

City of Annapolis City Council Committee & Commission Referral Action Report

Date: June 2, 2014

To: Jessica Cowles, City of Annapolis Office of Law, Legislative and Policy Analyst

The Maritime Advisory Board has reviewed the proposed fee legislation as it relates to mooring fees and has taken the following action with respect to the proposed across-the-board fixed fee of \$50.00:

_____ Favorable

_____ Favorable with amendments

XX_ Unfavorable

_____ No Action

_____ Other

XX Comments: The Board offers the following comments.

It appears from review of the current budget that the City Dock Fund (supported by mooring fees) is adequately funded at the current level. Unless new fees are specifically earmarked for improvements in the maritime infrastructure and operation, they are simply being increased to fund shortfalls in non-maritime cost centers.

A tiered system of mooring as is currently in place serves multiple purposes – must like demand-priced parking.

The mooring balls themselves are designed for different sized boats; if smaller boats are discouraged from mooring because of the cost, those smaller mooring balls will go unused.

Smaller boats may start to avoid Annapolis altogether as the price increases to a

flat rate; alternatively, locals marinas are not full and are making daily deals for overnight vessels at rates below the City's fixed rates. That will only increase if the City makes it a flat rate mooring fee, thereby driving those that can least afford the fee to alternate venues, as well as competing for the larger vessels.

For smaller boats willing to pay the increased fee, a fixed rate encourages the smaller boats - usually the first into the harbor - to take the larger, front field moorings, thereby driving the larger boats (who arrive later and cannot use a smaller mooring) to non-revenue locations and/or locations.

What is overlooked when just focusing on mooring fees is the broader impact of the visiting boater. A smaller - 25-35 foot boat - will perhaps have up to four passengers, usually a family including children and the spending ashore is more limited. On the other hand, a vessel mooring in the "front field" on larger moorings will likely have more passengers and greater spending potential. Driving them to Chesapeake Harbor or elsewhere will result in a loss of that revenue.

Lastly, this fixed rate fee structure will result in a net decrease in revenue and, more importantly, send the wrong message to visiting yachtsmen at a time when, in the most recent Annapolis Citizen Survey (Fall, 2013), the Maritime Industry was rated by 64% of the respondents as "Critical" or "Very Important".

Meeting Date June 3, 2014 (Finance)

Signature of Chair

MAB Members CC: Harbormaster