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HARBOR TOWN PROJECT

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Public-Private Partnership to Provide Water Transportation in the Albemarle Sound

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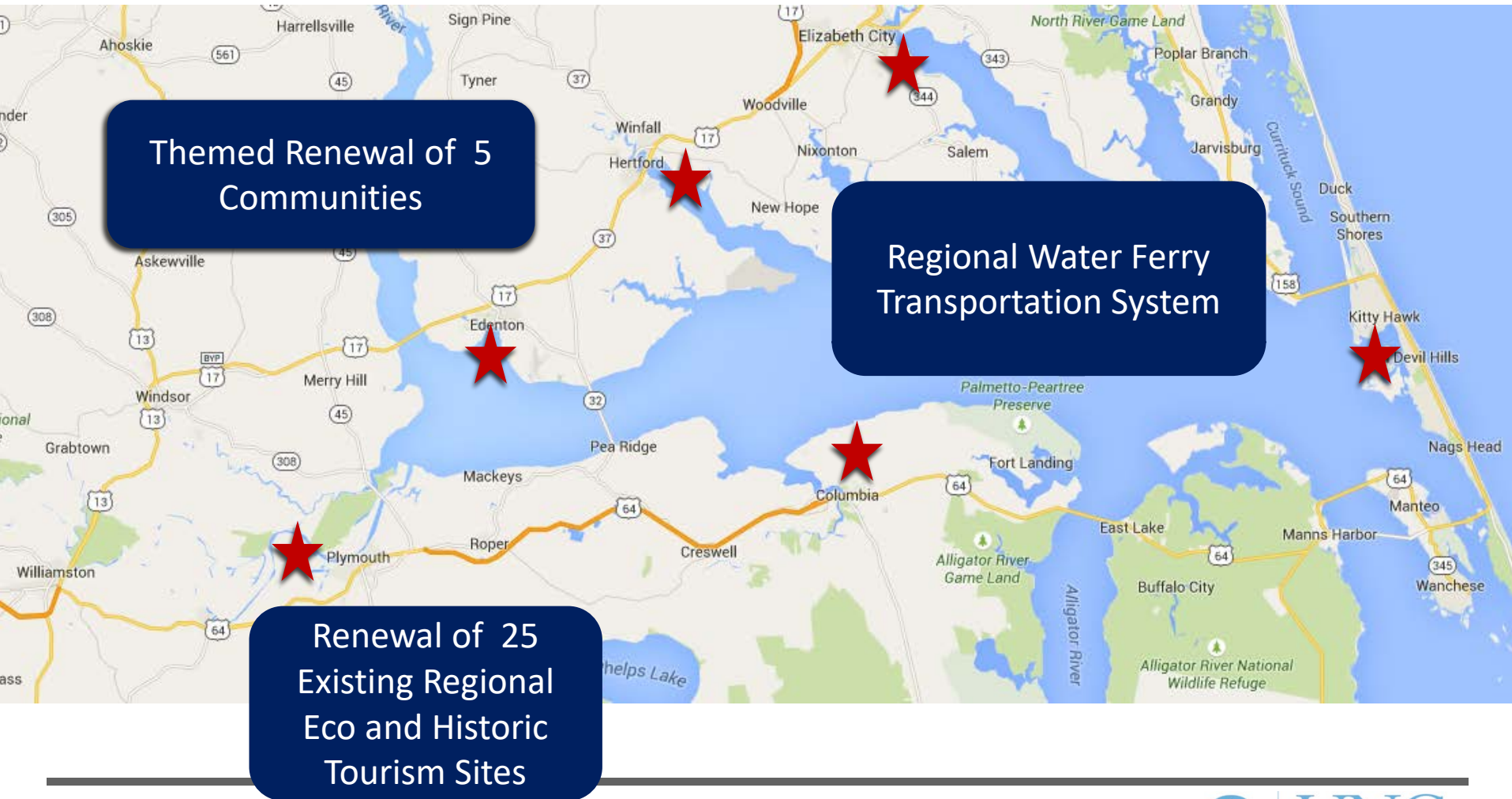
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BUSINESS SCHOOL

The Harbor Town Project team is a collaborative partnership across the IBX and beyond.



The team also includes Bunny Sanders, Phil McMullan, and Peter Thompson, who developed an earlier version of this strategy in 1993.

A private ferry system is one of three Phase One initiatives to increase tourism and create sustainable jobs and careers.



A private passenger ferry system serving the Albemarle Sound is an attractive investment opportunity that can be profitable.

Five Boats



49 seat catamaran



149 seat catamaran

Towns

In phase 1, ferries stop in six towns:

Elizabeth City

Edenton

Hertford

Plymouth

Columbia

Kitty Hawk

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The ferry has the potential to create **94** jobs. Tourism is estimated at **\$14M**.

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\$13.8M in capital expenditures is required to launch the ferry. Average annual operating expenses are **\$1.95M**.

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The ferry has the potential to be profitable in year 1. Year 1 annual ridership is projected to be **107,000**.



The ferries and coordinated themed renewal of IBX communities and nearby tourism sites could also attract many annual visitors traveling by car.

2017 annual visitors to somewhat comparable tourist attractions



Tryon Palace, New Bern
249,233 (\$20 adult tk)



Old Salem, Winston-Salem
204,601 (\$18 adult tk)



Colonial Williamsburg

Colonial Williamsburg
568,932 (2016 @ \$35+ tk)

NC Maritime Museum &
Watercraft Center, Beaufort
279,985 (?)

Elizabeth City

Edenton

Hertford

Plymouth

Columbia

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Renewal of the communities and nearby sites could result in **200 to 250 new jobs and new careers** across the IBX.

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About **\$8M** will be required to renew the towns and sites to make them interesting and engaging for tourists.

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200,000 tourists a year traveling to the IBX towns by car would result in about **\$26,200,000** in additional tourism spending.

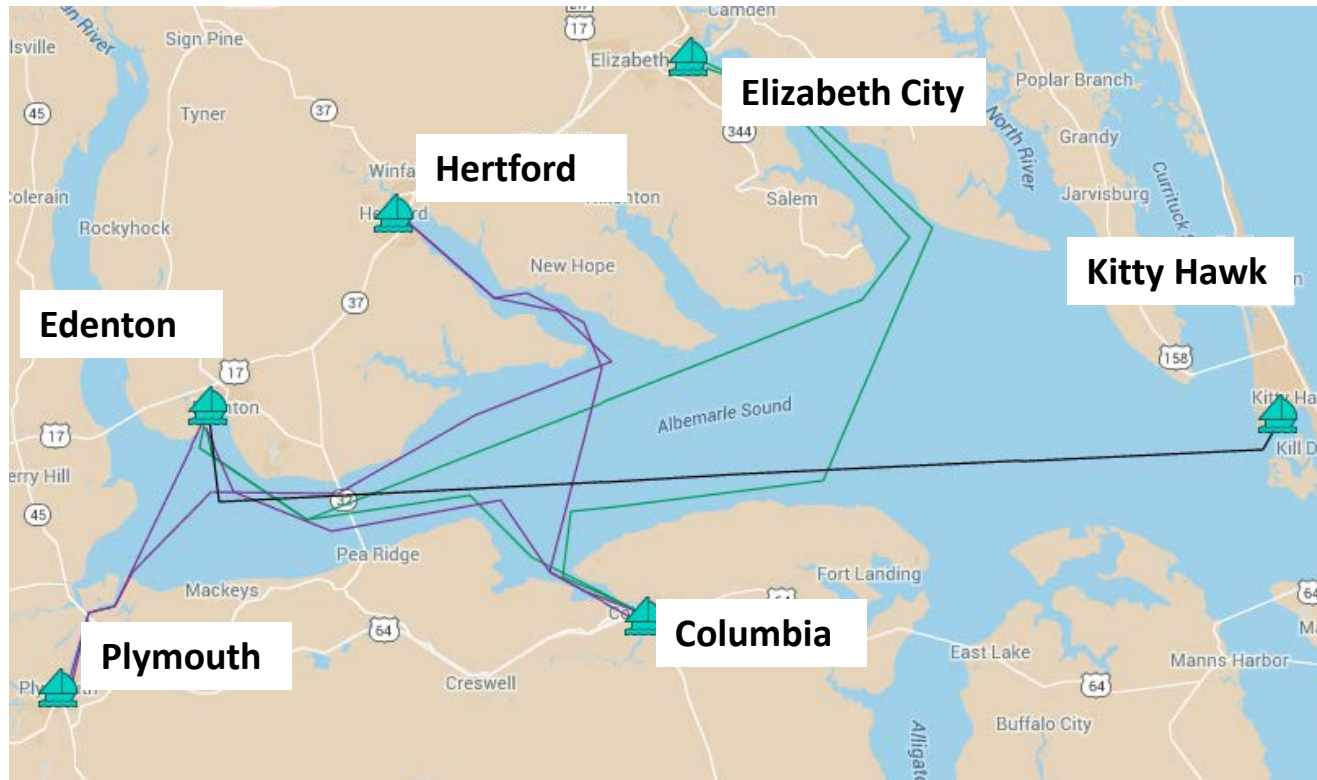
Ferry routes could include Elizabeth City-Columbia-Plymouth-Edenton- Hertford circuits, and a Kitty Hawk-Edenton direct express.

Average trip: 66 min @ 32 mph (28 knots) Plymouth-Edenton: 24 mins

2 Ferries on Kitty Hawk-Edenton Direct Express: 1 hr 45 mins

1 Ferry on Clockwise and 1 Ferry on Counterclockwise 5 town circuits

1 Ferry available for maintenance, charter, or special scheduling



Why These Cities:

- Location (accessibility and inter-distance)
- Infrastructure and amenities
- Vitality, attraction, and potential
- Bring more tourists to *BOTH* the OBX *AND* the IBX
- Generate tourism in the IBX
- Complement existing NCDOT ferry service

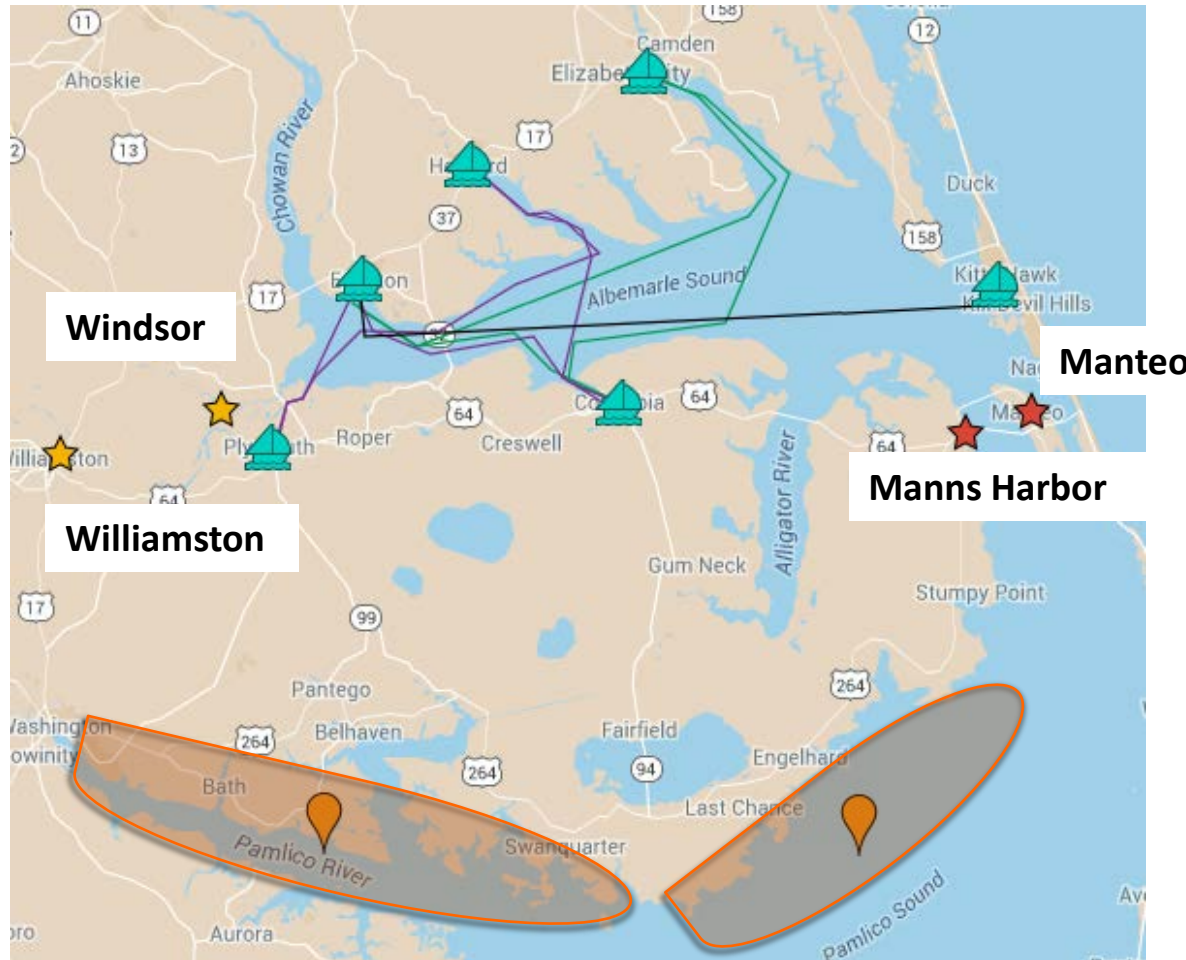
**Quick ramp up time
& flexible hop on
hop off trips**

Total operating hours/day per vessel: 10.5 hours

Source: NCDOT GIS Unit



More routes and ferries can be added over time to include other locations on the Albemarle Sound, IBX, OBX, and Pamlico Sound.



- Connect to other IBX and OBX cities
- Add one-off trips to more cities near the Albemarle Sound and up rivers
- Reach towns along the Pamlico Sound and Pamlico River
- Complement ferry service provided by NCDOT Ferry Division



We can apply best practices from other successful public and public-private water transportation systems.



PRICING

- Local resident discounts
- Commuter/education bulk pass
- Hop on/hop off pricing
- Family/seasonal passes
- Ticket prices vary greatly



PARTNERSHIP

- Public transportation at docks (bikes rentals, etc.)
- Onshore nature walks
- Discounts at local businesses



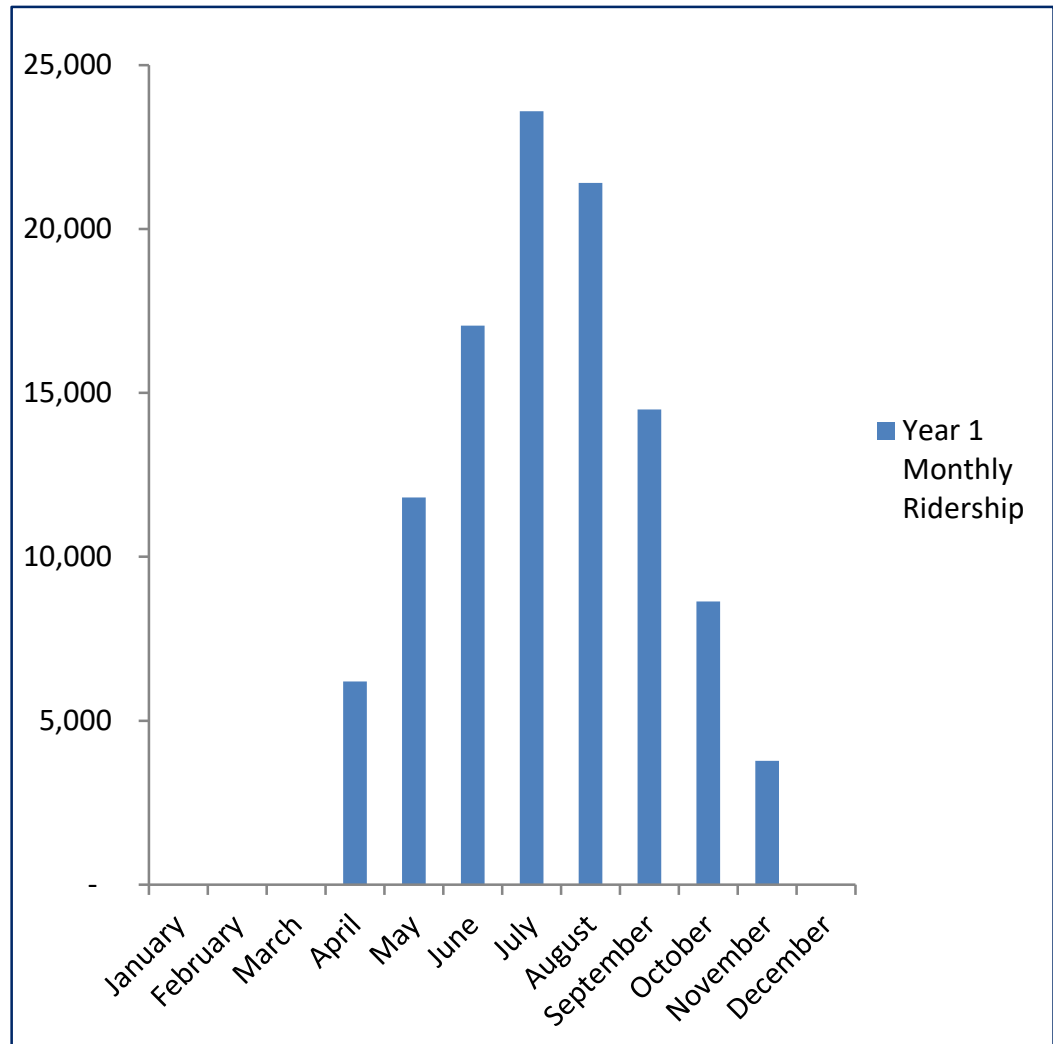
PRODUCTS

- Onboard entertainment
- Seasonal schedule
- Onboard concessions
- Special event charters – nature talk, star gazing, weddings, wine and cheese, sunset dinner and drinks, holiday cruises



Based on benchmark cities and NCDOT Ferry System data, the IBX ferry system will operate 174 days a year with seasonality in ridership demand.

	Monthly Total	Operating Days	Average Daily Ridership
January	-	-	-
February	-	-	-
March	-	-	-
April	6,198	12	516
May	11,812	19	622
June	17,052	30	568
July	23,591	31	761
August	21,409	31	691
September	14,499	30	483
October	8,639	14	617
November	3,777	7	540
December	-	-	-
Total	106,977	174	615



Exploring the IBX is a perfect way for visitors to experience North Carolina. 10

Idyllic Atmosphere



Outdoor Fun



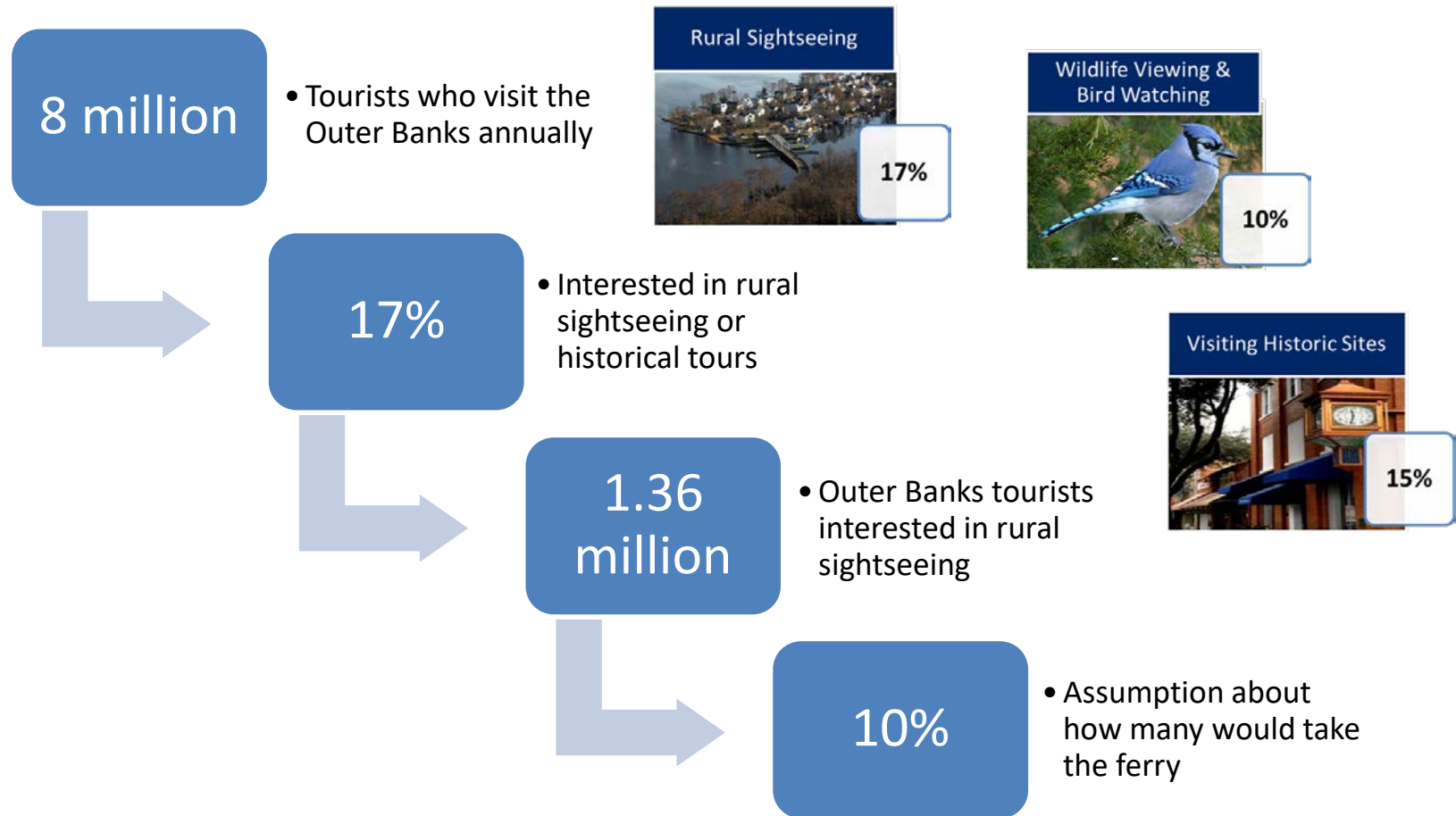
Charming Villages



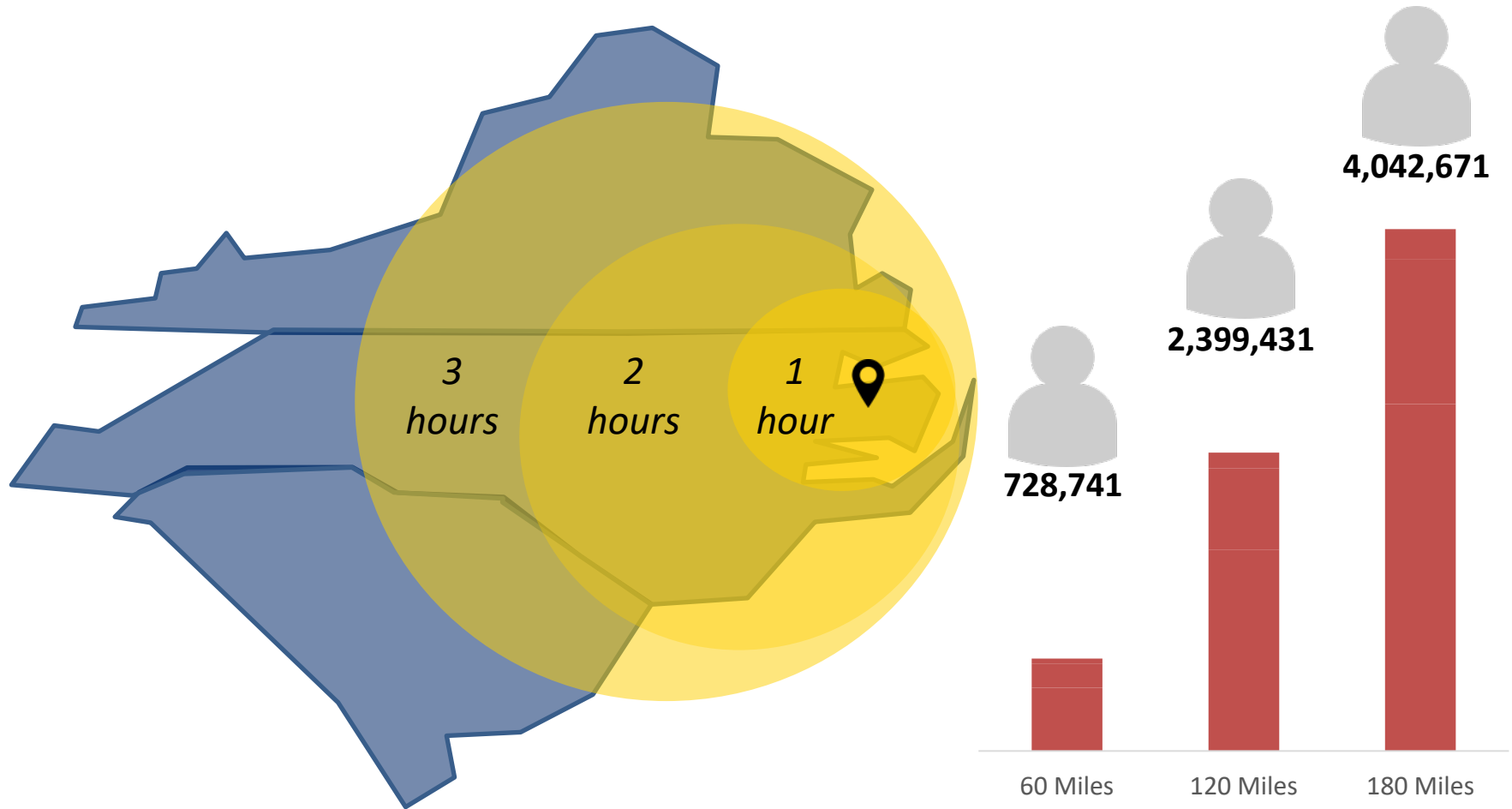
Historic Architecture



Between 100,000 and 140,000 tourists from the OBX might enjoy riding the ferry and visiting the IBX each year.



Weekenders or Day Trippers can be attracted from population centers within driving distance of the Albemarle Sound.

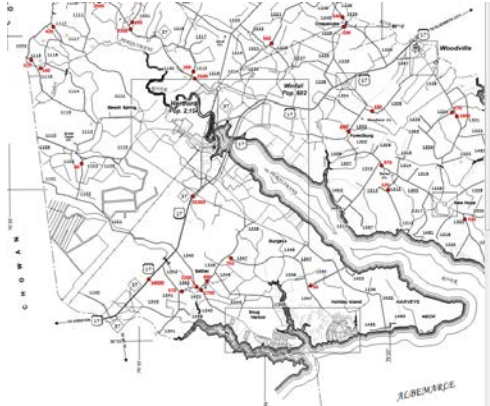


Source: US Census, Social Explorer, Team Analysis



Implementing the Harbor Town Project and establishing the IBX as a regional tourist brand should add additional tourism by nearby Weekenders and Day Trippers, as well as by OBX tourists and visitors. 13

AADT is 20,000 vehicles on US 17 near Hertford...

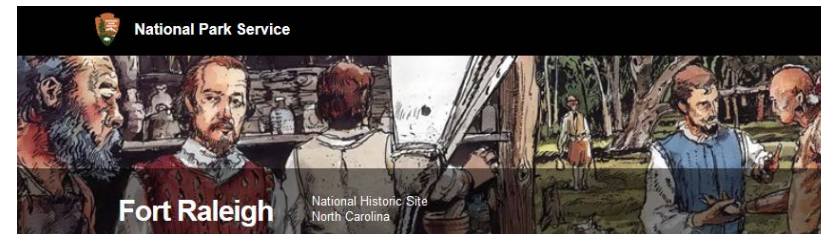


8,000,000 OBX summer visitors per year



306,376 visitors to NC Aquarium at Roanoke Island in 2017

... and 12,000 vehicles daily on US 64 in Columbia



274,981 visitors to Fort Raleigh National Historic Site in 2017

50,000 +/- Lost Colony ticket sales

The 200,000 IBX residents are also interested in a wide variety of outdoor activities, adventures, and good times.

- Over 40% of the total Inner Banks population makes over \$50,000 annually
- Average age: ~ 40 years
- Outdoor Activities:
 - Fishing
 - Hunting
 - Horseback Riding
 - Baseball
 - Basketball
 - Volleyball
 - Golf
 - Tennis
 - Swimming
 - Skiing
 - Boating
 - Biking
 - Camping
 - Gardening



Source: <http://accessnc.commerce.state.nc.us/docs/>



The estimated ferry user market in Year 1 is 107,000 visitors from three different consumer segments.



Projected Visitors:

	Weekenders		Coastal Tourists		Inner Banks Residents		
To Area:	5,000,000	+	8,000,000	+	200,000	=	13,200,000
To Ferry:	20,000	+	57,000	+	30,000	=	107,000

A projected **107,000 visitors** will use the Albemarle Sound Ferry System in Year 1



A ferry service provides an essential part of the infrastructure required for successful economic development of the Albemarle Sound region.

107,000 estimated visitors

in first year

170,000 per year when fully established

With the initial ferry capacity

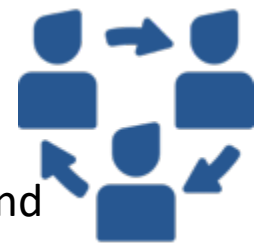


\$14,000,000 estimated initial direct tourism spending year one
at \$131 per person per day

94+ estimated direct employment

by ferry system, town docks, and other managerial and operational personnel,

plus additional employment from econ and historic sites, new business start ups in the harbor towns, etc.



Source: Team Analysis



More weekenders and day tripper tourists will visit the renewed, engaging communities and nearby upgraded eco and historic sites by car every year.

200,000 estimated additional visitors by car
per year



\$26,200,000 estimated additional annual tourism spending
at \$131 per person per day

200 to 250 estimated additional new jobs and
new careers across the IBX



Source: Team Analysis



Seven reasons why is now the time for the Harbor Town Project

1. It celebrates the beauty, assets, resources, and history of the region and its people.
2. Towns and counties understand the shared benefits of regionalism.
3. Leaders support a major planned, coordinated tourism-based intervention.
4. Other traditional economic development initiatives will also benefit.
5. Public and private funding for capital and start up expenses is available.
6. People understand the benefits and get excited about it!
7. Fosters private entrepreneurship and other creative, thoughtful initiatives.



