

NEWPORT WATERFRONT ECONOMIC STUDY

CITY COUNCIL WORKSHOP

9 NOVEMBER 2010



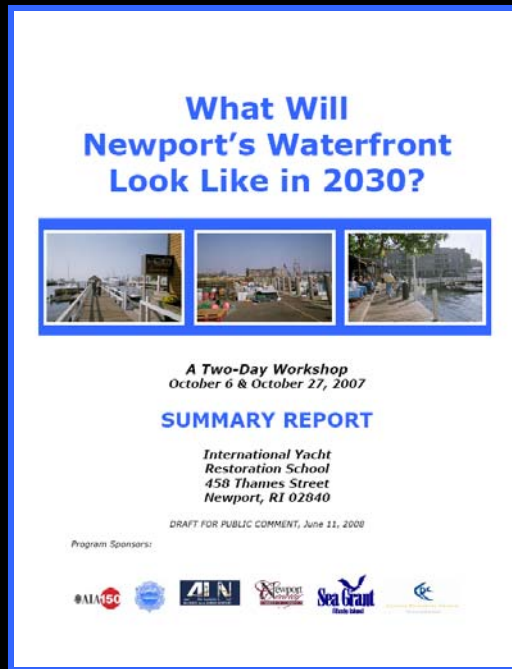
WHY AN ECONOMIC STUDY?

1. Compile “baseline” economic data for the waterfront study area
2. Provide decision makers with a tool to make informed land-use decisions
3. Address the question - Which waterfront land uses provide the most measurable benefit to the city of Newport in the waterfront study area?

AGENDA

1. Background & context
2. Data collection
 - Land side
 - Water side
3. Interviews w/Waterfront Property & Business Owners
4. Findings of Study

GOALS - NEWPORT 2030 WORKSHOP



Top 3 Priority Recommendations

1. Create a **continuous harbor walk** that links all waterfront parcels and allows public access both laterally and along the shore.
2. Honor the **working waterfront**, maintain its relevance, and preserve its identity.
3. Develop mechanisms to encourage **consistent coordination & communication** among different levels of government, commissions, and officials so that they may identify and work toward common goals for Newport's waterfront.

Steering Committee Observations:

1. **PUBLIC ACCESS** was overwhelmingly identified by all groups as top priority.
2. The **WORKING WATERFRONT** was identified as a top priority.
3. **ZONING** is a critical element that relates to all potential future development in Newport's Harbor/Waterfront
4. **TRANSPORTATION** was discussed in all groups but did not rank as high in the final voting.
5. **INTERCOMMUNICATION** between municipal commissions ranked high in the final voting, but also applies to all of the above elements.

PARTNERS

STAKEHOLDERS:

1. City of Newport – Planning Dept, Planning Board, Parks Dept
2. City of Newport –Waterfront Commission
3. Newport Co. Chamber of Commerce
4. Newport Co. Convention & Visitors Bureau
5. Alliance for a Livable Newport
6. Friends of the Waterfront

FUNDERS:

1. Rhode Island Foundation
2. Prince Charitable Trusts
3. RI Sea Grant

Did you know the City of Newport has a Harbor Walk?

NEWPORT HARBOR WALK 2010: Building upon the accomplishments of Newport's Friends of the Waterfront, which has a public access and signage program underway, the University of Rhode Island Coastal Resources Center and the Rhode Island Sea Grant College Program is assisting the City of Newport and other stakeholders in the identification of opportunities and barriers to creating a seamless public access system along Newport Harbor. This system would connect points along the waterfront from King Park, the wharves along Lower Thames Street and America's Cup Avenue, and Goat Island to the Pell Bridge and points north. Local residents and visitors in Newport are encouraged to go out and explore your Harbor Walk! Please look for this sign to guide you in your stroll:



PROVIDE YOUR INPUT!
Please complete the SURVEY form provided below and tell us what you think about the Harbor Walk!

For more information:

Please contact Teresa Crean,
University of Rhode Island
Coastal Resources Center
Rhode Island Sea Grant College Program
(401) 874-6626, tcrean@crc.uri.edu

RI Sea Grant, Newport Harbor:
http://seagrant.uri.edu/ecosystems/ri/sh_main.html

Friends of the Waterfront:
<http://www.newportharborwalk.com/>

For more information, please contact the Rhode Island Coastal Resources Center, University of Rhode Island, 100 Waterfront Drive, Newport, RI 02881-1100.

Newport Harbor, Newport, Rhode Island
2008 Aerial Photography, RI GIS

Newport Harbor Walk (existing)
 CRIC Shoreline Public Access

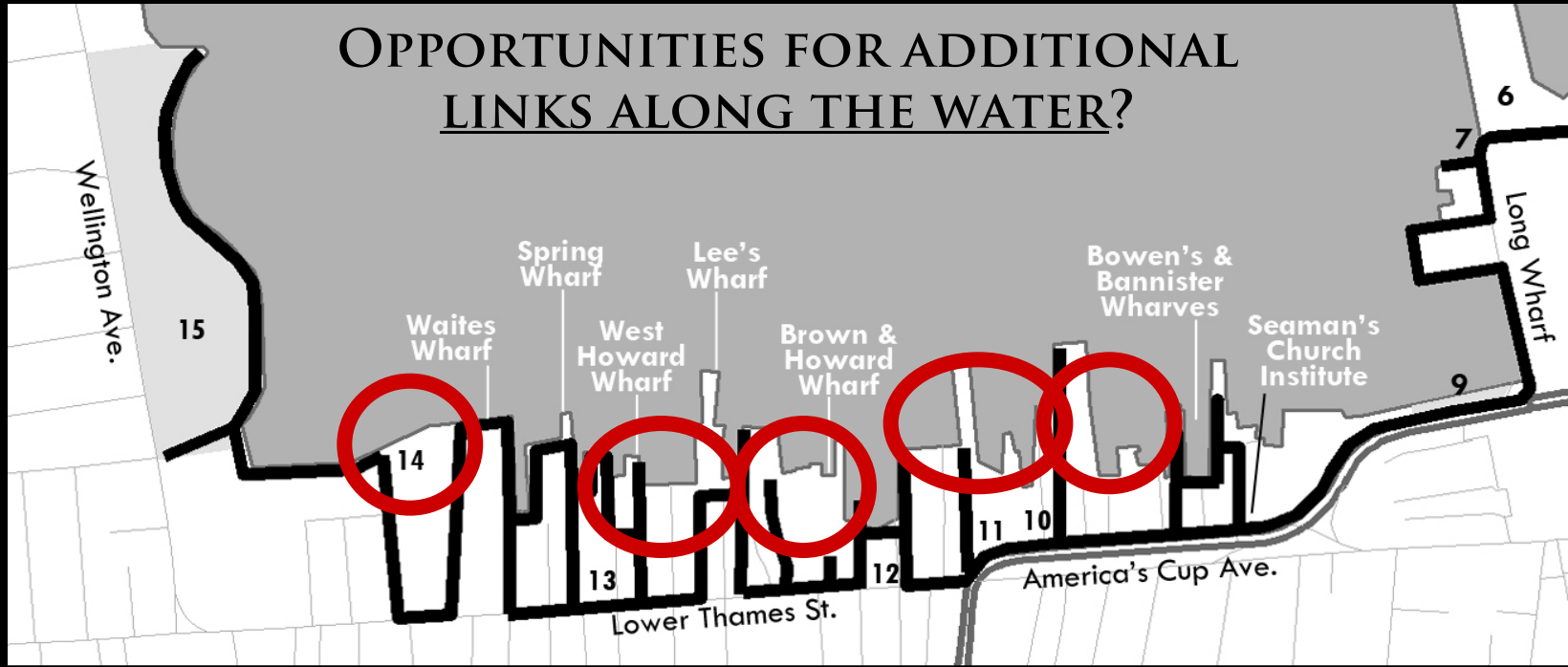


Map prepared by: Teresa Crean, URI Coastal Resources Center/RI Sea Grant, (401) 874-6626



NEWPORT'S HARBOR WALK

OPPORTUNITIES FOR ADDITIONAL
LINKS ALONG THE WATER?



Brown & Howard Wharf:
Harbor Walk not clearly defined.

OPPORTUNITIES
TO IMPROVE THE
LEGIBILITY OF
HARBOR WALK?



Perrotti Park:
Harbor Walk very well defined.

A QUICK REVIEW & UPDATE...

- Oct. 2007, Newport Waterfront 2030 Workshop
- Oct. 2007, URI Vibrant Waterfronts Symposium
- June 2008, Public Consensus Workshop for
Newport Waterfront 2030
- May 2009, Friends of the Waterfront Annual Meeting
- Sept 2009, RI CoastWeeks, Harbor Walk Guided Tour
- Feb 2010, "Did you know...?" Display & Survey launched
- March 2010, Harbor Walk Guided Tour
- April 2010, Harbor Walk Survey Results Public Forum
- May 2010, Harbor Walk Design Charrette & Public Forum
- Summer 2010, Monthly guided Harbor Walk Tours! 3rd Sat. of each
month, 10:00 a.m., Mary Ferrazzoli Park

WHAT'S NEXT?



1. **Identify projects** that might be implemented & installed/constructed over short- and long-term.
2. **Produce a map** that can be used for self-guided tours of the Harbor Walk.
3. **Prepare an action strategy / implementation program** that can be used by various stakeholders to raise \$\$\$ for future construction projects.

SCOPE - ECONOMIC STUDY

- Establish and describe an **economic baseline** for the Newport waterfront/harbor project boundary.
- Understand the **value of the land-side and water-side economies** in Newport Harbor and the interrelationships between the two to generate an analysis that synergizes both sides as one Harbor economy.
- Conduct an analysis that illustrates the economic impacts of land/water uses for the harbor and **provide guidance to the City to set policies and make investment decisions** related to the waterfront and harbor and the city's revenue stream.

ECONOMIC STUDY STEERING COMMITTEE

1. City of Newport Planning Director
2. City of Newport Waterfront Commission
Chair
3. City of Newport Redevelopment Authority
Coordinator
4. City of Newport Economic Development
Director
5. Newport County Chamber of Commerce
Executive Director
6. Newport and Bristol County Convention &
Visitor's Bureau Executive Director

CONSULTANT: FXM Associates

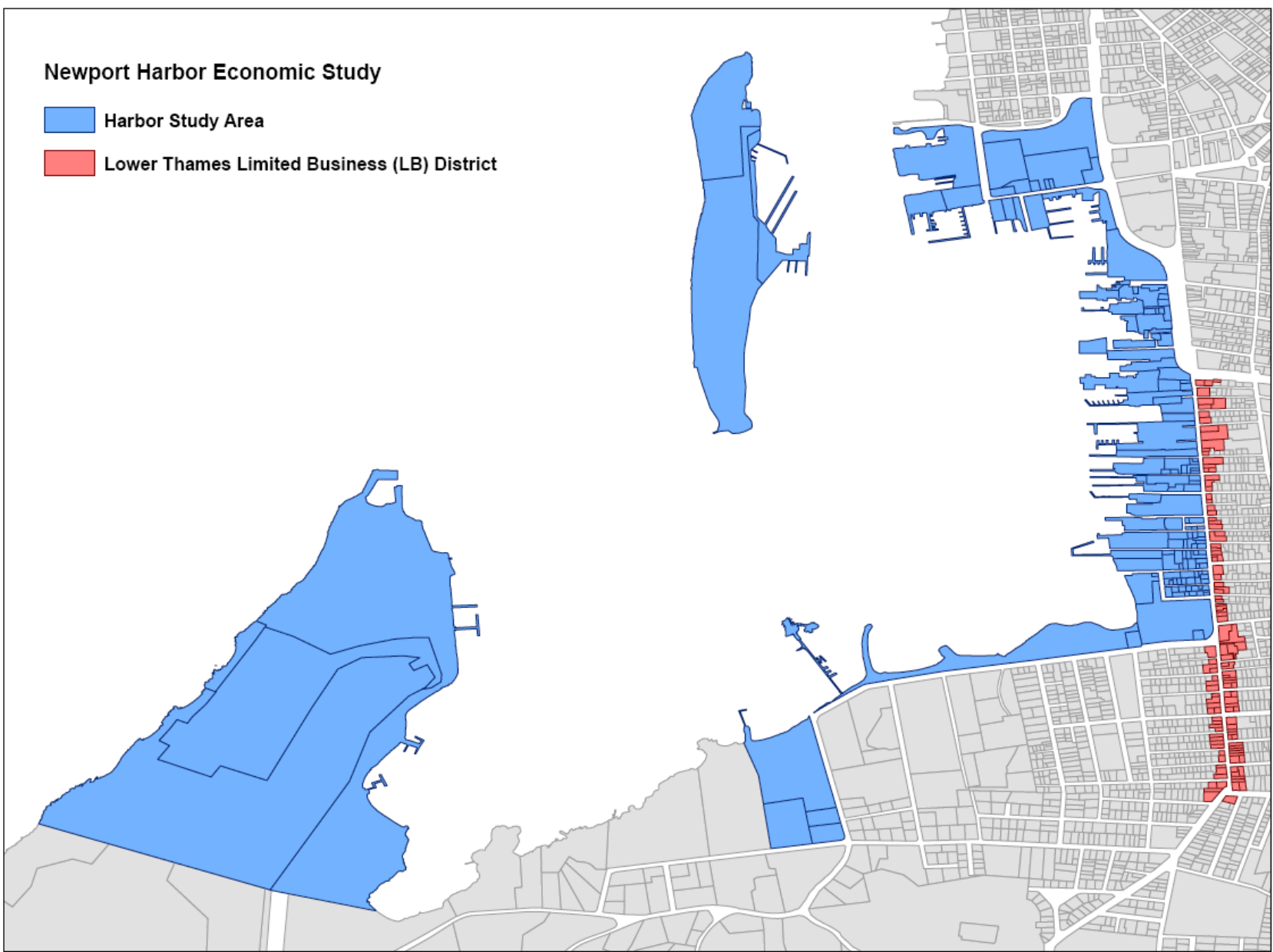


Francis X. Mahady, Principal

WATERFRONT STUDY AREA

Newport Harbor Economic Study

-  Harbor Study Area
-  Lower Thames Limited Business (LB) District



ECONOMIC STUDY: DATA

Land

- Parcel Overview: Land Use/\$ Value/Property Tax/Zoning
- Revenues: meal & beverage, hotel taxes, etc.
- Public Access
- Parking & Circulation
- Businesses/Employers
- Special Events
- Redevelopment Proposals
- "Anchor" properties

Water

- Moorings, Piers & Docks
- Marinas
- Special Events
- Excursions/Charters
- Commercial Fishing Operations
- Cruise Ships

RI STATEWIDE PORTS & HARBORS

Rhode Island's Ports & Commercial Harbors: A GIS-based Inventory of Current Uses and Infrastructure

Rhode Island's Ports and Commercial Harbors Newport: Water Dependency



Water Dependency:

- **Water Dependent** – requires direct access to the water for viable operation
- **Water Related** – provide goods or services associated with water-dependant uses
- **Water Enhanced** – do not require direct access to the water for viable operation, but are enhanced by waterfront location

RI STATEWIDE PORTS & HARBORS

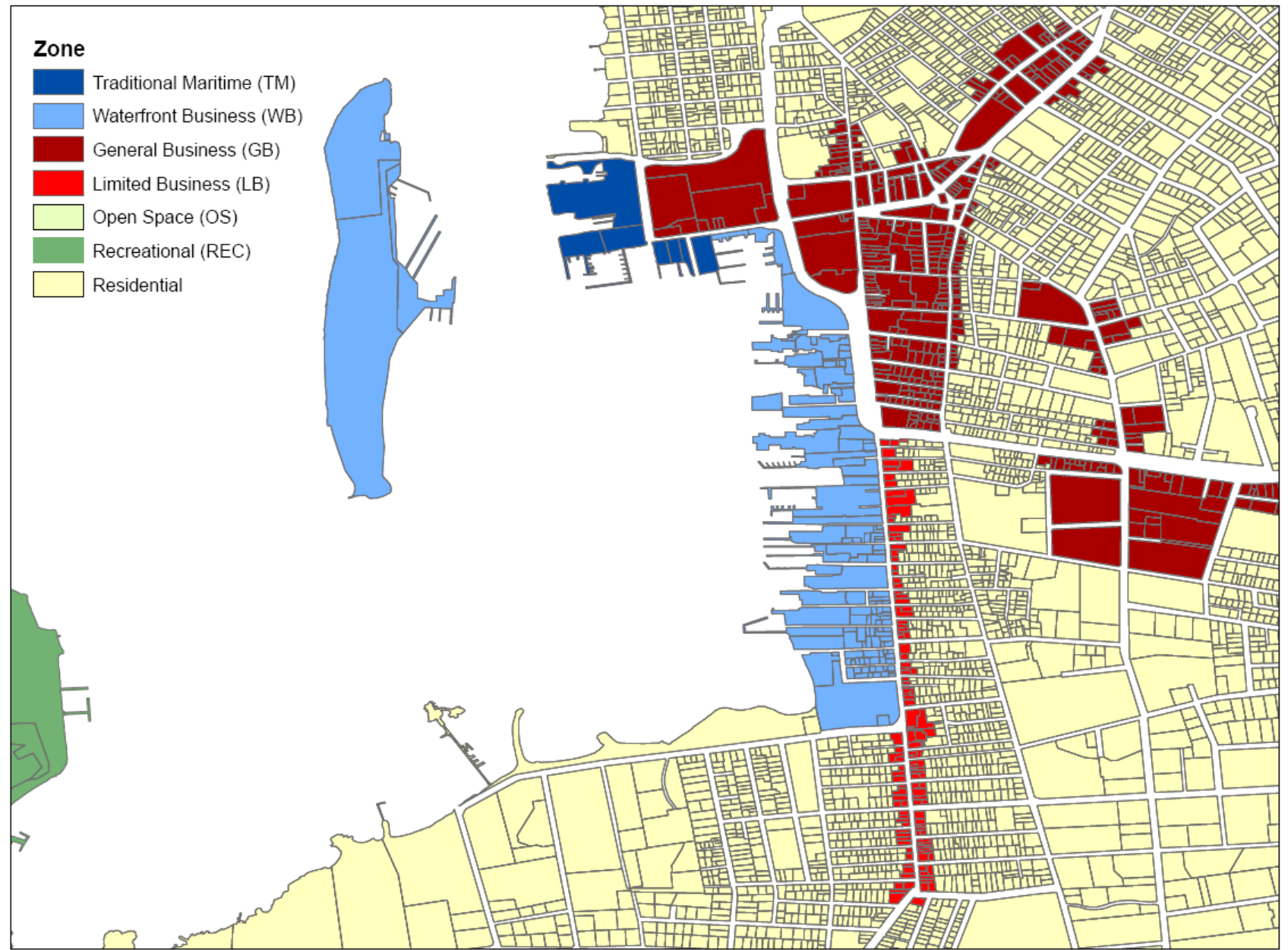
EXAMPLES OF USES

Water Dependent	Water Related	Water Enhanced
Marinas	Chandleries	Restaurants
Ship repair	Bait shops	Bars/taverns/night clubs
Commercial fishing facilities	Ice houses	Hotels
Cargo handling facilities	Marine supply stores	Residential with water view
Ferry terminals, water taxis	Fish processing facilities	Museums
Petroleum facilities served via marine pipeline	Marine repair facilities (welding, engine repair)	Educational institutions
Charter facilities	Tugboat dispatch	Offices
Cruise ship terminals		
Boat rentals/charter facilities (fishing, sailing, etc),		
Bulk cargo handling facilities		
U.S. Coast Guard facilities		
Tugboat dock		
Container ports		

ZONING

Zone

- Traditional Maritime (TM)
- Waterfront Business (WB)
- General Business (GB)
- Limited Business (LB)
- Open Space (OS)
- Recreational (REC)
- Residential



COMMERCIAL FISHING OPERATIONS

COMMERCIAL FISHING PIER:

State Pier #9 (RIDEM) – 60 full-time commercial fishing vessels, mostly lobster boats

In 2006, 48 vessels with federal licenses listed Newport as their home port

Fishing-related businesses have left Newport & fishermen must go to Point Judith or New Bedford for supplies

SEAFOOD WHOLESALERS:

1. Parascondolo – groundfish & squid (private dock in Harbor)
2. Aquidneck Lobster – lobster (location in Harbor)
3. Omega Sea – scallops & shrimp



CITY REDEVELOPMENT EFFORTS



U.S. Navy Hospital

Van Zandt Pier

Perrotti Park / Long Wharf

U.S. Post Office

Armory / Ann St. Pier

Lee's Wharf

King Park

HARBOR USES & REVENUES



Moorings = 943

Actual Revenues, 2009:

Mooring Fees = \$441,727.00

Harbor Fees/Fines = \$125,305.00

Slips (Comm/Industrial Prop) = 469

Dockominiums = 110



Cruise Ships = 59 (2009 season)

2009 Actual Revenues to Maritime
Enterprise Fund = \$284,568.00

SPECIAL EVENTS



Newport International Boat Show

Brokerage Boat Show / Wooden
Boat Show

Tall Ships

Regattas

Sail Newport / 12-Metre / 6-Metre

Folk & Jazz Festivals @ Fort
Adams

Black Ships Festival

Seafood/Chowder Festivals &
Clambakes

Dockwise Transport

Interviews with Waterfront Businesses and Other Key Actors

- FXM contacted 25 individuals suggested by Study Steering Committee, conducted confidential interviews during October 2009 – January 2010
- Questions focused on these topics:
 - Recent business activity & trends
 - Newport assets, attributes & limitations
 - Value of Newport waterfront to business sales, growth
 - Future waterfront development, opportunities
 - Suggestions & recommendations

Interviews – Major Themes

1. Preserve working waterfront, attract more water-dependent and water-related uses
2. Maintain diversity of commercial uses, expand public access to the harbor, promote Newport's distinctive features
3. Waterfront is the City's key economic development asset – invest in public realm and manage effectively to leverage its potential to increase jobs and City tax base

Theme 1: Preserve Newport's Working Waterfront

- Water-dependent, water-enhanced, and water-oriented business activity are of **paramount** importance to:
 - All waterfront and downtown property and business owners
 - Newport residents, visitors, and workers
- Retail, event, and hospitality clientele **expect** to walk around the waterfront, experience the harbor – many are repeat visitors and attractions need to improve over time
- Perrotti Park is **central locus** for waterborne transportation services, and should include dockage and ticketing for ferries, charter/excursion/tour boats, harbor water taxi, cruise ships

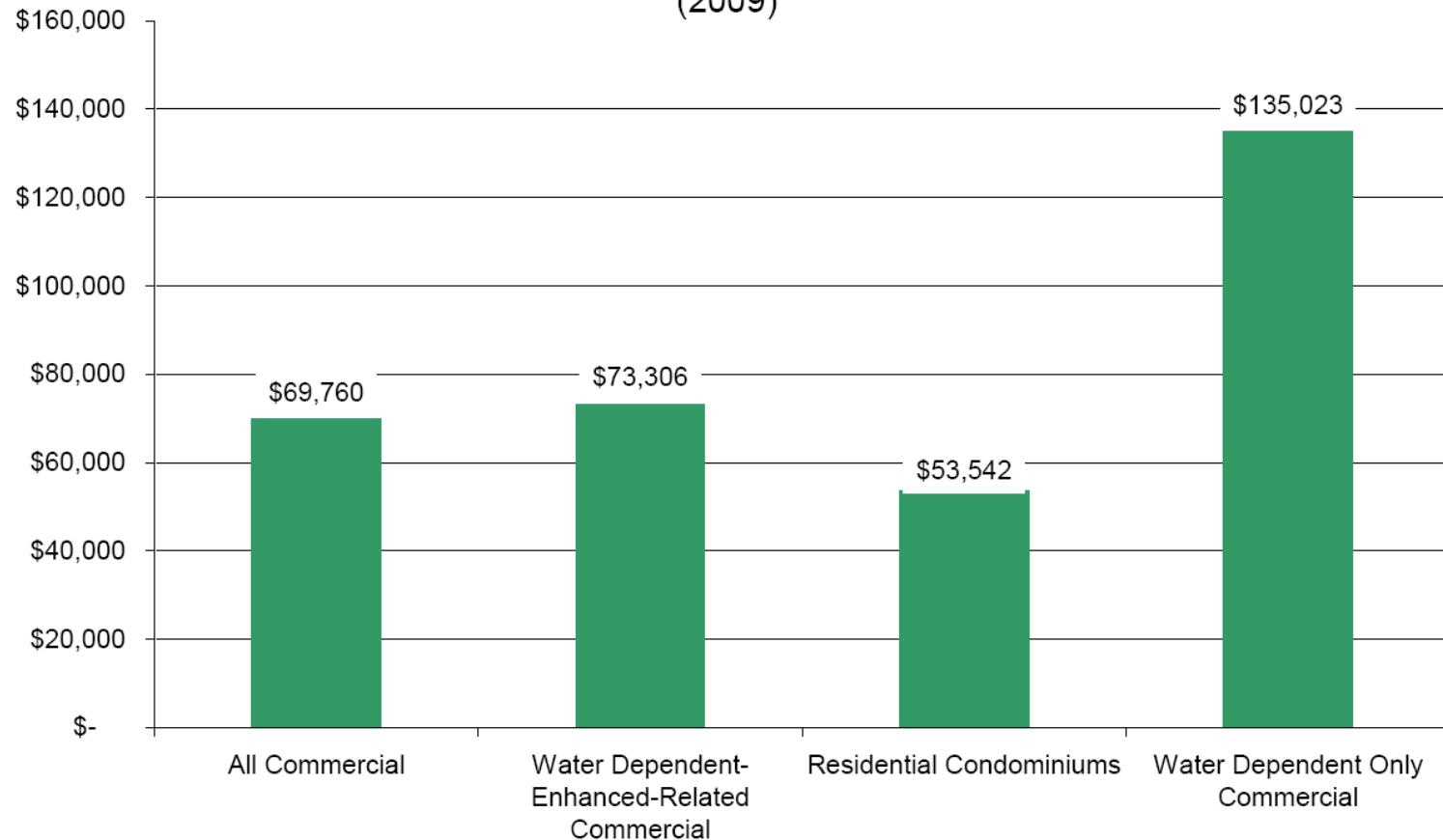
Theme 2: Maintain diversity of commercial uses and public access to the water

- Integrity and attraction of Newport waterfront requires balanced mix of complementary uses with **substantial** presence of water-dependent operations easily accessible to the general public
- Residential development over past 20 years has reduced water-dependent uses, restricted physical and visual access to the harbor, diminished diversity of commercial activities -- **weakening** Newport's waterfront "brand"
- Short-term gains in municipal revenues may not offset long-term loss of tax revenue and economic development (jobs) potential for the larger waterfront area and downtown

Theme 3: Better management of waterfront as economic development asset

- Investments by property and business owners have increased valuations and tax revenues *but* only minimally leveraged public improvements needed to sustain and grow waterfront economic vitality
- Public realm deterioration most adverse effects in Lower Thames Street business district
- Armory/Ann Street Pier project

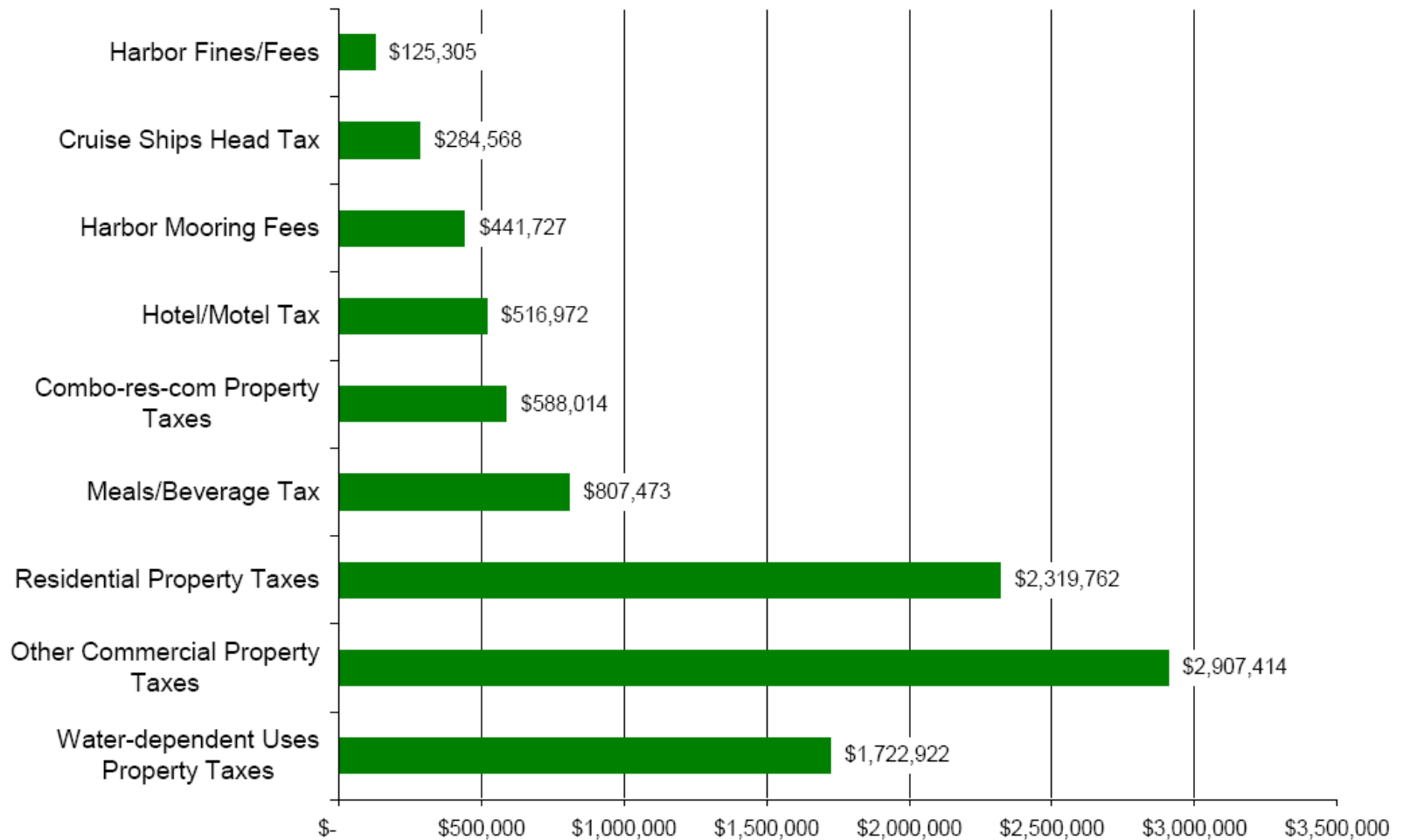
Total Municipal Revenues per Acre by Major Land Use Category Newport Harbor Study Area (2009)



- 1) Patrons of activities & uses on the water spend considerable amounts at waterfront area businesses and contribute to taxable property value & sales of commercial uses.
- 2) Activities on the water and public access to the water define the attractiveness of Newport Harbor and help distinguish Newport from other destinations.

Figure A

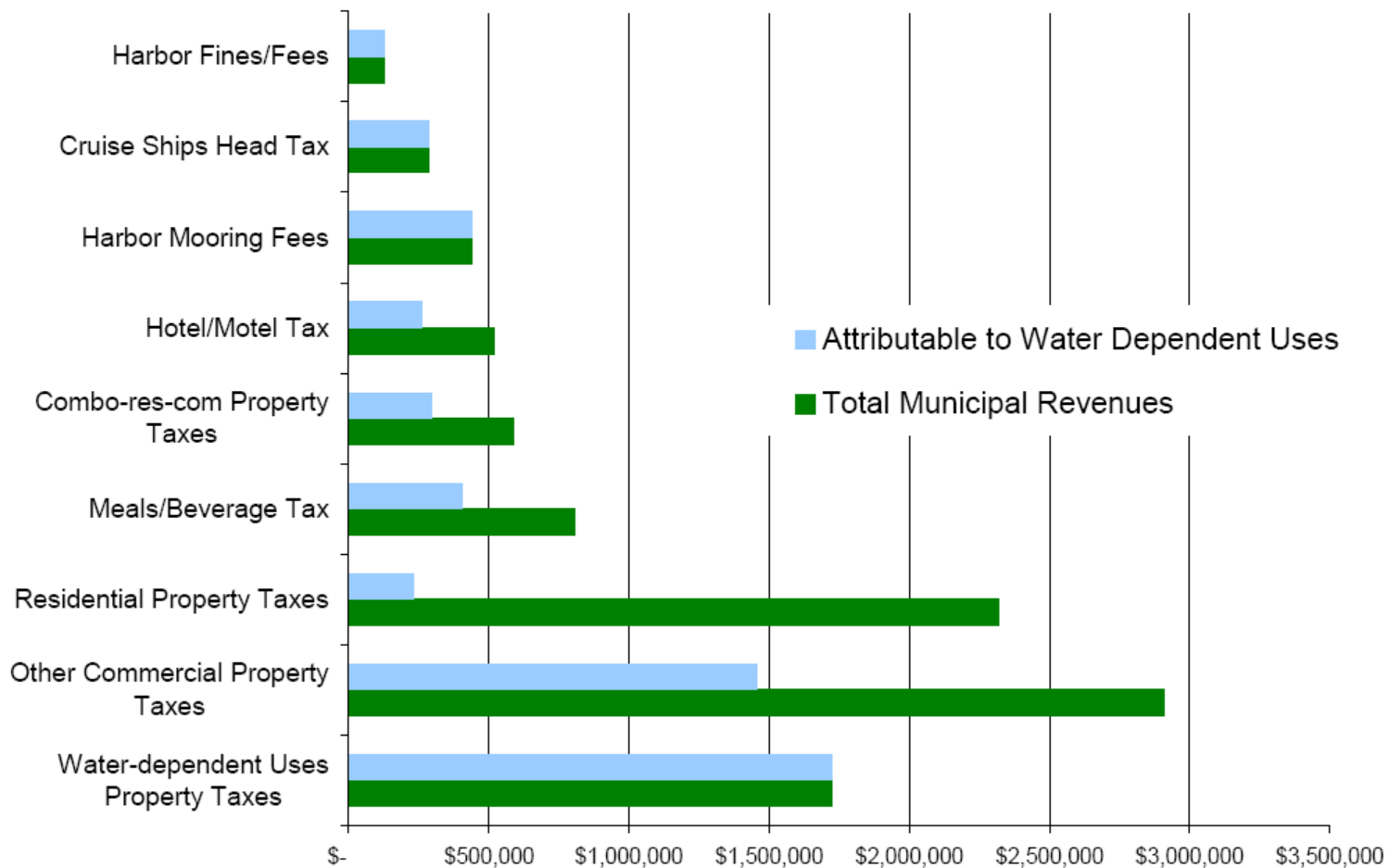
Newport Harbor Study Area: Municipal Revenues by Source (2009)



Municipal revenues from property tax and other revenue sources in the Newport Harbor Study area, which totaled over \$9.7M in 2009.

Figure B

**Newport Harbor Study Area: Municipal Revenues by Source
Attributable to Water Dependent Uses (2009)**



Of the \$9.7M in City revenues derived from property and other taxes and fees within the Harbor Study Area in 2009, approximately \$5.2M (54%) is attributable to water-dependent uses and public access to the water.

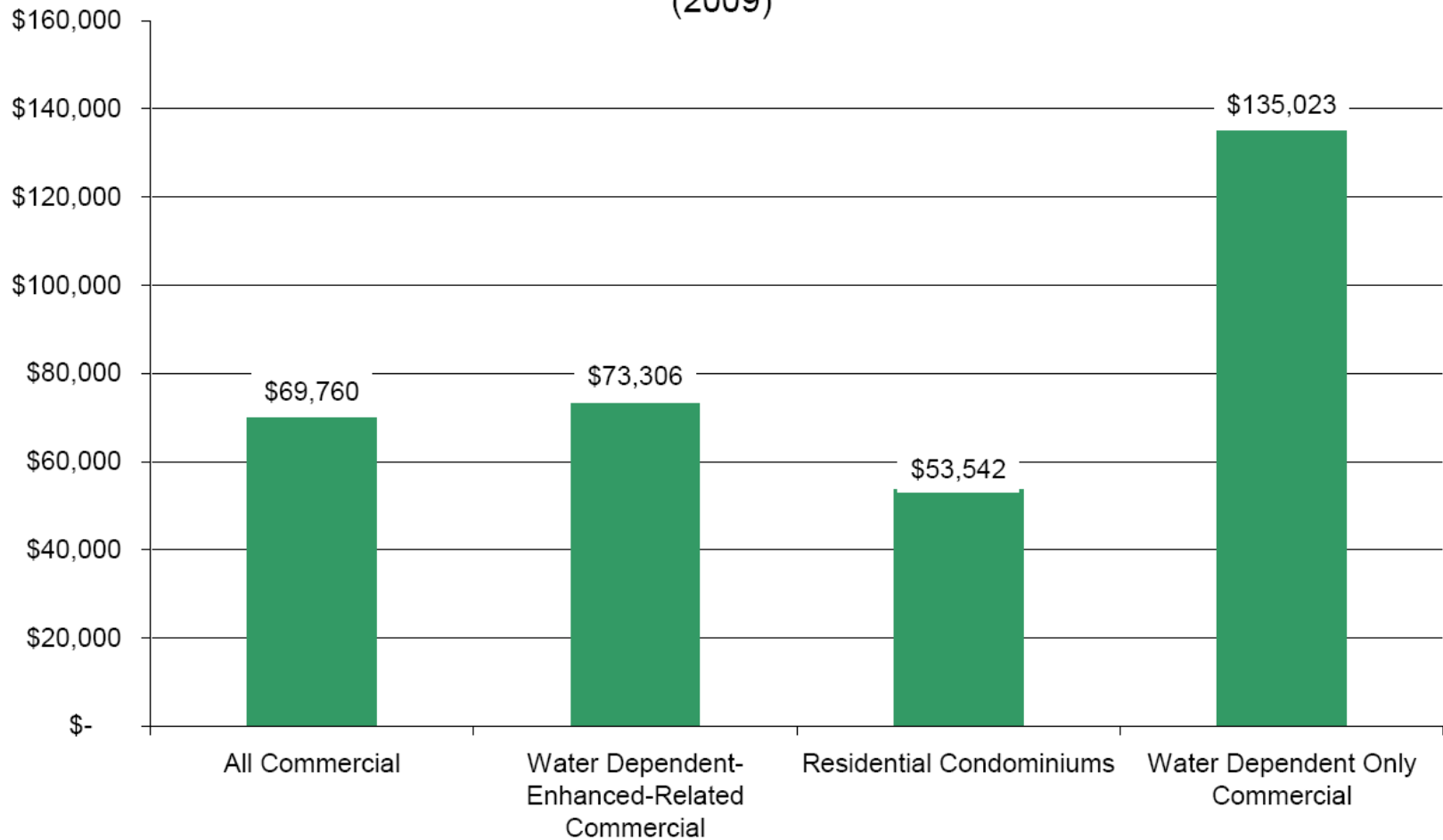
Table 1

Sample Worksheet for Estimating the Effect of Visitors Linked to Water-dependent Uses in the Newport Harbor Study Area (2009)

INDUSTRY	Waterfront Study Area Sales	% of Total Sales
Water transportation	\$ 37,400,000	24%
Eating & Drinking	\$ 66,000,000	43%
Apparel	\$ 14,000,000	9%
Misc Retail	\$ 18,300,000	12%
SUBTOTAL	\$ 135,700,000	87%
Hotels	\$ 19,400,000	13%
TOTAL Sales	\$ 155,100,000	100%
	Waterfront Study Area Purchases	
Recreational Boaters	\$ 40,000,000	26%
Excursion/charter/shuttle/ferry passengers	\$ 11,000,000	7%
Cruise Ship Passengers	\$ 1,785,834	1%
Other Visitors & Residents @ 30% of residual sales	\$ 30,694,250	20%
TOTAL Water-dependent Purchases	\$ 83,480,084	54%

Sources: *Claritas Site Reports* (waterfront study area sales) and as noted in text

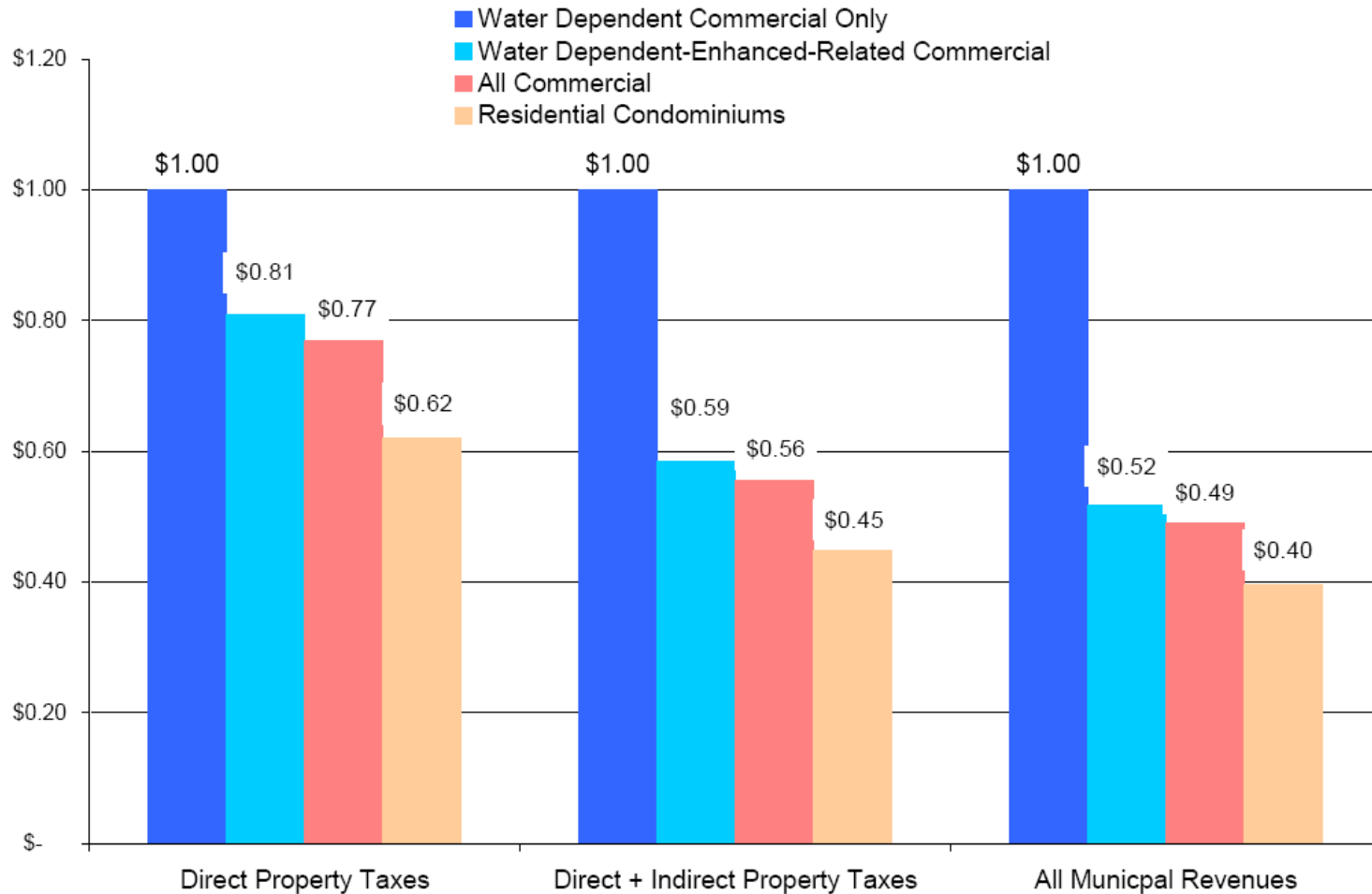
Total Municipal Revenues per Acre by Major Land Use Category Newport Harbor Study Area (2009)



Water dependent land uses in the Newport Harbor Study Area are directly and indirectly responsible for considerably higher municipal revenue yields per acre than either general commercial land uses or residential condominiums.

Figure D

Relative Yield in Municipal Revenues per Acre: Newport Harbor Study Area



For every \$1.00 of total municipal revenue attributable to water-dependent land uses, residential condominiums yield \$0.40; commercial uses in general yield \$0.49; and water dependent-related-enhanced commercial land uses on average yield \$0.52 (2009).

CONCLUSION - ECONOMIC STUDY

Water-dependent land uses in Newport Harbor contribute substantially more to municipal revenues on a per-acre of waterfront land utilized basis than other waterfront area commercial and residential uses.

NEXT STEPS - ECONOMIC STUDY

- Comprehensive Community Plan Update
- Possible future land regulation amendments
- City Budget – assist City Council & City Mgr.
(Maritime Enterprise Fund)
- Assist with decision making for Planning Board, Zoning Board, Waterfront Commission, etc.
- Website Update – for public outreach
- Harbor Walk – evaluate economic strategy
- Harbor Management Plan implementation

NEXT STEPS - ECONOMIC STUDY

- Team is willing to meet with Council members & other Boards & Commissions to review data & final report
- Contacts:
 - **Paige Bronk**, City of Newport Planning Director
845-5450, pbronk@cityofnewport.com
 - **Teresa Crean**, URI-CRC/RI Sea Grant, Coastal Community Planner/Project Mgr.
874-6626, tcrean@crc.uri.edu

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