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Morehead City, NC 28557



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1905 Train Depot

Downtown Morehead City Revitalization Association, Inc.
www.downtownmoreheadcity.com

Public Access to the Morehead City Waterfront for Recreational Boaters – An Economic Revitalization Strategy

Summary:

In partnership with the town of Morehead City, NC, Downtown Morehead City Revitalization Association, Inc. (DMCRA) requests \$504,360 in matching funds or (61% of a \$821,954 project) from the U.S. Fish and Wildlife Service Boating Infrastructure Grant Program (BIG-P). The requested funds will be used to construct 10 publicly-owned boat slips for transient boaters visiting Morehead City's historic waterfront. Also, as part of this project, Morehead City (MHC) is constructing a boater's rest station near the slips with restrooms, showers, and laundry facilities for use by transient boaters. Morehead City is purchasing a parcel on the downtown waterfront appraised at \$1.5 million, as a site for the requested project. Despite an adverse economic climate, MHC deems the purchase of the site exceptionally critical as it is already permitted for a five-story condominium and parking deck *on piers over the water*. The purchase of the site for public boater access returns it to the public realm, protects the environment, and preserves Morehead City's authentic working waterfront—one of the few such urban areas remaining in North Carolina.

DMCRA and MHC have cooperated for over ten years on successful projects to revitalize the economy of downtown MHC, including one of the first Tier II BIG-P projects awarded in North Carolina. MHC, a designated urban waterfront, is the halfway point between Maine and Florida and serves as an excellent waypoint for travelers on the Atlantic Intracoastal Waterway (AIW). As an urban waterfront, the City is an ideal gateway to significant national, state, and local eco- and heritage tourism destinations. Downtown MHC lacks a land parcel suitable for a hotel, therefore DMCRA and MHC have adopted a strategy of providing infrastructure for transient boaters as a substitute. In 2008, with the help of the BIG Program, DMCRA completed construction on ten transient docks. Additionally, as a separate project, MHC funded and constructed eight new docks as day tie ups for visiting boaters.

The requested project will assist in increasing eco- and heritage tourism to the whole region which is heavily invested in the hospitality industry and will provide a focal point for future revitalization efforts. As the only publicly owned docks near Carteret Community College, both the 2007 BIG-P project and the requested project are uniquely situated as a training venue for students enrolled in College's Marine Trades and Education Center (NC MARTEC) and Corporate and Community Education Department. DMCRA and the college will expand an existing educational partnership to provide work force training opportunities to students at both the existing and the requested BIG-P projects. To build on newly established out-of-state marketing relationships which promote overnight stays at each of three partnering marinas, DMCRA is initiating similar relationships with marinas in Nantucket and Gloucester, Massachusetts. Additionally, we are partnering with the Carteret County Chamber of Commerce to promote reciprocal marketing partnerships between Chambers of Commerce in the same

towns, as a sustainable marketing plan. In partnership with DMCRA, MHC will manage, market, and maintain the requested public transient slips.

Introduction:

In partnership with the town of Morehead City, NC (MHC), Downtown Morehead City Revitalization Association, Inc. (DMCRA) requests \$504,360 in matching funds or (61% of \$821,954 from the U.S. Fish and Wildlife Service Boating Infrastructure Grant Program (BIG-P). DMCRA is a 501c3 nonprofit and a participating member of the North Carolina Main Street Program sponsored by the NC Department of Commerce. The mission of DMCRA is to improve and revitalize the downtown area of MHC, a roughly 14 block area known as Old Morehead City. In partnership with the town of MHC, DMCRA has a ten year record of successful economic development projects including:

- 2008 construction and management of ten new BIG-P funded transient docks;
- establishing the Morehead City Family Boating and In-Water Boat Show (the first use of the BIG-P docks) which sold 14 boats in its first year for a total of \$900,000 in sales directly attributable to the boat show;
- funding a feasibility study of, and facilitating meetings with the US Army Corps of Engineers for, the relocation of the MHC bulkhead channel harborline further from shore to increase permitted dock space on the downtown waterfront;
- working with Carteret Community College to establish a marina management course that includes training opportunities on the existing MHC BIG-P docks (with additional opportunities to be provided on the requested 10 docks) that has a current enrollment of 22 nontraditional students in its first offering; and
- DMCRA's newest initiative, working toward a future waterfront North Carolina Salt Water Fishing Resource Center to promote resource conservation and safe boating. (Once it is established, MHC's public docks will be managed from this facility).

The Need

North Carolina citizens and government share a growing concern over the loss of many of the state's traditional waterfront uses such as public docks, boat building and boat servicing companies, and commercial fishing facilities as these diverse uses are replaced by residential properties. In 2006, the NC General Assembly (NCGA) established a Waterfront Access Study Committee to investigate both the extent of the problem and potential remedies. And in 2007, NC Sea Grant hosted *North Carolina's Changing Waterfronts: Coastal Access and Traditional Uses*, a public forum on the loss of public access. In response to increased public concern, the NCGA established a \$20 million Water Access and Marine Industry Fund in an attempt to remedy the problem statewide.

Carteret County's economy is heavily dependent on tourism and water recreation, and the County has declared the preservation of water access to be a priority issue. The County has established and funded a Water Access Committee charged with identifying and preserving public water access sites in the county wherever possible. The Carteret County Parks and Recreation Office has compiled an inventory of all public water access sites in the county. According to this survey, one of the priority needs throughout the county is for transient boat dockage.

Despite MHC's heritage as an urban waterfront community and the downtown area's dependence on sight seers and tourism, in the past, the town has not provided recreational boaters with transient dockage and commonly expected amenities. Although limited transient dockage is available at existing nearby service and dry storage docks, before the construction of the existing ten BIG-P funded transient docks, the closest dedicated public transient docks were in Beaufort. In Spring 2008, DMCRA completed construction of ten BIG-P funded transient boat slips. The requested ten transient boat slips are a key component of MHC's public boating access revitalization strategy and will be important in maintaining the city's reputation as a boating and sport fishing "paradise."

Additionally, and also of great importance, MHC moved forward on the site purchase despite adverse economic conditions in order to preserve the downtown's authentic working waterfront and the fragile coastal environment. The project site is currently permitted for a six-story condominium complex with parking deck *on piers over the water*. The downturn in the economy provided the opportunity to return the project site to the public realm, offer public boater access, and preserve MHC's unique character.

Project Objectives:

The requested project presents MHC with an important opportunity to increase both the availability and the diversity of water access in the town while increasing the economic viability of its urban downtown area. Additionally, these public transient slips will help promote MHC as an important regional Marine Trade Center. Upon completion, this project will:

- **Objective 1:** Increase the number of transient nontrailerable boat slips consistently available for visitors to MHC from ten to twenty and increase the number of overnight stays (boat days) in downtown Morehead City from an estimated 2,500 a year (on the ten BIG-P docks already funded) to an estimated 5,000 boat days/year after the initial two year start up period for the combined projects. (We anticipate that each slip will host a minimum of 250 "boat days" annually after the start up period);
- **Objective 2:** increase economic activity in downtown MHC businesses measurably at the end of a two year evaluation period;
- **Objective 3:** continue to provide work force training opportunities for Carteret Community College students enrolled in the NC Marine Trade and Education Center program (MARTEC) and Corporate and Community Education programs.

Expected Results and Benefits:

Cultural Attractions for Recreational Boaters: MHC's location on the AIW, halfway between Maine and Florida, with a deep water channel and a state port makes the City an ideal way point for voyagers. The downtown waterfront is one of only two designated urban waterfronts in North Carolina, and serves as an urban center for shopping, dining, fishing, diving, the arts and entertainment. Prominent, year-round attractions, restaurants and events offer a wide variety of daytime and evening activities in a culturally diverse, small fishing-town atmosphere. The MHC waterfront provides ready access to more than 100 businesses in the downtown area involved with waterfront tourism and fishing, including fine restaurants, franchised dealers and independent accessory shops, repair facilities, charter fishing boats, tour excursion boats, and kayak rental tours for over 250 mapped miles of kayak trails in the area. In 2002, MHC, with the assistance of the NC Clean Water Management Trust Fund, purchased Sugarloaf Island, a 47-

acre nature preserve directly across from the proposed transient docks. The town has built a small daydock and trails on the island, allowing easy shuttling between the proposed docks and the island. The proposed docks will also provide a landing for small boats shuttling between the island and the downtown and provide an additional day tie up for visitors, as well.

Every year, the MHC waterfront hosts the Big Rock Fishing Tournament, the NC Seafood Festival, and the Crystal Coast Super Boat Grand Prix. In addition, MHC is an access point for significant national, regional, and local eco- and heritage tourism attractions including Cape Lookout National Seashore, the Rachel Carson National Estuarine Research Reserve, Fort Macon State Park/Civil War Memorial, the NC Aquarium at Pine Knoll Shores, Croatan National Forest, as well as local downtown attractions including The History Place and the Crystal Coast Jamboree, and several local art galleries. MHC is also a natural access point for regional attractions including Tryon Palace in New Bern and the CSS Neuse Museum in Kinston.

Marine Services for Boaters and Jobs in the Marine Trades: MHC is quickly establishing a reputation among boaters as an important recreational and repair destination for recreational and sport fishing boats. MHC is heavily invested in the marine sciences and the marine trades and is home to the marine science research facilities of Duke University, NC State University, and UNC-Chapel Hill. MHC and the surrounding region is also the focal point of the marine trades (boat building and services) for not only North Carolina, but the Mid-Atlantic region. There are approximately 120 boat builders (i.e. 84% of the state's boat builders) situated along the Atlantic coast of North Carolina. Carteret County is home to 26 of those companies – more than any other county in the state. Additionally, there are 624 marine-related businesses in the state's Central Coast region, where Morehead City is located. Finally, Morehead City is the location of the North Carolina Marine Training and Education Center (NC MARTEC), which is the only comprehensive marine technology training facility in the Mid-Atlantic Region. NC MARTEC features training programs for marine propulsion, boat manufacturing, fiberglass technology, the newly established marina management program and other related subjects.

Economic Benefits to Downtown MHC: The On-Line Boating Economic Impact Model developed by the Recreational Marine Research Center, calculates the total annual direct and secondary economic impacts of the requested ten slips as: \$500,000 in fees and sales to overnighting boaters; 9 jobs; \$158,000 in labor incomes; and \$230,000 in value added incomes. These are very significant economic impacts in a rural municipality.

Educational Benefits: DMCRA and Carteret Community College have established a partnership to provide work force training opportunities utilizing the previously funded BIG-P docks. The educational partnership will continue with the requested project.

Quality of Life: MHC has had a public water access plan since 1998 and has worked strategically to preserve and increase public water access wherever possible. The City's purchase of downtown waterfront property for boating access infrastructure will ensure that the land and the facilities remain in the public domain. Additionally, the site's purchase and requested infrastructure has prevented the potential environmental threat posed by a planned structure over public trust waters, preserved the unique character of the downtown waterfront, and is a public

declaration of MHC's commitment to an urban working waterfront, one of the few remaining in North Carolina.

Approach – Objective 1: Increase Number and Availability of Transient Boat Slips

Waterfront property acquisition: Morehead City is currently negotiating the purchase of two key waterfront parcels, both very well suited to this project, and both planned for future public access. The requested docks will be built at one of these parcels, with plans to provide additional public access at the alternate site at a future date.

Construction of docks and amenities: In partnership with MHC, DMCRA will construct, manage, and maintain the requested ten additional public docks for transient, nontrailerable boats. Additionally, DMCRA and MHC will construct a boater's rest station near the project site with restrooms, showers, and laundry facilities. Morehead City will commit a newly purchased waterfront parcel and riparian rights appraised at \$1.5 million to this project. An existing CAMA permit is in place for 26, 29-foot long slips. The permit will be modified to permit ten, fifty foot long slips. The ten slips are floating sections with wooden walkways, basic amenities including AC/Phone/WIFI. Nautical necessities and/or repair services are available from local businesses within walking distance or taxi service from the docks. DMCRA and MHC will also be applying for a NC Pumpout Facility Program grant (Clean Vessel Award) for transient boaters using the Morehead City Town Docks (2007 BIG project) and the proposed docks.

Project Administration: DMCRA will serve as financial administrator for this project with construction supervised jointly by MHC Public Works and DMCRA. All necessary permits will be obtained prior to the onset of construction. Construction work will be carried out by reputable contractors and DMCRA and Director/MHC Public Works will supervise all phases of the project construction.

Docks Management and Maintenance: MHC in cooperation with DMCRA will manage the docks in accordance with the *Best Management Practices for North Carolina Marinas* manual. A contracted dock master will manage the original ten BIG-P slips and the requested ten new slips. All slips will be daily rentals for up to ten days. The pricing plan is comparable to municipal docks in Beaufort, Washington, and New Bern, that is \$2 per linear foot per day and will supplement and not compete with the few transient slips available at existing Morehead City marinas. Based on data from similar publicly owned docks such as the Beaufort Town Docks, expected gross slip rental revenue from the requested ten new slips is estimated to be \$200,000 per year after the start up period (minimum estimated occupancy after start up period of 250 nights/yr/ea x 40 ft/avg boat size x \$2/ft/night x 10).

Objective 1 Evaluation: Construction oversight will be provided by MHC Public Works Director, DMCRA, and the project engineer. All necessary permits will be obtained and all work will be performed by licensed and bonded engineers and contractors.

Approach - Objective 2: Increase Economic Activity on the Downtown Waterfront.

Marketing: North Carolina is fortunate to have a marine trade and boating resource website, www.ncwaterways.com that specializes in directing boaters to North Carolina boating services and tourist destinations. The requested transient nontrailerable slips will be identified and

promoted on the www.ncwaterways.com website and will immediately become part of a network of 138 public and private docks on North Carolina's coast endorsed through this website. It will also be included on the next edition of the *NC Coastal Boating Guide* (a convenient map for boaters). Additionally DMCRA will also produce a targeted *Boaters Guide to Downtown Morehead City*, marking the location of BIG-P docks, day tie-ups and marine services and an updated *Visitors Guide to Downtown Morehead City*. The two brochures will be available for boaters at partnering marinas and locally, regionally, and on the east coast through travel, tourism, and visitor bureaus.

Marketing partners: As this facility becomes an operational reality, one critical aspect of its mission will be to promote other such waypoints to travelers along the east coast. In addition to the long-term partnership between DMCRA, MHC, Carteret County Chamber of Commerce and Carteret Community College, this initiative will benefit from out-of-state marketing collaborations to gain extensive support in promoting the requested boat slips. DMCRA is currently exploring new marketing relationships with marinas in Nantucket and Gloucester, Massachusetts. We are also in the initial stages of exploring a sustainable marketing relationship between the Carteret County Chamber of Commerce and Chambers of Commerce in Nantucket and Gloucester. We anticipate that these relationships will help create a network of coastal communities interested in promoting boater traffic on the AIW and advocating for issues of interest to all AIW communities. Specifically, the project partners will provide brochures and other promotional items for all partnering communities; establish web site links; develop common customer service surveys, evaluation criteria; and administer the survey to marina customers, particularly those who visit multiple partnering marinas.

Objective 2 Evaluation: DMCRA will develop a customer survey form to be used by the proposed facility and by our marketing partners. The survey will request feedback on existing dock services and will be used to track customer satisfaction, repeat visits, and plan improvements and additional services. In addition, the survey will track the number of visits by the same boat to partnering locations and help us assess and adapt marketing strategies. Using the data from the Boating Economic Impact Model, as a comparison, DMCRA will survey downtown businesses after the initial two year start up period to assess any reported increase in trade at local businesses in the downtown area.

Approach - Objective 3 – Work Force Training and Education

Education: As part of the already funded BIG-P project, DMCRA is collaborating with Carteret Community College (CCC) to provide workforce training opportunities to students enrolled in both the NC Center for Marine Training and Education Center (NCMARTEC) and in Corporate and Community Education programs. As the only publicly owned docks in the vicinity of CCC, the facility is uniquely situated as a training venue. In partnership with DMCRA, CCC has established a marina management course offered for the first time in Fall 2008 in direct response to the opportunity for real life work force training opportunities provided by the existing BIG-P project. Both the college and DMCRA are eager to continue this relationship and will utilize the requested ten new boat slips to expand work force training opportunities for CCC students. Additionally, NCMARTEC students and instructors will again participate in the upcoming Morehead City Family Boating and In-Water Boat Show. Students and instructors will assist

exhibitors with boat tie up, staff an educational booth on the NCMARTEC program, and conduct seminars on boating safety and “Stress Free Boating for Women.”

Objective 3 - Evaluation: As part of the academic community, CCC evaluates all of its programs and students. DMCRA will work closely with CCC advisors to assess all training and education associated with the proposed facility and will cooperate fully with the college to provide work force training opportunities to Community College students.

Work Schedule

Planning work will commence immediately following contract signature and project will be complete approximately 20 months later. Time table estimated below.

	Fall 2009	Fall 2009 & Winter 2010	Spring 2010	Fall 2010 & Winter 2011
Construction Planning & Permitting				
Construction				
Docks open				
Develop additional CCC work force training partnership				
Management plan & contract				
Develop marketing partnerships & promotion materials				

Project Budget

TOTAL	UNIT COST	REQUEST	MATCH
ADMINISTRATIVE			
Performance Bond 1%		\$3,800	
Insurance, 0.435%		\$1,660	
Printing, copying, postage		\$500	
MOBILIZATION AND DEMOBILIZATION			
Mobilization		\$12,000	
DEMOLITION			
Remove existing wharfs, piers, piles, etc.		\$40,000	
UTILITIES SERVICES, WATER & POWER			
Water/sewer to serve docks		\$14,000	
Power to docks		\$40,000	
MARINA CONSTRUCTION			
Floating Docks			
10 Slips	3000 sq ft x \$65	\$195,000	
Guide Piles (7@30')	210 VLF x \$45	\$9,450	
Mooring Piles (5@30')	150 VLF x \$45	\$6,750	
Electric & Water Utilities (per slip)	10 x \$4,000	\$40,000	
Articulated aluminum gangway	\$6,000	\$6,000	
Fixed Docks at Bulkhead	140 sq ft x \$60	\$8,400	
Bulkhead Toe Protection			
Riprap toe protection		\$10,000	
REST STATION CONSTRUCTION			
Showers, Laundry, & Restrooms			\$180,000
CONTINGENCY, 10 PERCENT			
		\$38,000	
ENGINEERING FEES (ESTIMATE)			
Design and Construction Administration		\$70,000	
PERSONNEL			
DMCRA Exec Director	10hrs/wk X 50 wks @ \$16/hr		\$8,000
FICA 7.65%			\$612
MHC Public Works	10 hrs/wk X 20 wks @ \$25/hr		\$5,000
FICA 7.65%			\$382
Administrative Assistant	2hrs/wk X 50 wks @ \$12/hr	\$1,200	
FICA 7.65%		\$100	
CONSULTANTS			
Carteret Community College Faculty	20 hrs @ \$50/hr		\$1,000
Carteret Community College students	20 hrs/week @ \$10/hr x 8 wks		\$1,600
DREDGING AND DISPOSAL			
Mobilization & demobilization			\$25,000
Dredging and disposal (site to channel)	3000 cubic yard x \$32		\$96,000
MARKETING			
Information & marketing brochures		\$7,500	
PROJECT TOTAL = \$821,954	Requested is 61% of total	\$504,360	\$317,594

Project Location: The project site is located on Shepard Street on the downtown Morehead City waterfront.

