



CHAMBER OF COMMERCE
Southport - Oak Island Area

June 9, 2025

The Honorable Rich Alt
Mayor, City of Southport
1029 N. Howe Street
Southport, NC 28461

Dear Mayor Alt;

The Southport-Oak Island Area Chamber of Commerce appreciates your continued dedication to the people of the City of Southport.

On June 2, 2025, the City of Southport Board of Aldermen heard a presentation from Otto Connect regarding the implementation of a paid parking system in Southport. On behalf of the Chamber's Board of Directors—representing more than 500 businesses—we respectfully and firmly oppose the implementation of paid parking in the City of Southport.

When parking fees are introduced, most people do not receive a corresponding wage increase to offset the cost. Instead, these fees are drawn from their discretionary spending—the portion of their budget that might otherwise be used to:

- Dine at local restaurants
- Shop at small businesses
- Attend local events or attractions
- Tip service workers
- Support community causes

This creates a ripple effect in the local economy. When residents or visitors are required to allocate more of their budgets to parking, they typically spend **less elsewhere**—often at the very businesses that anchor our downtown and tourism economy. Over time, this can lead to declines in retail sales, service transactions, and even local employment—particularly in small, seasonal, and service-based businesses.

Additionally, if the City retains approximately 60% of the revenue collected, the remaining 30–40% would leave the local economy immediately. These are dollars that could otherwise circulate in Southport through wages, local purchases, and vendor payments. When revenue flows to out-of-town companies, we lose the benefit of the **economic multiplier effect**, meaning that dollar does less work here, resulting in lower sales tax, reduced beer and wine tax revenue, and ultimately fewer resources for the City's budget.

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It's also important to recognize that this proposal affects both **residents and visitors** and places a disproportionate burden on **small businesses and low- to moderate-income families**. Unlike beach parking, typically associated with optional recreation—parking in Southport supports access to **essential goods, services, and employment**. A one-size-fits-all parking model fails to account for this critical distinction.

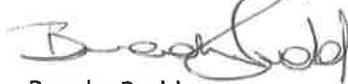
Southport's small businesses are still recovering from recent economic hardships, and the ongoing impacts of the NC 211 expansion project have made the perception of access more difficult—for both customers and employees. The introduction of paid parking during this fragile period risks further disrupting commerce, undermining recovery, and stalling growth. A strong, sustainable business environment is essential to the City's long-term fiscal health.

Southport already benefits from the taxes and fees generated by its businesses and their patrons. With a comparatively low ad valorem tax rate, we believe there are better ways to increase revenue—**through policies that support growth and investment**, rather than new fees that deter activity and discourage foot traffic.

We are eager to work collaboratively to explore practical, business-friendly strategies for strengthening city revenues while maintaining a thriving local economy.

Thank you for your time and consideration. The Chamber stands ready to engage in productive dialogue on this matter. Please do not hesitate to contact us to discuss our concerns further or to request clarification.

Respectfully Submitted,



Brooke Rudd
2024/2025 President
Southport-Oak Island Area Chamber of Commerce

Cc:
Southport Board of Alderman
Noah Saldo, Southport City Manager