

**Fort Point Channel
Watersheet Activation Plan**

Economic and Market Considerations

FXM Associates

APPENDIX D

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Technical Memorandum

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To: Goody Clancy & Associates
Boston Redevelopment Authority
Study Participants
From: FXM Associates
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I. Introduction

This memorandum summarizes FXM Associates' work on market and economic factors affecting possible boating activities, programs, and events for the Fort Point Channel watersheet. In assessing potential activities and uses on the water of Fort Point Channel, FXM has been guided by the ideas and comments of participants in the two planning workshops held to date, the work of other consultant team members, as well as independent research. The specific objective of this economic and market assessment has been to identify possible boating activities, arts and culturally-oriented programs, and arts and entertainment-oriented special events that can a) respond to local resident, local worker, and visitor/tourist market potential; b) respond to families with children, young adult and older adult users; c) consider weekday, weekend, and evening uses, and seasonality; and, d) consider surrounding property owners and tenants.

Section II of this memorandum provides a synopsis of FXM's research approach, scope, and findings. Section III summarizes programming and implementation strategy implications, drawn from the results of our interviews, workshop participation, and other research. In the concluding Section IV, potential direct and indirect economic and fiscal effects are noted, based upon our understanding of the local context as well as our broader experience estimating the effects of waterfront and water activities on economic development, property values, and business sales.

It is important to note that this has been a limited research effort, and should not be construed as an exhaustive examination of the full range of possible boating activities, programs, or events that can bring life to the water of Fort Point Channel. What has been most striking from our contacts with prospective users is their enthusiasm for becoming involved, their willingness to offer and further consider creative new opportunities, and their lack of concern that there will be sufficient market support for initiatives they might undertake in Fort Point Channel. Market potential, not now seen as an obstacle, will improve and new possibilities emerge as the South Boston Waterfront overall, as well as the immediate environs of the Channel, add new jobs and residents to the local area. The current and expanding efforts of the Children's Museum, Tea Party Ship, Fort Point artists, and other current abutters to draw regional residents and tourists will further broaden the market appeal of Fort Point Channel for prospective new boat operators and event programmers.

II. Research Findings

FXM Associates conducted in-person and telephone interviews with a number of different owners and operators of activities and programs that might be suitable for a Fort Point Channel location. FXM also contacted those who are already involved in activities located on or near the Channel. There was enthusiastic support for the reactivation plan and many excellent suggestions for future programming. The following is a summary of the programs offered by others and the suggestions for Fort Point Channel made by these interested parties.

- *Piers Park Sailing Center*, 95 Marginal Street, E. Boston; Jeff Kuller, Executive Director, 617-561-6677. The Center was created by MassPort in 1995 and is run by a private, non-profit corporation formed by Boston Boat Works, a local boat building/repair/service business. The program is funded with a MassPort subsidy, usage fees (low), and business and private donations. The instructors are members and volunteers.
- *Community Boating*, Hart Kelly, 617-523-1038. Community Boating is a private, non-profit 501(c)(3) corporation, with no state or federal funding. The program is run by a Board of Directors, elected by the corporation, and has over 250 volunteers. In the year 2000, there were 5,500 senior members and 1,300 junior members from over 30 different towns. The program has actually decreased in numbers from 7,500 senior members and 2,500 junior members in the 1980s. Their program is structured as follows:
 - Junior Program: \$1 for a ten-week summer program, 9am to 1pm, Monday through Friday. The program includes racing and classes
 - Senior Program: \$75 for a 45-day membership, \$120 for 75-day, \$190 for a full year, and \$2,250 for a lifetime membership.
 - Open: April 1 to October 31, with high school regattas in the spring and fall.It costs \$145 per student to run the program. The price of an adult membership supports the cost of the students. They felt that to achieve financial feasibility a program needs to draw from an extended area, not just Boston residents. Programs like theirs or as envisioned at Fort Point, also need a benefactor or substantial fundraising efforts.
- *Community Rowing*, Alison Magian, 617-964-2455. Community Rowing is located at the MDC Daly Skating Rink on Nonantum Road on the Newton/Brighton line. The program has been in operation for 15 years, run as a non-profit club supported by membership fees and donations. It has 1,000 members, 600 adults and 400 students, 20% from the City of Boston, 20% from Newton, 20% from Cambridge, and from 40% from other communities. There are no tourists. Community Rowing is self sufficient in terms of its operations, but its initial capital costs and ongoing capital needs require donations and specific fundraising campaigns for financing. They offer five-week introductory classes for \$195 from April through October; at either 6-7:15am or 7-7:30pm. They also offer five to six-week advanced classes for \$120+. A youth program is also offered during the summer (July 9 to August 17): \$150 for five weeks, two times per week from 4-5:30pm, or \$180 per session for three times per week, including one day of racing. They also offer a two month training membership for \$220 for a two-week session, 9:30am to 12:30pm five days per week; five times a week from 3:45 pm to 6pm or 6 pm to 8:30pm for

\$310 to \$350, with weekend races. There is also the option to pay a flat \$300 per year for unlimited single scull usage, which is profitable to the organization because the same boat can go out three or four times per day.

Ms. Magian felt the 2,000 to 3,000 lineal feet of rowing area in Fort Point Channel was too limited for the serious rower, such as found on the Charles River. The rowing for fitness idea for downtown office workers, however, would work, and the 50-foot turning radius offered by the Channel's width is sufficient. She suggests single sculls, 26 feet long, which allow individuals to do two or three round-trip lengths at lunch hour, before or after work. Kayak and canoe rental would work for weekends and pull in the extended resident and tourist populations. A rowing and/or kayaking operation would first require that the Channel is cleaned up; a boathouse is needed for storage of boats and equipment; and one to four-hour parking is needed for the transient user. To get started, a program would initially need at least ten boats, costing \$3,000/boat, plus oars @ \$350, for a total of at least \$40,000. She also felt that the dinner/entertainment market was the best-targeted usage for the Channel.

- *Courageous Sailing Center*, Charlestown Navy Yard, Pier 4, Brian Peugh, 617-242-3821. The Courageous Sailing Center is a 501(c)(3) public charity, established in 1987. It gets rent-free use of its location from the City of Boston. They are in partnership with Boston Parks and Recreation, and have corporate sponsors like Mellon and Cabot. They served 1,000 children in 1999, 1,200 in 2000, and expect to reach 1,500 children in 2001. Mr. Peugh feels that a 2,000-person membership is the upper limit. Adults/tourists pay membership fees (up to \$75 for ½-day) that subsidize the children's programs. The Center has a strong community outreach mission. Eighty percent of its members are from metro-Boston. They offer free sailing instruction for ages 8 to 18, with classes offered May 8 through September. They host Tuesday and Friday evening races, Wednesday evening clinics, weekend outings, barbecues, and special events throughout the summer. They are open Monday through Friday from 9:00am to 5:30pm. Evening use is available for adults until sunset, and Saturday and Sunday all day for adults and tourists. Parking is critical to their operation for drop-off, and weekend family usage. The program also requires unloading space for the boats, lockers and racks, and fishing gear storage/loading.

Mr. Peugh suggests doing a Fort Point Channel program as a non-profit organization in order to be eligible for more public funding sources. He felt it would be a great amenity for the City's youth to link programs between their sailing center off of the Navy Yard to a rowing program in Fort Point Channel, and possibly the Charles River. He suggests that a free shuttle be provided between these locations via school bus, to facilitate the creation of an all-day summer boating program. He would also like to see a link between Boston's attractions especially for children, including the Aquarium, Children's Museum, YMCA, Metro Lacrosse, nature (Save the Harbor/Save programs), and the Boston Harbor Islands, by water. He also suggested opening up the water/land area beyond the MBTA rail yard for access by kayak or rowboat for an urban water nature experience.

Mr. Peugh felt a new program would need support from an extended population. It would need to draw in more people by offering concerts, street artists, floating art, mid-channel islands for picnicking, floating flower shows that double as advertisements for vendors and area decoration, water fights with paddle/squirt boats, sponge fights...

- *MIT Boat Club*, Gordon Hamilton, 617-253-4884. They offer a rowing program for MIT students, faculty, and the extended MIT community. One summer they ran a high school program targeting Latino youth in the Boston/Cambridge area, but have not done any other youth programs since that time. They host a high school team for those considering MIT for college. The overall program includes fifteen sculls for competitive racing and another eleven boats for recreational use. They run racing teams and offer instructional classes from April through October, 6am to 7pm. Mr. Hamilton suggests canoeing for Fort Point Channel as a way to draw in the recreational boater, rowing for the fitness crowd, and kayaks or paddle boats for the visitors and tourists.
- *Charles River Canoe and Kayak*, Ralph Boynton, 20 Market St., Cambridge 01239-1523, 617-965-5110. The Charles River program is run as a for-profit operation within MDC parkland. Every year they have to bid for continuation of their state permit to run the business. They have been in operation for 30 years in one location, over ten years in a second location and two years now in a third location. They offer many instructional programs and special trips, including white water rafting, camping/water trips, and charge fees for all excursions and rentals. They feel that the key to their success is a loyal, trained staff that they are able to keep year-round by running a cross-country ski program in the winter.
Mr. Boynton suggests that Fort Point Channel offer two- to three-horsepower skiffs for rental, as there is no other source for those who want a small motor boat for recreational fishing. He felt paddleboats were awkward to use, but a jet water-propelled version, perhaps with squirters for water fun, would be popular. He suggested these paddle boats come in different shapes, like a merry-go-round with its favorite animals and objects. Before any performances, concerts, or other floating activities can happen, Fort Point Channel needs a way for people to have a direct approach down to the water. They need to be able to walk to the edge of the water and sit on wide, stone benches along the edge. In addition, the Channel needs to be kept clean from litter and vegetation daily. He felt maintenance was critical. FXM sent him a site map and he said he would try to generate more programming ideas.
- *MDC*, Bill Chisholm, 617-727-5204. Boston Concession won the exclusive right to run the MDC concessions at the Hatch Shell in 1999. They pay \$100,000 per year for this privilege. MDC is also involved in the Charles River Canoe and Kayak and Community Boating and Rowing, concessions at salt water beaches around the city and the Boston Islands, and concessions at Faneuil Hall. A typical deal with a program operator is \$5,000/year plus 10% over gross revenue of \$100,000, with a performance bond required. Future deals will be done on a flat rent basis, due to the difficulty of getting accurate revenue figures.
- *WaterFire*, Providence, 401-272-3111. This free program began as a sculptural concept on show at RISD and was installed in the Downtown Providence canals in 1994 with 11 braziers. By 1997 there were 42 braziers at 13 lightings, which were seen by over 350,000 people. In 1998 there were 81 braziers, and in 2001 there are now 100 braziers with 23 lightings. It is estimated that over 3,000,000 people have watched WaterFire in the past five years. It is a 401(c)(3) non-profit organization, run by hundreds of volunteers and funded by charitable donations. Cleanup is an essential part of the process. Music is selected from around the world and presented in a playbill

format, along with advertising from many Providence restaurants and attractions, for each scheduled lighting.

- *Mass MoCA*, Vaal London Kane, 1040 Mass MoCA Way, North Adams, MA 01247, 413-664-4481. Mass MoCA converted an old mill into a complex for large scale modern art including computerized, sculpture, fine art, and demonstrative performances. It is viewed as an extension of the New York art world and another venue for art that doesn't quite fit at the MFA or in Lee/Lenox. It is more cutting edge and as infrastructure at Fort Point Channel becomes reality and specific concepts are sought, they would be interested in having exhibit space on the Channel. Fort Point should send them information about the project and they in turn will send information back on themselves and artists whose work might suit a floating barge format. A program with MassMoCA would be a good way to link cultural endeavors between the east and west ends of the state.
- *Singing the Blues*, Boston Harbor Hotel, Rowe's Wharf, Peter Shields, 617-439-3131. This free program is a joint venture between Equity Office Properties, House of Blues, and the Boston Harbor Hotel (venue only). It is now in its second year of operation. The Blues Barge is located in the lagoon behind the hotel, on Rowe's Wharf. The purpose of the Blues Barge is to activate the space and not necessarily to generate revenue. The barge is painted blue and borrowed for the summer from friends in marine contracting. Concerts are given Thursday nights, 6pm to 10pm, throughout July and August, with no problems from waterfront residents. They offered 14 concerts during the summer and every night of Tall Ships Week last year, but found it was too much. This year they are offering ten concerts beginning on July 12, 2001. Permanent seating is provided on the concrete steps of Rowe's Wharf, plus concert-installed cafe seats and tables. Costs include \$1,000 for the musicians and \$1,500 for sound and lighting. Revenue is strictly from the food and drinks served at the cafe and extra parking garage fees. They also offer cushions for nominal "rent." The season is July/August for outdoor concerts. The audience for an event like theirs includes residents from Harbor Towers, Rowe's Wharf, and waterfront hotel guests, plus all visitors to Boston.

Mr. Shields suggests that the revenue producing operations and free concerts, classes, and events be kept in balance as both are needed financially. The balance is also important for overall levels of activity and appeal of the attractions. He felt that Fort Point Channel would be an excellent spot for barge performances given its quieter waters. He also suggested looking into bikes on water, reactivating Dorchester Avenue and talking to Open Space activists early on so that incorporating seating, concessions, restaurants, etc. is not stalled later in the process.

III. Programming Implications and Strategy

Several objectives for the reactivation of the Fort Point Channel surfaced from the varied interviews conducted by FXM. These objectives were in many cases repeated by different sources and should be interpreted as an expression of a strategy toward implementation.

Objectives

1. The overall mission is to offer a visual and natural respite between the urban density of the Boston side of the Channel and the ever-increasing density of South Boston (as Central Park does to the East and West sides of Manhattan). Secondly, the objective is to reach the widest audience possible, including Boston residents and youth, office employees, and visitors.
2. Use the next few years, while the landside area is under construction, to get the infrastructure in place, to get obstructions cleared out, and to advertise what the vision for the future of Fort Point Channel will be, including fundraising for capital costs. Included in this work would be the reconstruction of the water's edge to incorporate attractive embankments that double as seating and show arena. There is a strong need to bring people down to the water's edge.
3. Propose enough activities to appeal to each user type, including fitness, education, and recreation, to keep the Channel active during the early morning, daytime, and evening timeframes and from April through October, with special events in winter.
4. Establish a link among the Boston summer youth programs on the water including the Courageous Sailing Program and a rowing program at Fort Point and possibly the sailing and rowing programs on the Charles River. In addition, make Boston's waterside attractions all accessible and linked by water, such as the USS Constitution, Aquarium, Rowe's Wharf attractions, the Children's Museum, and the Tea Party Ship.

Possible Schedule

The hypothetical example below illustrates how the types of activities and uses for the water of Fort Point Channel, noted and discussed above, might be scheduled to maximize daily and seasonal use and exposure.

<u>User</u>	<u>Time</u>	<u>Season</u>
1. Employee (exercise)	6am–8am; 12N–1:30pm, 4:30–6pm(M-F)	4/1-10/31
2. Youth (education)	1:30–4:30pm (M-F; linked to Navy Pier)	6/15–8/30
3. Family/Visitor (recreation)	9am – 5pm (Sat – Sun)	4/1–10/31
	9am – 4pm (M-F)	6/15-8/30
	9am-1pm (M-F)	
4. All (recreation)	6pm – 9 pm (Thurs – Sun)	6/1–9/1 + holidays

1. Rowing, 26-foot, single scull – membership only
2. Rowing, canoeing, kayaking – summer program minimal fee
3. Rowing, canoeing, kayaking, paddle – hourly rental
4. Concerts, model boat racing, water/light displays, festivals – kiosks lease concession rights
5. Ongoing floating displays of art, sculpture, and horticulture, (made into obstacle courses for recreational boaters)

IV Potential Economic Effects

While quantitative assessment of the potential economic effects of a successfully implemented Fort Point Channel watersheet activation plan is beyond the scope of this assignment, there is little question that an attractive amenity, encouraging both passive and active appreciation and use, can stimulate tangible economic and fiscal benefits. Evidence from studies of property values and economic activity adjacent to and surrounding attractive waterfronts, public and private parks and parklands, zoos, golf courses, and other types of amenities that provide a distinctive character to selected sections of urbanized areas, indicate that properties with views of and access to such amenities have a comparative economic advantage (equalizing for the other variables that determine land value and use, such as employment opportunities, transportation access and parking, building quality and density, neighborhood cohesion, quality of schools and other municipal services, and so forth). Properties within convenient walking or short transit or driving distance may also enjoy comparative benefits.

As the plan moves toward implementation, it will be increasingly important to assure that potential economic benefits are realized by the quality of the program, and that surrounding property owners and tenants agree with and can embrace the concept and its execution, in part, because it will directly and materially improve their circumstances. Obviously, if nothing further is done in the water of Fort Point Channel, or if it is not done properly, the potential of significant positive effects will not be realized. Among the potential economic effects of a successful Fort Point Channel Watersheet Activation Plan -- encompassing the appropriate infrastructure and access to the water, attractive urban design, passive seating and resting areas, superior maintenance, and the kinds of boating activities, programs, and events discussed – are the following:

- It can improve the livability of the city and the quality of life for local residents. The uses considered for Fort Point Channel can appeal to a broad audience of family, young adult, and older adult households, including those who cannot afford or do not desire to spend money.
- It can enhance the area's attractiveness to both employers and employees. The ability of a business to attract and retain a quality workforce is improved if workers like the area in which they work. There are many examples of employers citing the contribution that lunchtime recreational and eating opportunities, evening social opportunities, mixed crowds, and an inviting environment positively affect their ability to attract and retain management, technical, clerical, and production employees and colleagues.
- It can provide new venues for Fort Point artists and performers, improving their earnings potential and challenging artists with new opportunities for creative expression and display.
- It can enhance the competitive position of hotels, restaurants, retailers, and cultural institutions. A Fort Point Channel amenity may even be essential for new projects, as well as existing abutters, to achieve their objectives for room rates and occupancy levels, food/beverage/gift sales, and admissions and membership revenues. Such commercial and institutional uses have a great deal to gain or lose in bottom line performance, in our opinion, based on the vision and implementation of the plan.
- It can increase property values, providing the City of Boston with additional tax revenues. City residents may have a higher proportional benefit to the extent the leveraged property values and taxes are attributable to the spending of non-resident workers, tourists and other visitors.