

Summary of Public Comments on a Potential Municipal Marina in Acme Township

From the second public meeting held on February 22, 2011

Public Comments in **bold**; where appropriate, responses to questions or comments from the planning team are shown in *italic* text.

1. It seems like this process assumes that a new marina is a foregone conclusion. Is it?

No. A municipal marina in Acme Township is not a foregone conclusion. The most important consideration to the township is whether the citizens and taxpayers want their government to operate a marina. If this is not desirable, the financial feasibility is unimportant.

Determining whether the operation of a municipal marina is fiscally prudent requires that some type of marina design first be proposed. Different designs and amenities require different costs for construction, daily operation and short and long-term maintenance. The planning team has proposed a variety of locations, sizes and configurations for community review so that a design assumption can be proposed. The costs and impacts of those assumptions can then be determined, along with a conservative and well-documented estimation of revenues. Analyzing these figures will determine whether a municipal marina would be fiscally prudent for the township.

2. Please explain how “financial feasibility” is determined.

The steering committee’s working definition of “financial feasibility” is that a municipal marina would have to generate operating revenues that exceed its annual operating expenses so that any debt related to construction is repaid and sufficient reserves are established for long-term maintenance and replacement funding without having to ask the taxpayers for additional funds.

Our plan for assessing whether or not a municipal marina would be financially feasible here in Acme Township includes gathering the following types of data from municipal marinas statewide:

- *Expected costs for a certain facility size, design and construction*
- *Customary docking and amenity fees charged at municipal marinas in similar communities*
- *Market study data including but not limited to: the sizes and types of slips most in demand, how much of the traffic might be “transient” (2-10 days dockage/visit), how much from seasonal slip rental demand and how much “courtesy regarding local mix of boat traffic, including boat sizes (which dictates sizes of slips needed), transient (less than 10 days at a time) vs. seasonal slip demand, day “courtesy” day dock demand, and the effect of the economy on all of the other data.*

- *We need to use this information from other locations carefully, as each situation is unique. We need to apply our customary budgeting philosophy of projecting revenues on the low side and expenses on the high side to make the best estimation possible.*
 - *We need to think about where construction funds would come from. We will consider all forms of grants and assistance available to the project. Support from taxpayer dollars for construction or ongoing operation is not being considered for this project.*
- 3. Boat Launch should be three lanes minimum and preferably four like Elk Rapids**
 - 4. Design Marina as a “Climate Smart Project” – higher design standards to accommodate greater lake level variations**
 - 5. Implement green Best Management Practices design for stormwater, ice suppression (powered by windmills?), universal access, etc.**
 - 6. Does the Grand Vision have funding available for this project?**

We don't know at this time whether the Grand Vision might have funding for some portions of this project, or if so which portions. We will speak directly with appropriate leaders when we are assessing grant monies and other funding sources possibly available for this project.
 - 7. Provide Boat Wash for invasive species control**
 - 8. Implement LID (Low Impact Design) techniques for stormwater runoff, such as bioswales in parking, pervious surfaces, etc.**
 - 9. Phase 2 Option B is great! I want to see overflow parking behind shops downtown. Love grand visions**
 - 10. Instead of concrete docks – what about using docks that are environmentally friendly and from recycled materials.**
 - 11. I like the walk-in kayak facility – don't like the shuttle idea. I think that the boat slips and parking should both fit together to stay in one area. The shuttle would not only add to cost but carbon footprint.**
 - 12. Keep the shoreline as open & natural as possible.**
 - 13. Keep retail across from the beach/marina.**
 - 14. Use renewable energy to power facilities.**
 - 15. What is the impact of having parks right up to the water/need for buffer zones to filter contaminants?**

Parks adjacent to water can be designed to provide storm water filtering and improve water quality. This would include use of bio-swales, bio-filtration, and use of specific plant materials that filter and draw contaminants from storm water. The Watershed Center was recently awarded a grant to design a template for the future installation of such features specifically for the new Acme Township shoreline area.

16. Consider adding dry rack storage solutions to increase the number of boats with smaller marina size.

17. I just listened to the 2nd presentation concerning a marina for Acme Township. The presentations are good and I would love to see a new Marina in the area. I used to own a boat and launched it at one of the various already existing Marinas in the area. But, for the small season available, and with the economy the way it is, it's a losing proposition. You can already see what is happening right here in the 31 and 72 corridor. Business after Business are closing. The rest are hanging on by their fingernails. I have a concern for the residents of Acme Township and I don't want them to bear the burden that a floundering new Marina would cause. Why borrow trouble. I also don't like the way that the meetings are being slanted. I know some of the background on the existing Marina and the boat slip owners. If they think a new Marina is such a good idea, why don't they foot the bill. They couldn't sustain what they had and they are trying to get the township to bail them out. They shouldn't but the Township in the middle. What is being done with the shoreline project will benefit a lot of people. Eating into the area with a new Marina will benefit very few. I have the feeling that the presenters are slanting the meetings toward building one. There is all kinds of info on the internet of the trouble Marinas are having. Many are trying to be sold, and many are going bankrupt. I would like to see the business plan and some believable numbers.

Response from the Marina Feasibility Study Steering Committee:

Thank you for your feedback! These are exactly the types of questions and concerns we are hoping to have discussed, asked and answered by this public planning process. We are looking forward to discussing the hard numbers you are asking for at an upcoming public meeting. There is no pre-supposed outcome or intended "slant" but if there is a perception that this might be the case, we need to use your feedback to improve the way that information is presented and discussed.

Response from Greg Weykamp, Edgewater Resources:

"As we're seeing in many other communities in Michigan, quality recreational amenities like marinas contribute to the economic life of a community. Dr. Ed Mahoney at Michigan State University has created an economic model that quantifies the direct and indirect economic benefits of marinas on local economies, and those findings will be included as part of the final report. A similar sized municipal marina on Lake Ontario with 118 slips is expected to generate a direct economic benefit of \$2.1 million and 36 new jobs, and roughly \$3.4 million and 50 jobs including secondary effects. The indirect benefits of increased business activity and improved property values will create further economic benefit for the community.

Our study of current occupancy in marinas across the great lakes, and especially northwestern Lower Michigan identify several key issues. First, there is a strong market overall on Lake Michigan for slips over 35' in length. The Chicago Park District indicates they have a waiting list of over 800 boaters, and they're currently constructing a \$95 million harbor with a 1,000 new slips that will open in the spring of 2012. In the Grand Traverse region, there is strong slip occupancy and waiting lists for boats over 35', and this area bucks the common trend in other parts of the great lakes in that occupancy and demand remain strong in boats less than 35'. Typically boats that can be easily trailered have left marinas during the recent recession, but this is less often the case in the Grand Traverse area.

There are marinas on the Great Lakes that are struggling. Most of them are in Southeast Michigan where occupancy is around 60%. Other struggling marinas are often found to have other financial problems caused by excessive boat floor plans (where the marina also provides sales and service) and other elements which are not part of the program under consideration in Acme Township.

It may well be that a marina is not financially viable in Acme Township, and that is the point of the study. If we find that the marina is not financially or physically viable, we will say so, as we have no interest in having a failed marina in Acme Township on our resume. If we find that a marina is financially viable, we will support that with sound analysis and realistic financial projections.”

18. The consultant designs marinas. How can we know they will provide an unbiased assessment of the feasibility of the project? Don't they want to build the marina no matter what?

Acme Township hired Edgewater Resources because they are experts in the design, operation, construction, management and financing of marinas and coastal structures. They also have experience with transforming waterfronts and integrating marinas into the community. This expertise is necessary to create the possibilities, eliminate the less practical concepts, and make an accurate assessment of the ultimate concept's ability to be economically self-sustaining.

Acme has established a good working relationship with leaders at the DNRE Waterways Commission. We share our working papers and progress with them regularly, and seek their counsel often. A Waterways Grant-In-Aid will reimburse Acme for 50% of feasibility study costs once the process is complete and they have reviewed the work for completeness and appropriate methodology.

Acme hired Edgewater Resources to execute a marina feasibility study only. If the township moves forward with the construction and operation of a municipal marina, the township would follow its longstanding process of sending out a request for proposals, interviewing multiple firms and awarding a contract to the most suitable candidate.