

# City of Alexandria, Virginia

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## MEMORANDUM

DATE: FEBRUARY 26, 2010

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES SPENGLER,  DIRECTOR, RECREATION PARKS  
AND CULTURAL ACTIVITIES

SUBJECT: **TRANSIENT BOAT SLIPS ALEXANDRIA MARINA**

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Members of City Council recently received letters from boat clubs in the region stating the negative impact of transient docking location reductions. These letters were in reference to the operating decisions and allocation of existing docking locations at the Marina. The reference to transient docking was not related to the Waterfront planning process. This memorandum outlines the decision making process of RPCA staff.

The Alexandria Marina consists of 77 docking locations. Of this number, 72 are available for use and 5 are unavailable due to broken pilings. These locations are allocated between commercial vessels, pleasure boat leaseholders and transient pleasure boats. The allocation of docking locations over time has changed to reflect market demand, direction on how the City wants to operate the Marina, and budget constraints. Before the beginning of each operating season RPCA staff reviews the docking location allocations. Suggested changes are communicated to the Waterfront Committee and are reflected in the proposed marina operating budget.

Staff review in 2009 considered these factors:

- Transient boater overnight use of docking locations over the past three years has declined by 39%.
- Transient boater use of 4 hour slip rentals has declined by 40% during this same time period.
- Certain transient boater docking locations are consistently underutilized.
- Transient docking locations have an occupancy rate of 10%.
- There is a consistent wait list of boaters wanting to obtain annual leases on docking locations.

In response to these factors, staff decided to allocate the underutilized transient docking locations to leaseholders. The actual change was a net 9 locations from transient to leaseholders. The leaseholder locations are 100% utilized throughout the year. When a leaseholder is out of their location it can be used to dock a transient boater. This allows greater utilization of available docking locations and greater overall service to the boating community. There are some weekends where the Marina cannot meet transient demand. This is not a result of the number of

docking locations but their design. Transient vessels over 40 feet can only be accommodated in 4 locations. Transient boaters often arrive in vessels over 40 feet.

All categories of boats in the Marina produce secondary benefits to tourism and the economy. The greatest impact is from commercial vessels. Marina operating experience shows that the other vessel classifications have comparatively equal impact. Both leaseholders and transient boaters produce impacts to restaurants, shops, and other suppliers. A more detailed study would be needed to fully recognize the secondary economic impacts of the Marina.

The table below summarizes the average revenues and expenditures per docking location. These numbers are a reflection of the past three year operating period. This is also the first attempt to develop revenue and expenditure data on the Marina across several departments. We anticipate that the expenditure data does not reflect full costing of marina operations and is still probably low.

The revenue shown is that which is actually received and recorded at the marina. Expenditures include annual operating costs, average capital improvement costs and average dredging costs. Costs were allocated equally by number of docking locations. Alternatively they could be allocated by other methods which would change the allocation for all locations.

<b>Docking Type</b>	<b>Quantity</b>	<b>Average Revenue per location</b>	<b>Average Cost per location</b>	<b>Net tax subsidy per docking location</b>
Transient Docking	22	\$2,302	\$20,309	(\$18,007)
Leased Slips	43	\$3,289	\$20,309	(\$17,020)
Commercial Slips	6	\$17,186	\$20,309	(\$3,123)
Out of Service	5	-0-	\$20,309	(\$20,309)
Fire Boat	1	-0-	\$20,309	(\$20,309)

**Assumptions for Table**

**Revenue:** Average received for past three years by docking location.

**Operating Cost:** Total of three year costs for operations including RPCA and General Services.

**Capital Cost:** Total of three year average capital costs.

**Dredging Cost:** Average dredging cost per event.

- cc. James K. Hartmann, City Manager
- Mark Jinks, Deputy City Manager
- Debra Collins, Assistant City Manager
- Judy Guse-Noritake, Chair, Park and Recreation Commission
- Nathan Macek, Chair Waterfront Committee