facility in the harbor area? Good idea- Matt

The only major reference to the fact that there is free parking in the Harbor Lot is in the Shore and Harbor Master Plan (2010). In this report there is a reminder that, according to Donald Shoup’s book “The High Cost to Free Parking”, there really is no “free” parking. Town taxpayers currently shoulder the costs of maintenance of infrastructure and improvements, and local businesses shoulder the cost of lost revenue due to people not finding parking from typical low turnover rates in free parking lots. A fee for parking might alleviate some of that burden. Types of pay-for-parking systems are investigated in this report.

**Municipal Harbor Parking Lot**

The Municipal Parking Lot or Harbor Parking Lot is located behind Damariscotta’s Main Street along the waterfront. The lot has 2 two-way vehicle entrances with one entrance on the east from Water Street and the other off of Main Street at the western end of the downtown area. There are multiple (??) pedestrian access points and one–way access for small delivery trucks from Main Street, including “Taco Alley” which is across from Elm Street. There are other informal entrances among private properties. The central portion of the lot is owned by the Town of Damariscotta, which has permanent easements on the remaining spaces. The lot is maintained by the town and is used year round. During the summer months a parking attendant is hired to keep cars in compliance with parking limits. The lot currently has 154 parking spaces with 14 boat launch spaces, 36 – 8-hour spaces, 104 – 3-hour spaces, and 4 handicapped-accessible spaces. The remaining parking spaces are private (how many and where?). Can the report include a map, as an appendix. It would be helpful) Note that currently the 8 hour spaces are changed to 3 hour spaces for July and August. The Board of Selectmen approved this as a ordinance last July at the same time the downtown employee parking was implemented on Water Street.

Besides parking, this lot supports store deliveries, access to dumpsters, a public boat launch for the commercial fishing industry and recreational boaters, the pumpout station, as well as private business spaces. The lot also provides a view of the water and harbor and immediate access to a small park along the shore of the river with green space and benches. There is currently no charge to park in this lot.

**Current Issues and Concerns**

Community Planning Reports were reviewed and municipal employees, community members, tourists, and downtown merchants were interviewed between May-June 2013 and provided the following information about current issues and concerns.

***Infrastructure***

There are three primary infrastructure concerns:

* Crumbling pavement
* Underground sewer lines
* Storm water drainage system

Currently the lot is functional but, according to town officials, storm events create flooding in the middle of the parking lot and back up the and storm water drainage systems. Crumbling pavement and warping has occurred due to unstable fill under the pavement as well as normal wear and tear. It has been estimated that it will cost around one million dollars to mitigate these issues. Funding can come from taxes, grants, dedicated fees from parking, or dedicated fees from other sources. As per the ASK Grant, this report focuses on researching dedicated fees from parking.

***Traffic Flow Management***

According to downtown merchants, commercial fisher people, community members, and municipal workers, parking and traffic flow issues in the town as a whole and in the Harbor Lot are at their worst during festivals/events and during the summer months particularly July and August. The town currently hires a parking attendant to manage the traffic flow by enforcing the 3 or 8-hour (see note on ordinance change above) limit in the harbor lot. The specific issues are:

* Not enough parking during the peak summer season of June through September.
* Safety concerns when entering and exiting the parking lot onto the Main Street.
* Infrequency of parking turnover.
* Employees of the shops parking all day. (This issue is currently being mitigated through a public/private partnership with the Town of Damariscotta and the Twin Villages Alliance. The town and the Twin Villages Alliance paid for a satellite lot for employees in 2012 and the merchants will be responsible for paying for and encouraging their employees to park in the off-site lot in 2013. This allows for up to 40 (can this be estimated, from the number of employee spaces provided on Water St?) more spaces available to tourists and customers in the summer.)

***Amenities***

Current amenities in the Harbor Lot include the boat launch and the Shore Park, which has some park benches and a walkway along the riverbank. Issues include:

* Lack of public restrooms.
* Shore Park is not ADA accessible, lacks bike racks, and safe connections to Main Street. Many downtown merchants and community members mentioned that smoking and undesirable behavior are found in the park.

**Research Methodology**

The goal of this research is to investigate the feasibility of various financing options for needed improvements to the Harbor Parking Lot. Information from vendors and other communities was used and community perceptions were factored in. The specific methodology for this research is listed below.

* Review previous town planning reports.
* Research information on the concept of “free” parking and pay-for-parking.
* Interview diverse Damariscotta stakeholders to determine the various uses and views of the Harbor Parking Lot and to determine stakeholder sentiment for the pay-for-parking concept and if it fits with the community’s “sense of place”.
* Visit and/or interview other communities with pay-for-parking systems.
* Research the costs of various pay-for-parking systems.
* Complete a cost/benefit analysis for parking meters, parking kiosks, and “flat-rate parking”.
* Make final recommendations.

**Stakeholder Personal Interviews**

Community issues should involve community members in their solution. An understanding of the “sense of place” of a town or a parking lot is important. Solutions should build on what is special about a place and not destroy its unique character. The inclusion of stakeholder interviews in the cost/benefit analysis was important in determining final recommendations that make sense financially and to the community.

The town of Damariscotta has a rich history of community engagement and local pride. There are numerous examples of the local merchants working together to solve problems, and of community and municipal officials being involved in town planning efforts together. For instance, in 2012, the town and the Twin Villages Alliance worked together to lease parking at a property on Water Street. This created a dedicated satellite-parking site for the downtown village employees, leaving the parking lot for tourists during the peak season. Downtown merchants also worked together to provide permanent easements to the town for the Harbor Lot. Lastly the local non-profit theater, library, and local merchants regularly cross-promote each other.

**Stakeholders**

Fourteen stakeholders were interviewed for this report including a commercial fisherman, 4 downtown merchants, 1 downtown non-profit organization, 2 community members who shop in the downtown, a police officer and parking attendant, 2 municipal officials and 2 tourists (one day tourist coming from over an hour away to enjoy the water and the other who lives in the next town but travels regularly to Damariscotta to shop). While not a large sample, this is a relatively representative sample of the various types of users of the lot. All use the Harbor Parking Lot either personally and/or for their customers.

**Stakeholder Sentiments on Harbor Parking Lot**

* The majority interviewed felt that the space provided was vital and was needed parking for tourists and locals, especially for Main St. businesses.
* Most mentioned it was an economic driver, helping to bring business in.
* All could see the benefits to the local economy and that it takes congestion off Main Street.
* Some felt it was the best place in town with the “least best use” and would be a great place for a large waterfront park.
* All felt that something needed to be done about the congestion in the parking lot during the peak summer months and some felt they were already dealing with it by moving downtown employees out. Does anyone have an estimate of what portion of employee parking in this lot has been moved to the Water st lot – how much more effort is needed to get the majority of employee parking somewhere else? There were twelve employers and 81 of their employees who participated in the pilot program in 2012. On average, 20 cars were parked there per day. Other employers like Renys did not participate in because they already lease parking for their employees. I believe that the project, in combination with the removal of the eight hour spaces in July and August, was successful at removing most employee parking from the lot during the peak season.
* All understood the need for infrastructure improvements to the parking lot.

**Stakeholder Sentiments on Pay-for-Parking in the Harbor Parking Lot**

* Most were okay with the concept of revenue earned from parking fees going into a dedicated waterfront account to support maintenance and improvements to the lot if pay-for-parking was implemented.
* Most thought it would help with turnover in the lot.
* Most thought residents would be offended and would hate the idea.
* Many expressed a concern that if the town implemented a pay-for-parking system that it would change the community. The business owners feared that they would lose the great working relationship that they currently have and some will become territorial and start restricting use of their private lots.
* Many were afraid that it would make the town appear unfriendly to tourists.
* Some were against charging for parking at all and thought it would hurt business for the local merchants and drive tourists away.
* Some agreed it was worth considering if there were resident passes and reasonable rates.
* None of the stakeholders interviewed liked the concept of individual meters anywhere in downtown due to the aesthetics but were open to kiosks or live parking attendants.

**Stakeholder Sense of Place**

Overall the stakeholders had pride in their community and a strong sense of place and their comments were similar to those in previous community planning reports.

* All said it was a great place to live and work.
* All could understand why people love to come here to live and visit.
* Most everyone said the town was charming and quaint with a rich heritage.
* Most said it was very friendly.
* Most mentioned the beautiful waterfront with many available recreational opportunities.
* Most stressed the merchants all work together well and support each other.
* Many mentioned it was great because downtown businesses are open year round.

**A Pay-for-Parking Community: Boothbay Harbor, Maine (I think you’re talking about BBH, not Boothbay?)**

**Boothbay Harbor Parking Background**

The Parking Supervisor for the town of Boothbay Harbor, Maine was interviewed. According to him, they have had a pay-for-parking system for decades that is in effect from June 1st through Columbus Day with meters located on the streets and in specific parking lots as well as a couple of large municipal lots with parking attendants. The town first implemented a pay-for-parking system in the late 1950s by placing meters on the streets, which they have since removed. They also tried a parking kiosk, which at the time cost the town about $8,000 to purchase. They experienced a lot of issues with the kiosk such as paper jamming and the machine rejecting the money. The town removed the kiosk and added 27 meters to their municipal lots and hired attendants for the two larger lots, which charge a single flat rate.

Currently, there are two municipal lots that contain meters and two flat-rate lots with attendants and numerous meters along the streets. They charge $1.00 per hour or $7.00 for the day. The lots are open 8:00 am to 4:00 pm with no charge after hours. Employees of the local merchants receive a reduced rate of $5.00 a day to park during the busy peak season. There are no other discounts for residents. They have boxes located in the town for recipients of parking tickets to place their payments in before they leave town.

The streets have either two-hour or four-hour parking in different areas of the town, which is clearly marked with writing in big letters on the street. The parking lots are frequented by seasonal community members, year round residents, and tourists.

When asked if the pay-for-parking system discouraged tourists the Parking Supervisor was quick to answer with a strong “no” and added that paying to park has had no negative effects on the local businesses either. He mentioned that the two-hour free curbside downtown parking keeps the traffic flowing.

**Income Generated**

Boothbay Harbor has very minimal maintenance cost to upkeep the meters. The cost to replace a meter is around $350 to $400 but they rarely break down. They hire eight hourly employees annually with two at a time monitoring the streets and six as attendants in the lots. The annual payroll cost is around $28,000 to $30,000 with no employee benefits. They all get paid $11.00 an hour. The money generated from parking fees goes into the general fund. He added that it helps the taxpayers by keeping their taxes down.

**Town of Boothbay Harbor**

Gross Annual Income from Parking Fees $90,000

Less Salaries $30,000

Less Maintenance Costs $1,500

 **Net Annual Revenue $58,500**

**Boothbay Harbor Community Sentiment**

The Parking Supervisor said that in Boothbay Harbor there was resistance from the community at first to a pay-for-parking system but for the most part the town residents grumble about it but accept it and appreciate that the income generated keeps their taxes down. When asked what advice he would give a town that was thinking of implementing a pay-for-parking system he said to remind citizens that it is a major benefit to taxpayers since it helps offset their taxes. Question, does this revenue actually go to repaving the lots, landscaping, etc. Damariscotta needs the income to help pay for infrastructure upgrades, but it looks like BBH puts it into the general fund….

**A Pay-for-Parking Community: Newburyport, Massachusetts**

**Background of Newburyport, Massachusetts Parking**

This interview was conducted with the City Clerk of Newburyport, Massachusetts. They recently implemented a pay for parking system in May of 2011 with the purchase of kiosks and meters. The town purchased twelve kiosks with each kiosk costing between $11,000 to $12,000.

The town implemented the system for two reasons. The first was to control the traffic flow. One of the problems the town was experiencing was that the employees in the area were monopolizing all the parking spots that were needed for tourists and day visitors. The second reason was lack of revenue for the town for needed infrastructure improvements. Both issues have been successfully resolved due to this system.

Newburyport currently has six paid parking lots and some on-street parking. Two of the six lots have a three-hour limit and the other four lots have no time limit. Most of the on-street parking is limited to two hours. There are lots specified for permit parking with large signage indicating permit parking only. There are one or more kiosks in each parking lot with easily identifiable signage that says “Pay Here” above each kiosk. The kiosks are in operation Monday through Saturday from 8 am to 6 pm and Sunday from 12 pm to 6pm. The lots are used by year round residents, employees in the area, and tourists.

**Income Generated**

Newburyport charges $.50 an hour for tourists and visitors. Residents and employees have the option to purchase permits. They have about 7000 residential permits and about 300 employee permits. For $10 annually residents can purchase a permit that allows them to park in the downtown. They offer Senior Citizens over 65 a free parking pass. (While a thoughtful idea, due to the fact that Damariscotta has a resident population where over 30% are older than 65, this likely would be not be economically feasible). Downtown employees can purchase a parking permit for $100 a year, which is about $8.33 a month to park in the designated all-day lots.

The biggest benefit from the pay-for-parking system has been the revenue generated. Fifty percent of the money generated is earmarked for downtown improvements. They are currently redoing the main lot and re-bricking the sidewalks in the city from money generated from the pay-for-parking system so downtown merchants and community members see the benefit. Last year they generated around $250,000 for the city and around $100,000 for the redevelopment authority.

**Newburyport, MA.**

Gross Income from Parking Fees $600,000

Less Salaries and Maintenance Costs $250,000

Less Redevelopment Authority $100,000

 **Net Revenue $250,000**

**Community Sentiment**

The City Clerk mentioned that there didn’t seem to be any direct negative impact on the local businesses and that some actually felt that the parking system has been a big benefit for downtown businesses, as it has had made it easier for customers to find a place to park due to better turnover. He also said that the pay-for-parking system was not discouraging the tourists at all.

He did mention that the idea was initially met with trepidation from the residents who didn’t want to have to pay to park. He mentioned that there were a lot of mixed emotions around it but for the most part the residents have accepted the change. Now the fear of the system is gone and it is working well for the city. When asked what advice he would give he said, “plan, plan, plan” and make sure to hire a consultant who knows what they are doing to implement the system. What kind of consultant is this? Recommendations from the city clerk?

**Cost/Benefit Analysis**

**Assumptions**

A Cost/Benefit Analysis determines the total equivalent value of a project’s benefits and costs to a community in order to establish whether it is worthwhile to pursue or not. Usually the common unit of measurement in this type of analysis is money. Will a project make money or not? Some factors are easy to monetize such as revenue earned from parking fees while some factors are not easy to monetize such as the impact of pay-for-parking on the Community’s “sense of place” or the environment. In this analysis non-financial factors are not assigned a monetary value but they are included in the final analysis along with the financial Cost/Benefit.

In order to calculate the Cost/Benefit of each potential pay-for-parking system assumptions on the operation and use of the Harbor Lot needed to be made. Assumptions were determined based on the town’s community planning reports, other communities with pay-for-parking, and stakeholder interviews. The following assumptions are the best estimate, with the current limited research, of how this Harbor Parking Lot would be used and how it would be most successfully operated:

* There are 154 public parking spaces including 14-all day boat launch spaces, 36 – 6-hour spaces, 104 – 3-hour spaces, and 4 accessible spaces.
* The town will charge parking fees during its peak use between Memorial Day Weekend - Labor Day Weekend only - roughly 100 days per year.
* Fees will be charged Monday-Saturday from 8am-6pm (857 hrs) and Sunday from 12-6pm (86 hrs) for a total of 943 hours per space in 100 days. Fee will be $1/hr or $5 day.
* There will be 95% occupancy in Harbor Lot during 100 days of summer (Based on interviews the lot is constantly full throughout the summer). Therefore, out of a potential 145,222 total hours (154 spaces x 943 hrs) 137,961 hours will be used. Are we charging for the boat launch parking? There may be specific rules about that, IF there were state or federal funds involved. Often fees are permitted, but it would be a small thing to check out.
* Damariscotta has a total of 1051 occupied households with 2218 year round and 840 summer residents (2010 US Census). Assume an average of 2 vehicles per household or 2102 vehicles (2010 US Census).
* Damariscotta residents will receive either an annual car pass or a discount code for a minimal fee of $10 per year (based on Newburyport) totaling $21,020 in annual revenue.
* Damariscotta has 2943 annual employees, shoppers and tourists from the local region. Is this on a daily basis? Assuming each comes into downtown with their own vehicle = 2943 vehicles (2010 US Census). Is there a way to separate out hospital employees and school employees, who park outside the downtown? Or is that not a big deal, at this point.
* Between Memorial Day and Labor Day weekend an additional 5000 tourists per day from outside the region visit the town with an average of 2 people per vehicle or 2500 vehicles. Up to an additional 10,000 tourists visit during special events but are not factored in the analysis (Municipal Employee interviews).
* Annual usage rate of ¾ of the parking lot by employees, shoppers, regional and non-regional tourists from Memorial Day to Labor Day weekend. Out of 137,961 potential parking hours 103,471 hours will be used by fee payers as opposed to community residents with passes. (Most community members mentioned that they try to avoid the downtown during the summer months).
* Parking attendants get paid $11/hr (based on Boothbay Harbor).

**Flat-Rate Parking Cost/Benefit**

***Examples***

Boothbay Harbor uses flat-rate parking in their lots. They charge $7 a day to park. They typically hire parking lot attendants to collect fees in addition to parking attendants to do enforcement.

***Proforma Financial Cost/Benefit***

*Income (Benefit)*

Local Resident Parking Passes $21,020

Parking Tickets (current Damariscotta annual budget for 400 at $10 each) $4,000

Parking Fees (103,736 fee hrs divided by average stay at 4 hrs X $5/day rate) $129,670

***TOTAL INCOME $154,690***

*Expenses (Cost)*

Purchase/Installation of Two Parking Attendant Sheds $10,000

2 Attendants (Memorial Day to Labor Day Weekend) $20,618

Maintenance $1,000

**TOTAL FIRST YEAR EXPENSE $31,618**

***NET FIRST YEAR PROFIT $100,708***

**ANNUAL ONGOING EXPENSE $21,618**

***NET ANNUAL ONGOING PROFIT $110,708***

***Non-Financial Cost/Benefit***

*Cost:*

* Many stakeholders worry that flat-rate pay-for-parking in the Harbor Parking Lot would:
	+ decrease business ($5/day might turn off customers who want to park for a short time).
	+ make the town seem unfriendly.
	+ cause friction between downtown merchants with private lots.
	+ increase congestion on Main Street as more drivers will be looking for free parking.

This system does not improve turnover rates as people will park longer with a flat rate.

*Benefit:*

* Having a live person to collect fees and answer questions can help mitigate the concern about being unfriendly. Improved safety in parking lot due to live monitoring.
* Potential $110,708 in annual dedicated funds to upkeep and improve the Harbor Lot.

***Flat-Rate Cost/Benefit Recommendation***

Due to concerns of stakeholders, the inflexibility of a flat-rate system to serve the various needs of short term and long term users, the fact that this system does not help with turnover rates, and does not earn as much revenue as the other systems, the recommendation is to not pursue this option.

**Individual Parking Meters Cost/Benefit**

***Examples***

Boothbay Harbor, Maine and Newburyport, Massachusetts both use meters on the street and in certain parking lots. Most meters accept coins only. According to both towns meters cost between $300 to $400 to purchase and install. In Boothbay Harbor, they hire two attendants to monitor the meters daily and ticket for expired meters.

***Proforma Financial Cost/Benefit***

*Income (Benefit)*

Local Resident Parking Passes $21,020

Parking Tickets (current Damariscotta annual budget for 400 at $10 each) $4,000

Parking Fees (103,736 potential fee hrs at $1/hr) $103,736

***TOTAL INCOME $128,756***

*Expenses (Cost)*

Purchase/Installation ($400 each with 154 spaces) $63,200

Attendant (Memorial Day to Labor Day Weekend) $10,309

Maintenance $1000

**TOTAL FIRST YEAR EXPENSE $74,509**

***NET FIRST YEAR PROFIT $54,247***

**ANNUAL ONGOING EXPENSE $11,309**

***NET ANNUAL ONGOING PROFIT*** ***$117,447***

***Non-Financial Cost/Benefit***

*Cost:*

* Many stakeholders worry that metered pay-for-parking in the Harbor Parking Lot would:
	+ decrease business.
	+ make the town seem unfriendly and aesthetically displeasing.
	+ cause friction between downtown merchants with private lots.
	+ increase congestion on Main Street with those looking for free parking.

*Benefit:*

* Potential $117,447 in annual dedicated funds to upkeep and improve the Harbor Lot.
* Traffic flow and turnover rates should improve.

***Individual Parking Meters Cost/Benefit Recommendation***

Although this system should improve traffic flow and turnover, and it is estimated to make $1,165 more revenue per year then the kiosk system, the start up costs are much higher at $28,300. Also due to concerns of stakeholders and the strong opposition to the aesthetic of meters, the recommendation is to not pursue this option.

**Parking Kiosks:**

***Examples and Data***

Newburyport has parking kiosks in its parking lots. Boothbay Harbor did have them but got rid of them due to maintenance issues. Brett Ruhmann, New England Sales Consultant for Integrated Technical Systems, Inc., provided information on the LUKE II parking kiosks. He recommended 2 kiosks for the lot that are “pay-for-space” machines, which are far more convenient then “pay and display” machines as users do not have to go back to their vehicle to display a ticket. The machines accept coins, bills, and credit cards as payment and allow text reminders when time is going to run out. There is also a pay by phone feature so users do not have to return to the lot to add time to the machine. They can be programmed so local citizens get a discount or free code. Kiosks can be taken down for the winter and there is flexibility to determine rates and generate reports for violations.

***Proforma Financial Cost/Benefit***

*Income (Benefit)*

Local Resident Parking Passes $21,020

Parking Tickets (current Damariscotta annual budget for 400 at $10 each) $4,000

Parking Fees (103,736 potential fee hrs @ $1.00/hr) $103,471

***TOTAL INCOME $128,491***

*Expenses (Cost)*

Purchase/installation ($12,000 for each of 2 kiosks) $24,000

Preparing of lot (numbering, signage, electric/wifi access) $10,000

Attendant (Memorial Day to Labor Day Weekend) $10,309

Electricity ($150/mnth)\* $450

Data management system ($150/mnth)\*\* $450

Maintenance $1000

**TOTAL FIRST YEAR EXPENSE $46,209**

***NET FIRST YEAR PROFIT $70,282***

**ANNUAL ONGOING EXPENSE $12,209**

***NET ANNUAL ONGOING PROFIT*   *$116,282***

\* no electricity cost if the solar option is selected

\*\* there are additional credit card fees that can be charged to payees and from the bank

***Non-Financial Cost/Benefit***

*Cost:*

* Many stakeholders worry that kiosk pay-for-parking in the Harbor Parking Lot would:
	+ decrease business.
	+ make the town seem unfriendly.
	+ cause friction between downtown merchants with private lots.
	+ increase congestion on Main Street with those looking for free parking.

*Benefit:*

* Potential $116,282 in annual dedicated funds to upkeep and improve Harbor Lot.
* Many stakeholders were more open to the concept of parking kiosks in the Harbor Parking Lot as they were less visually offensive as parking meters.
* More efficient to monitor and enforce than meters.
* Ability to remove them in the winter could help keep the friendly character of the town.
* Most convenient and efficient of the systems investigated.
* Traffic flow and turnover rates should improve.
* Can be moved easily if the parking lot is redesigned.

***Parking Kiosk Cost/Benefit Recommendation***

Understanding that the amount of tourist vehicles coming into Damariscotta is steadily increasing and that the Harbor Parking Lot is in need of improvements, addressing the issue of funding for dealing with the parking lot and its issues is an important step, as doing nothing might create higher costs in the future (Shoup 2011). Although parking kiosks cost slightly more annually to maintain than parking meters, the initial start up costs for the kiosks are much lower. It is estimated that $116,282 in annual profit could be realized from a kiosk system. It is the option with the least resistance from stakeholders as it ties best in with the community sense of place since it is the least visually imposing of all the options and the most convenient. Therefore, if pay-for-parking in the Harbor Lot is implemented, it is my recommendation to pursue this option.

**Final Recommendations**

* The Town of Damariscotta should investigate placing 2 parking kiosks in the Harbor Parking Lot between Memorial Day and Labor Day weekends (what about keeping them through Columbus Day weekend, which is an important tourist weekend in the area?) and charging $1/hr. Likely a single attendant can monitor kiosks and enforce violators.
* Kiosks should be taken down during the fall, winter, and spring in keeping with the friendly and aesthetic nature of the community.
* Town residents get an annual pass for $10/yr. Might want to factor in a discount for seniors?
* Delivery trucks and other such vehicles needing regular access to the lot can receive a special pass or code and have designated delivery areas in the lot.
* Income generated should be earmarked for improvements and maintenance to the lot.
* Downtown merchants and town residents should be involved in the generation of a priority list for the use of funds as per previous community planning reports. Perhaps funds could be first used to pay for employee off-site parking, or to build the Boardwalk, install public bathrooms, or pay for needed infrastructure improvements.
* Many of the stakeholder “non-financial costs” of a pay-for-parking system are valid and it is recommended that municipal leaders work closely with downtown merchants to monitor business activity, merchants with private lots, and congestion on Main St. if they implement a pay-for-parking system and then work with merchants to mitigate any issues as they arise. (There is a rich history of downtown merchants working together to solve problems and the town should continue to respect and support this network.)
* Communication with the community and education about parking issues is important. During the interviews, other than municipal employees, most did not realize the funding needed to maintain the parking lot infrastructure and most did not realize where pay-for-parking was being considered.
* Review Shoup’s Book *The High Cost of Free Parking* (2011). Although primarily referring to curbside parking in cities, its tenants are transferable. Shoup offers a critique of free parking and suggests how planners can work to educate their communities and plan for parking that is “sensible, effective and fair” (2011:15). He argues that market-priced parking fees will save time, reduce congestion, improve air quality, and produce private and public revenue. The three basic policies of the book are:
	+ Set the right price for parking (market-pricing=at any one time there will be 1-2 open parking spaces).
	+ Return parking revenue to pay for local services so the local community members benefit.
	+ Remove minimum parking requirements on businesses to provide a certain amount of parking spaces (if your city has those requirements).
* Shoup (2011) would argue that meters along the Main St. would worthwhile as those are the premium spaces and it would cut down on congestion from cruising cars looking to avoid pay-for-parking lots. However, if Damariscotta’s Main Street remains free parking, the town needs to make sure short-term parking limits along the curb are strictly enforced and consider attractive ticket payment boxes, with an explanation of how the funds are used, around town to increase the likelihood of tickets being paid.

**References**

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