

CHESAPEAKE BAY
PASSENGER FERRY
FEASIBILITY STUDY
EXECUTIVE SUMMARY

AUGUST 2024

BACKGROUND & PURPOSE

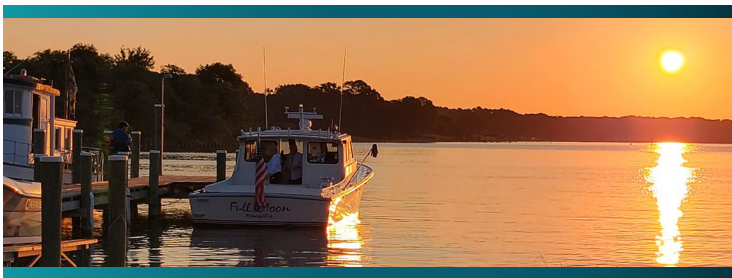
The Chesapeake Bay is steeped in maritime history, including a time when water ferry transportation drove the development and success of our coastal communities. In recent years, many of these communities on both the western and eastern shores have lost their water transportation connectivity, and, in many cases, lost quality access to the Bay other than by private boat or limited charters. For many communities, the Bay has the potential to serve as a key economic driver for water activities and as a transportation gateway for both residents and visitors to byside destinations throughout the region.

The purpose of the Chesapeake Bay Passenger Ferry Feasibility Study is to evaluate the potential for a new passenger ferry service that could stimulate economic growth within each host community, provide improved access to the Bay, provide new water transportation connectivity options, and promote enhanced tourism opportunities throughout the region.

APPROACH

Our approach is designed to define a proposed passenger ferry system in the Maryland part of the Chesapeake Bay, identify a more limited short-term Baseline Passenger Ferry System to focus immediate investments, develop ridership forecasts and supporting financial analyses, assess vessel options, and provide recommended actions and strategies to advance the project.

A key part of our approach has included visits to and engagement with representatives from each identified host community to better understand the level of interest, available infrastructure, and types of available tourism/visitor activities that could help drive ridership for the system. We are also assessing the potential of the new service to stimulate economic growth opportunities, with a particular focus on our more rural communities.



KEY CHARACTERISTICS

Passenger Ferry Only

Phased Development of Service

Focus on Rural Economic Development Opportunities

Consideration of Alternative Fuel & Vessel Technology

Built for Ongoing Expansion

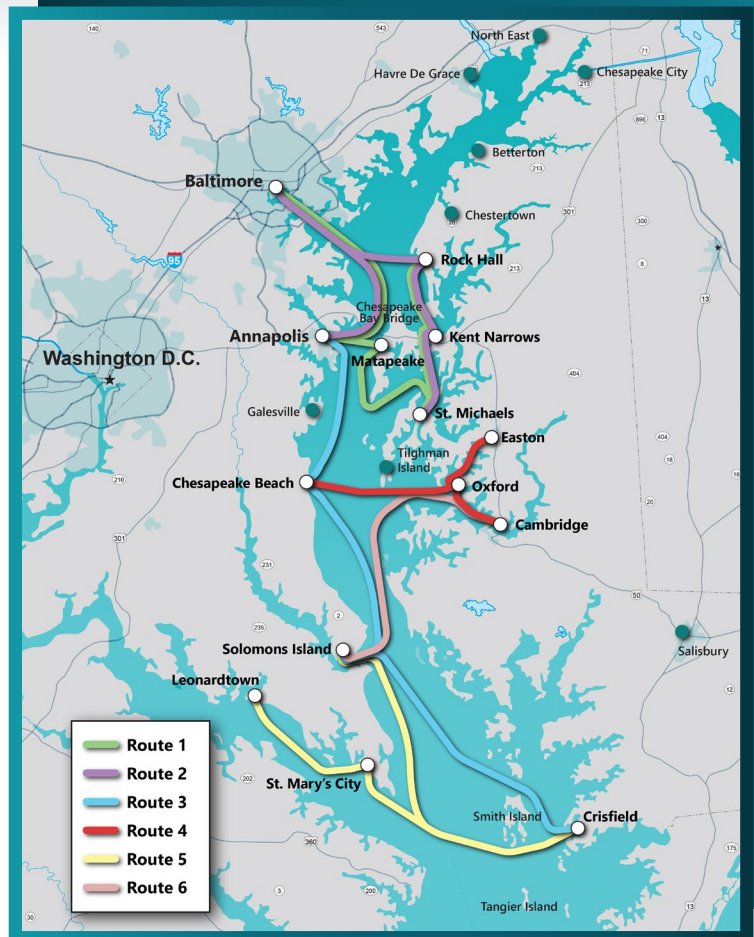
Positioned for Immediate Service Demonstrations

The Chesapeake Bay Passenger Ferry Feasibility Study was conducted by Cambridge Systematics and supported by a consortium of counties including Anne Arundel, Calvert, Queen Anne's, Somerset, and St. Mary's. The study is funded by a matching grant awarded to Visit Annapolis & Anne Arundel County by the U.S. Department of Commerce Economic Development Administration's American Rescue Plan: Travel, Tourism & Outdoor Recreation Program.

OVERVIEW OF PROPOSED SYSTEM

Twenty-one (21) host communities and possible routes linking the communities have been identified and represent the full system. Fourteen (14) of these communities have been further selected to represent the proposed Baseline Passenger Ferry System—that is, the sites anticipated to have the greatest possibility of demonstrating interest in and success of a passenger ferry service on the Chesapeake Bay within one (1) to three (3) years—while also ensuring geographic diversity.

This analysis is focused on the Maryland portion of the Chesapeake Bay. This limits the proposed station locations and routes to this geography. With that said, it should be acknowledged that as the system develops and expands, there will be numerous opportunities to identify routes that connect our Maryland communities with locations in Virginia (via the Chesapeake and Potomac), Washington, DC (via the Potomac), and Delaware (via the Chesapeake & Delaware Canal).



Potential routes included in the Baseline Passenger Ferry System include:

ROUTE 1

BALTIMORE ↔ ANNAPOLIS ↔ MATAPEAKE ↔ ST. MICHAELS ↔ KENT NARROWS ↔ ROCK HALL (RETURN)

ROUTE 2

ANNAPOLIS ↔ BALTIMORE ↔ ROCK HALL ↔ KENT NARROWS ↔ ST. MICHAELS (RETURN)

ROUTE 3

ANNAPOLIS ↔ CHESAPEAKE BEACH ↔ SOLOMONS ISLAND ↔ CRISFIELD (RETURN)

ROUTE 4

EASTON/CAMBRIDGE ↔ OXFORD ↔ CHESAPEAKE BEACH (RETURN) (2X/DAY)

ROUTE 5

SOLOMONS ISLAND ↔ ST. MARY'S CITY/LEONARDTOWN ↔ CRISFIELD (RETURN)

ROUTE 6

SOLOMONS ISLAND ↔ CAMBRIDGE (RETURN) (2X/DAY)

RIDERSHIP

Ridership estimates are critical to understand the demand for this passenger ferry service, and the economic and financial impacts associated with that demand. The ridership estimates developed for this study provide ridership numbers for the 14-station Baseline System. The approach for a recreational service of this type differs from a more traditional commuter system. A commuter system is based on understanding existing origin/destination patterns and then estimating how many of those trips would likely divert to the new service. For a new recreational system, ridership variables are much different. They are based on gaging the level of interest of a defined population, in this case local Maryland residents and the tourists that visit each year, in riding a passenger ferry system for recreation—that is, discretionary trips taken for enjoyment. To do this, a variety of factors and data points must be used. Segment based ridership estimates were developed for each of the Baseline System’s six (6) routes informed by the site evaluation screening, which was based on site visits, interviews with key community stakeholders, and a review of available demographic and business data.

Weighting the population and visitor volumes by these factors yields the estimated ridership. Ridership is estimated to be highest on Routes 1 and 2. These routes are anticipated to have the lowest capacity usage as several locations have fewer residents and visitors which may not fully support the 149 passenger load. Routes 4 and 6 are anticipated to run effectively at capacity in most instances. This is supported by a smaller vessel size (49 passenger catamaran) as well as twice daily service which provides greater flexibility to potential passengers. These routes also have some of the highest travel time savings with several saving more than 1 hour of travel time by ferry versus car. The overall system is estimated to operate at a 59 percent capacity.

WHAT IS THE MAXIMUM CAPACITY OF A PROPOSED SERVICE?

Vessel Capacity
Days of Operation
Trips Per Day



KEY FACTORS DRIVING RIDERSHIP

Local Population
Visitor Counts
Current Ferry Operations (in MD)
Ferry Operations/Cost Elsewhere
Alternative Travel Times (Personal Car)
Local Attractions
Site Evaluation Screening
Survey Results



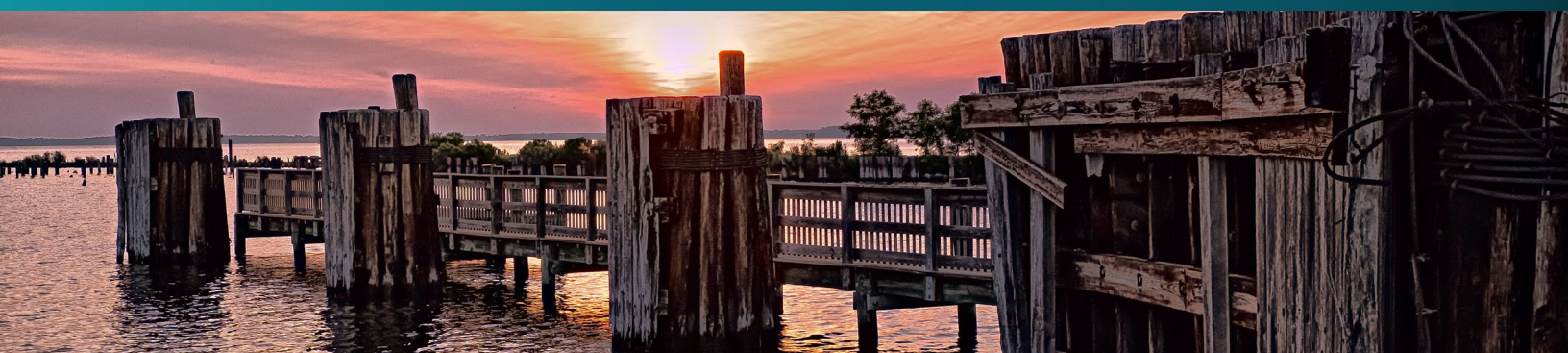
EXPECTED RIDERSHIP

Available Vessel Capacity
Key Factors Impacting Willingness to Ride

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ESTIMATED ANNUAL RIDERSHIP OF THE BASELINE SYSTEM

ROUTE	RIDERSHIP FORECAST	MAXIMUM CAPACITY	PERCENT OF MAX CAPACITY
1	87,311	194,764	45%
2	82,139	155,811	53%
3	28,930	38,430	75%
4	51,240	51,240	100%
5	16,249	25,620	63%
6	25,620	25,620	100%
Total	291,488	491,486	59%



VESSEL & STATION REQUIREMENTS

VESSEL FEATURES

Two vessels were identified and proposed for the Baseline System, including 49-passenger and 149-passenger catamarans. These vessels may or may not be foil-assisted and could be diesel or diesel electric hybrid. They should be capable of cruising at 25 knots. The vessels should provide indoor and outdoor seating, restrooms, and limited concessions. They must be U.S. built and be able to meet all regulatory compliance requirements.

STATION FEATURES

Each site will require similar features to support the ferries and passengers. Station amenities must include ADA considerations to provide an enjoyable experience for all passengers. The station requirements include the following areas:

- ▶ **Pier infrastructure:** including ramps, storage, and signage.
- ▶ **Terminal building:** covered area providing shade and shelter to passengers.
- ▶ **Restrooms:** local businesses to support.
- ▶ **Local Transit:** including walking paths, parking lots, and traffic features (crosswalks, lights, etc.).

It is recommended to revisit the capital costs required as this project moves forward and adjust according to the project objectives and city plans. For example, Annapolis is considered the system hub and could quickly outgrow the infrastructure improvements outlined above. As the hub, it could support a full-scale terminal building estimated to cost in excess of \$1,500,000 and require full-time staffing. This facility along with the necessary parking could be part of the ongoing renovations. Similarly, Solomons Island, Leonardtown, and/or Crisfield could serve as southern hubs requiring additional infrastructure investments.

VESSEL REQUIREMENTS

Regulatory Compliance	Passenger Vessel Services Act USCG Subchapter T ADA Passenger Vessel Guidance
Crewing	One Captain One Deckhand per deck
Speed	25 knot cruise, below 30 knot top speed
Range	230 nm range minimum

SUGGESTED VESSEL FEATURES

Passenger Capacity	49	149
Length	50-55'	60-65'
Beam	15-18'	17-20'
Draft	3-4'	4-6'
Hull	Catamaran, possibly foil-assisted	
Powerplant	Diesel or Diesel electric Hybrid	
Layout	Single Deck Outside Covered Seating Aft of Cabin Single Restroom in Cabin	
Additional Options	Interpretive services Concessions	



FERRY SYSTEM ECONOMICS

FINANCIAL ANALYSIS OF BASELINE SYSTEM

The financial model developed for the Baseline Ferry System is built upon the framework of the six Baseline routes. Ridership estimates and average fares are based upon anticipated utilization patterns (typical day trips that passengers might take). Note that the results in the model and the preliminary results presented assume the full Baseline System operates in the first year.

The base projections assume that the ferry system is operated by a private company that does not operate other services, and the model includes all expenses the operator would incur. The baseline model assumes that each route operates five days per week. This five-day schedule would allow boat crews on each route (each ferry vessel) to work full-time. The baseline operating season in the model is 26 weeks, assumed to be mid-April through mid-October. Multiplying 26 weeks by 5 operating days per week, there would be 130 operating days for each route.

RIDERSHIP BY ROUTE BY SCENARIO			
ROUTE	HIGH (100%) (CAPACITY)	"BEST"(67%) PROJECTION	"LOW" (33%) PROJECTION
1	19,370	12,978	6,392
2	19,370	12,978	6,392
3	6,370	4,268	2,102
4	12,740	8,536	4,204
5	6,370	4,268	2,102
6	12,740	8,536	4,204
Total	76,960	51,563	25,397

Segment-by-segment ridership forecasts showed that potential ridership could significantly exceed vessel capacity on certain segments, but demand could remain well below capacity on others. This finding indicated the need to balance potential demand with reasonable initial investments in appropriate-sized vessels. The analysis indicated that 149-passenger vessels would better match potential demand on Routes 1 and 2, while relatively smaller, 49-passenger vessels would better match potential demand on the other four routes. In addition, at least one 49-passenger backup vessel would likely be necessary. Available system capacity was calculated based on vessel size and number of trips per day for each route.

There are significant variations in passenger demand by day of week and by month, as reported by existing ferry and boat tour operators. Given these daily, weekly, and monthly variations in demand, achieving 100% load factors (full capacity) is not realistically attainable throughout the season. Based on these considerations, the model includes a wide range of potential load factors for each route. The "Best" assumption is that load factors will be in the 67% range.

SUMMARY INCOME STATEMENT	
ITEM	ESTIMATE
Revenue (incl. F&B)	\$2,468,000
Cost of Sales (F&B)	\$52,000
Direct Expenses	\$2,785,000
G&A Expenses	\$857,000
Fixed Expenses	\$1,275,000
Pre-Tax Income (Loss)	(\$2,500,000)

The pre-tax operating loss for the Baseline System inclusive of Food & Beverage (F&B) revenue, is estimated at \$2.5 million annually assuming a stand-alone operator responsible for all expenses (including amortized vessel cost, all General & Administrative (G&A), and terminal labor expense). However, there would be significant annual expense savings as compared to the baseline assumptions if ferry routes were operated by existing operators, and if partner organizations contributed

marketing assistance and grant assistance. These savings could total around \$1.8 million annually according to the estimates. Potential revenue improvements would be possible through increased ridership and/or fares, realistically totaling in the \$1.0 to \$1.5 million range. These results indicate that assistance from partner organizations will be key to developing an attractive business model for the ferry system.

ECONOMIC IMPACTS OF BASELINE SYSTEM

IMPLAN economic modeling software was used to estimate the impact of potential ferry passenger spending in local communities and the regional economy. The primary input to the model was estimated total passenger spending. This includes estimated spending on ferry tickets, food and beverage, retail, recreational services, lodging, and other transportation services. Passenger spending per trip was estimated to be \$200 based on a survey conducted with key community stakeholders. System ridership in the first year was estimated to be 50,000 passengers, resulting in \$10 million in spending, including \$2.5 million in ticket revenue based on an average roundtrip fare of \$50.

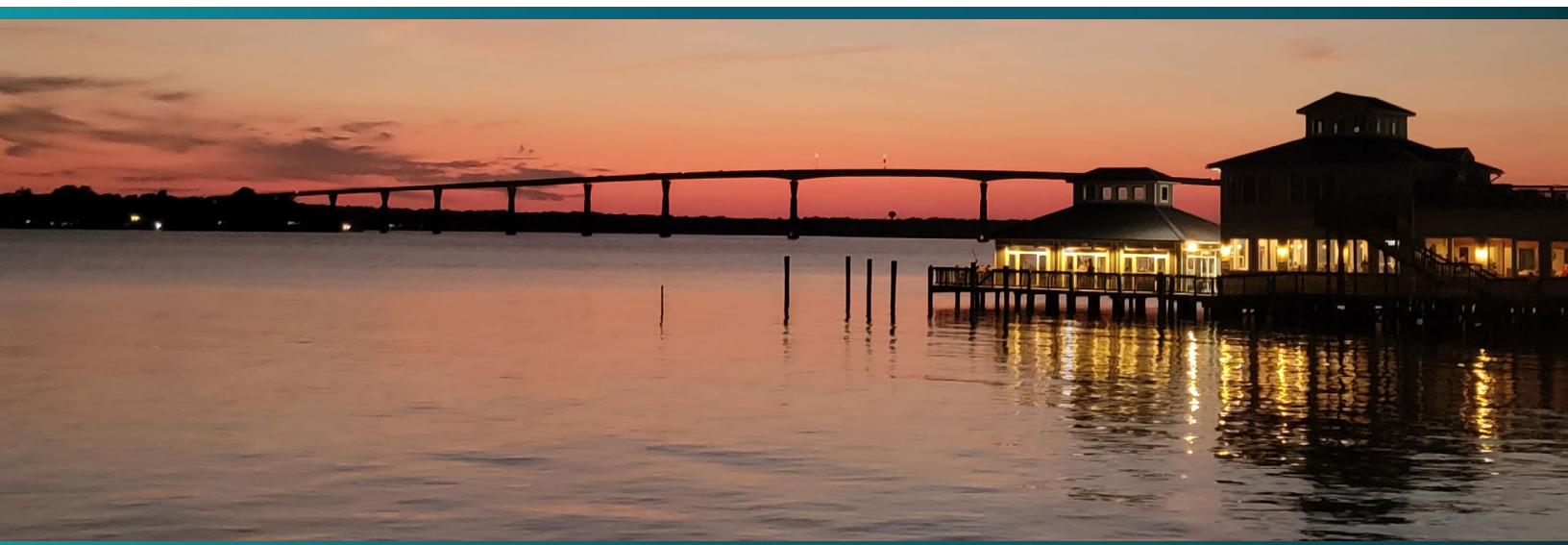
IMPACT	REGIONAL ECONOMIC OUTPUTS		
	EMPLOYMENT (NUMBER OF JOBS)	LABOR INCOME	OUTPUT
Direct	116.12	\$4,957,000	\$9,465,000
Indirect	14.50	\$976,000	\$2,674,000
Induced	12.70	\$783,000	\$2,366,000
TOTAL	143.32	\$6,716,000	\$14,505,441

The outputs of the model include the number of jobs created/supported in the regional economy, estimated labor income, value added to the local economy, and increases in total economic output. Model outputs are divided into direct, indirect, and induced impacts. Based on the \$10 million in passenger spending, the results indicate that ferry passenger expenditures are expected to support approximately 143 jobs in the regional economy, generate \$6.7 million in annual labor income, and \$14.5 million in total output including indirect and induced effects. An increase in tax revenue of \$2.6 million is also anticipated.

BENEFIT COST ANALYSIS OF BASELINE SYSTEM

CATEGORY	SUMMARY OF BENEFIT COST RATIO	
	DISCOUNTED VALUE (\$2022)	NOMINAL VALUE (\$2022)
Safety Benefits	\$46,323,356	\$71,483,616
Travel Time Benefits	\$26,263,256	\$40,527,990
Vehicle Operating Costs Benefits	\$79,199,785	\$122,216,684
Revenue and Operations Benefits	(\$40,517,926)	(\$62,525,000)
Total Benefits	\$111,268,472	\$171,703,289
Total Costs	\$19,084,548	\$20,915,000
Benefit Cost Ratio	5.8	8.2

The benefit cost analysis was based on U.S. DOT guidance provided to support discretionary grant programs. This guidance helped establish the benefit categories, discount rates, anticipated lifespan, and individual factors used to monetize benefit categories. Total discounted benefits amount to \$111 million while total Baseline System costs are discounted to \$19 million, resulting in a benefit cost ratio of 5.8. This is a strong ratio which suggests that the system would provide significant benefits to the state of Maryland, its residents, and its visitors. It also suggests a positive BCR even with more conservative assumptions for both benefits and costs.



GOVERNANCE & FUNDING

POTENTIAL GOVERNANCE OPTIONS

Six potential governance options were considered for the ferry system, ranging from a fully private operation to a fully public operation. In general, governance models with more significant levels of public involvement are more appropriate for transportation/commuter focused ferry systems than they are for tourism-oriented ferry systems. However, the economic development benefits of the contemplated tourism-oriented Chesapeake Bay ferry system are a compelling reason to have a moderate level of public involvement and oversight. A public-private partnership model is recommended to access private sector ferry operation expertise while preserving public sector control of the vision of a comprehensive system.

IDENTIFICATION OF FUNDING OPTIONS

In order to design, build, operate, market and maintain the Baseline System, a significant influx of capital will be required. The Baseline System start up requires at least \$8 million in vessel acquisition costs, up to \$5 million in station improvements, and approximately \$5 million in annual operating costs. The station and vessel investments will be required before any revenue generation begins. In addition, the financial analysis estimates a net operating loss in the first year of operations without a subsidy of any kind.

Many funding options should be explored to increase the likelihood of success of the Baseline System. This will require ongoing coordination and advocacy by the consortium and champions within each community to promote the value of the System, get folks excited to commit resources, and prepare the most competitive grant applications possible.

System-generated revenues will be a critical contributor to the financial success of the system. Other key sources will include advertisement space, public sector line items, in kind services from host communities, and discretionary grant awards.

Discretionary grants provide multiple opportunities, specifically for capital investments, to advance the development of this Baseline System. Project eligibility and project competitiveness will be the two key considerations. Coordination and collaboration with Federal partners can help identify and position for the best opportunities. The pool of discretionary grant programs continues to evolve and change based on changes in administration as well as changes in investment priorities. These funding opportunities have different application dates, eligibility requirements, and funding levels. Each of these programs should be considered and reviewed as part of building a financial plan for the Baseline System.

PUBLIC/PRIVATE PARTNERSHIPS

- ▶ *Private company works with public agency to develop ferry routes and utilize terminals at preferred destinations.*
- ▶ *Public entity owns assets and leases them for a private company to utilize in their business.*
- ▶ *Government ownership of vessels and terminals would provide access to Federal funds and potentially lower borrowing costs.*
- ▶ *Public vision of increased tourism and economic development may not align with private company goal of operating profitably.*

FUNDING OPTIONS

- ▶ *Ticket revenue*
- ▶ *Advertisement revenue*
- ▶ *Budget line item within public agency budget*
- ▶ *Access to dock and station without fee*
- ▶ *Access to shelter and restrooms without fee*
- ▶ *Marketing and promotional materials without fee*
- ▶ *Discretionary grant awards*

PHASED DEVELOPMENT

The concept of phasing is focused around the idea of bringing manageable portions of the system on line, proving success, and then bringing on the next group of routes, until the full Chesapeake Bay passenger ferry system is in place. This may take five plus years, or more, based on available funding, community support, and successful market penetration. Suggested phasing of the Chesapeake Bay passenger ferry system includes the following components:

- ▶ **Initial Phase 1 Testing.** The Baseline System may or may not be able to be brought on line simultaneously as an integrated system. This initial testing phase should be put in place as soon as technically and financially possible. This initial testing phase gives each community the flexibility to explore market potential, prepare infrastructure capability, and line up funding and a financial plan.
- ▶ **Phase 1: Initial Baseline Passenger Ferry System.** Following initial testing, this official first phase should work to bring the full 14-station system on line. Marketing descriptions and itineraries should clearly acknowledge the state of the infrastructure at time of opening to clearly set expectations.
- ▶ **Ongoing Testing of New Markets with Expansion Each Year.** As the original 14 stations are developed, their success should be used to market the passenger ferry system to the remaining seven (7) communities. Communities ready to take the next step should begin to look for opportunities to introduce passenger ferry service to their residents and visitors. This could be accomplished by scheduling a special service for a key festival or event, or establishing a rotating weekend service to each of the 7 communities from a hub to help introduce the larger regional tourism market to the breadth of waterfront communities available via water.
- ▶ **Baseline Ferry System with Full Infrastructure Improvements.** While an initial service can be initiated without permanent structures in place for some elements, riders need to see ongoing improvements underway each year to demonstrate a commitment to a reliable, enjoyable service. For example, service may begin with a temporary shelter, a local business providing access to restrooms, a shuttle service for landside connections, and a shared dock or pier. Over time, this may evolve to a dedicated dock location with branding, a standalone station building with ticketing and restrooms, and modified transit routes and schedules to align with the ferry schedule. The lessons learned throughout this process should provide guidance to each new station brought on line in future years.

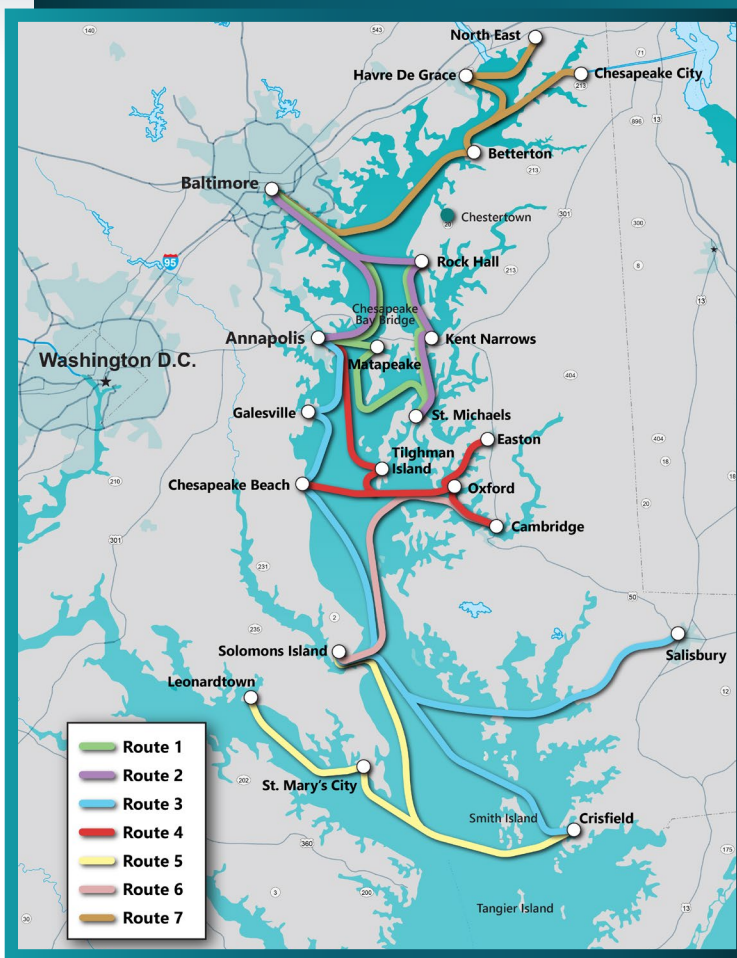
This phased approach is intended to provide guidance to the region for an organized, thoughtful process for developing and expanding a successful system over time. Expansion activities will need to be flexible based on “readiness” assessments for each new site, as well as a commitment to a “system” approach for the full system.



KEY SUCCESS FACTORS

- ▶ **Infrastructure**—*water, dock, and terminal must meet defined standards to ensure efficient operations.*
- ▶ **Service**—*minimum amenities must be met to ensure a common rider experience.*
- ▶ **Support**—*public and private support from the community will be critical to fund, operate and promote the service.*
- ▶ **Consistency**—*the service must be reliable and in line with expectations set by the Baseline System.*
- ▶ **Experience**—*the rider experience will define success; there is one chance to make the first impression on what is to be expected.*
- ▶ **Marketing and Branding**—*for the system to be a success, each individual segment must be branded as part of the larger system, and it should be marketed that way so that all locations can be sold as multi-stop or multiple itineraries.*

The 21-station passenger ferry system covers all areas of the Chesapeake Bay in Maryland. With a shoreline dotted with marinas and coastal communities, a successful Baseline System may generate interest beyond the 21 identified to date. With that said, this study, based on consortium input, site visits, and stakeholder survey responses, describes the full build-out as the 21 locations included in this study. It should be acknowledged that this full system incorporates the Baseline System, with some changes to ensure all stations are captured. The phasing will bring new stations on when ready. As such, the full build-out system described below should be seen as an illustration of what the system could look like based on today's assessment. This full build-out consists of seven core routes with variations.



Potential routes included in the Full Build-Out Passenger Ferry System include:

ROUTE 1

BALTIMORE ↔ ANNAPOLIS ↔ MATAPEAKE ↔ ST. MICHAELS ↔ KENT NARROWS ↔ ROCK HALL (RETURN)

ROUTE 2

ANNAPOLIS ↔ BALTIMORE ↔ ROCK HALL ↔ KENT NARROWS ↔ ST. MICHAELS (RETURN)

ROUTE 3

ANNAPOLIS ↔ GALESVILLE ↔ CHESAPEAKE BEACH ↔ SOLOMONS ISLAND ↔ SALISBURY/CRISFIELD (RETURN)

ROUTE 4

ANNAPOLIS ↔ TILGHMAN ISLAND ↔ CHESAPEAKE BEACH/EASTON/OXFORD/CAMBRIDGE (RETURN)

ROUTE 5

SOLOMONS ISLAND ↔ ST. MARY'S CITY/LEONARDTOWN ↔ CRISFIELD (RETURN)

ROUTE 6

SOLOMONS ISLAND ↔ CAMBRIDGE (RETURN)

ROUTE 7

BALTIMORE ↔ BETTERTON ↔ CHESAPEAKE CITY/HAVRE DE GRACE ↔ NORTHEAST (RETURN)

KEY FINDINGS

- ▶ Chesapeake Bay is home to a diverse and historic maritime culture
- ▶ Local communities have unique offerings to attract visitors
- ▶ Special events represent key opportunities to test service offerings
- ▶ Limited excursion and water taxi services exist today
- ▶ Water depth, wave action, and geography create navigational challenges
- ▶ Local residents see the ferry as an opportunity to experience the Bay
- ▶ Green technology options provide an opportunity to differentiate the region and protect the health of the Bay
- ▶ Core service amenities will drive immediate success
- ▶ Most communities have existing infrastructure in place today to support basic start-up activities
- ▶ Expanded service amenities will be critical for longer term growth
- ▶ Marketing, branding, and promotional material will be critical to building and expanding the system
- ▶ Existing waterway services represent possible operators
- ▶ Passenger ferry service is seen as an economic development tool
- ▶ Potential host communities are willing to facilitate and promote development of service
- ▶ Ferry system likely to be phased over time
- ▶ Baseline System is estimated to handle approximately 50,000 riders per season
- ▶ Baseline System is estimated to generate \$2.5 million in revenue
- ▶ Baseline System is estimated to require \$5 million in expenses in the first year of operation
- ▶ Baseline System is estimated to require \$4.8 million in station improvement costs to support the initial operation
- ▶ Baseline System is anticipated to have a negative \$2.5 million in pre-tax income the first year of operation
- ▶ Establishment of a successful business model for the Baseline System will require support from each local community
- ▶ Baseline System will generate significant regional economic impacts
- ▶ Baseline System anticipated to generate a positive benefit cost ratio
- ▶ Governance structure should be a public/private partnership
- ▶ Transit-compatible service offerings, as well potential cargo opportunities, would expand funding options

RECOMMENDATIONS & ACTION PLAN

This feasibility study has documented a market and an interest to develop a Chesapeake Bay passenger ferry system. In addition, multiple communities are prepared to support the development of a ferry service through a variety of activities, such as making existing piers and docks available. The findings summarized above, highlight the key factors to be considered as the consortium prepares to take the next step to make this service a reality. Recommended actions presented below provide a roadmap to bring the Baseline Ferry System online, and to expand the system over time using a phased approach.

- ▶ **Clearly define the role of the consortium moving forward.** The consortium has expressed no interest in becoming a passenger ferry operator, however, its ability to drive branding, marketing, visioning and collaboration will be critical as pieces of the system advance. This could include helping identify and pursue grants, engaging with potential ferry operators, and supporting a comprehensive messaging campaign. The consortium also should expand to include all counties actively working to develop passenger ferry service.
- ▶ **Create a governance strategy.** The governance structure will establish the framework necessary to develop and operate a new passenger ferry system. This will include definition of key roles and responsibilities for system operation. A public/private partnership structure is recommended, but the details must be worked out prior to key activities like signing MOUs, selecting an operator, and more.

- ▶ **Build consensus on messaging and next steps.** As the consortium prepares to roll out the study findings, it is important that all members deliver a consistent message. This can include use of common slide decks, and potentially standardized answers to a set of anticipated questions. This will help provide clarity and set accurate expectations as subsequent implementation actions advance.
- ▶ **Develop customized briefing material to support study rollout.** The study deliverables will provide a standard slide deck for use by consortium members, however, members will likely need to customize the available material, and possibly develop new more detailed material based on the audience. In addition, when pursuing grants or other funding opportunities, more detailed financial information may be needed. Over time this is likely to result in a library of material that can be shared among consortium members.
- ▶ **Brief community leaders and key business partner stakeholders.** Buy in from community leaders and private business partners will be key to establishing a successful system. Community leaders will help smooth the way for access to public docks and piers, public restrooms, and more. Business partners should be engaged in discussions related to advertising, development of itineraries, and station-related services and amenities.
- ▶ **Identify champions for each Baseline community.** The consortium members have largely served as champions for their respective counties, but to fund and implement a new passenger ferry service, a local champion will be needed, one that is aligned with public facilities, as well as has key relationships with business partners. These champions would work with the consortium to ensure all communities remain coordinated.
- ▶ **Meet with each host community to discuss and confirm operational “readiness.”** The study team visited and assessed the potential of each host community to be able to handle a passenger ferry boat. All communities had basic infrastructure in place. To confirm true “readiness” additional screening must be conducted to 1) confirm a willingness by the community make the facilities available; and 2) to confirm the structural integrity of the infrastructure—that is, what improvements are needed before operations begin. This should include an infrastructure assessment and asset management plan for each location. Many of these smaller communities may need financial assistance to conduct the infrastructure assessments, and to develop and implement future maintenance plans and activities. Documenting these needs can help position the passenger ferry system for future grant applications.
- ▶ **Establish memoranda of understandings with host communities to define key roles and responsibilities.** Based on the earlier actions, MOUs should be developed that clearly define accessibility, operational and maintenance responsibilities, funding and financial commitments, and more. These MOUs will be key to establishing the legal and regulatory framework for the passenger ferry service.
- ▶ **Hold regional branding and marketing roundtables.** A good way to build awareness of and support for the passenger ferry service is to engage each community in the branding of the system, identification of types of itineraries and more. Students could be engaged in a contest to develop a branding logo or tag line. Local hospitality businesses could contribute ideas on travel packages. These roundtables would make sure the system aligns with what the community will support.
- ▶ **Develop a Baseline System development plan.** As each of the above actions are completed, they will provide material and information that will feed into a development plan for the Baseline System. Key factors will include “readiness” reports for each of the 14 stations, the ability to designate site specific champions, the roles and responsibilities defined within the MOUs, and timeline for any “must have” improvements.
- ▶ **Identify detailed list of planning, design, and engineering documents needed to build the Baseline Ferry System.** A series of specific documents will be needed to advance the project. Some of these will be eligible for planning grants. This will include: planning and capital investment needs, vessel routing plans, stakeholder engagement/public meetings, environmental impacts including climate impacts and mitigation, asset management plans, and more.
- ▶ **Explore possible opportunities to incorporate transit and freight service components.** The ability to broaden the scope of service to be able to capture transit and/or freight elements would create additional funding opportunities for system development. While not the original intent of this recreation, tourism, and economic development focused passenger ferry feasibility study, this exploration should be conducted as a due diligence as part of funding opportunities. This should include a discussion of possible modal diversion opportunities.

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- ▶ **Identify funding sources and develop a financial plan.** One of the biggest challenges will be the development of a funding plan. This will be challenged by the fact that the Baseline System likely will be built using a variety of funding sources and grants—many of which will be local in nature. Significant work will be necessary to stitch each component together into a system that can be developed along a similar timeline. This financial plan should address planning and capital investment needs over the next 10 to 20 years to help guide the alignment of potential funding sources. This will be critical as the time required to prepare applications, be selected for an award, negotiate the grant agreement, and complete any outstanding NEPA requirements [which must be complete before the grant agreement can be signed] can take several years.
 - ▶ **Establish schedule and key milestones for system development.** As the Baseline System development plan and financial plan take shape, a schedule with key milestones should be developed that shows the status for all 14 stations. This will need to be a living schedule that adjusts to progress being made, including any delays or advances made possible by grant awards or lack thereof. This schedule will be guiding document for use by the consortium, the team of champions, and key implementation partners.
 - ▶ **Develop branding and marketing material.** While development of the branding and marketing material will begin early—primarily to build consensus around the service being developed—once the development plan is underway, it will be time to finalize the branding, and begin developing actual advertisements and itineraries that can be used by the travel and tourism industry to sell ferry and local attraction tickets.
 - ▶ **Prepare request for qualifications from interested operators.** Understanding the options available from private passenger ferry operators is a critical step. The system may end up being operated by multiple operators and some host communities may issue RFPs for individual routes as opposed to the full Baseline System. Where possible, these RFPs should be coordinated, specifically as it relates to key service expectations (e.g., branding material, service frequency, station and on-vessel amenities, any restrictions on use of vessels for other purposes). This activity will need to be done simultaneously with several of the above actions to inform the process.



IMMEDIATE NEXT STEPS

- ▶ *Roll out study at MACo and follow up with official electronic release*
- ▶ *Schedule briefings in each Baseline community*
- ▶ *Identify champions for each community*
- ▶ *Define expectations for consortium and the champions*
- ▶ *Begin “readiness” assessment*
- ▶ *Continue outreach to private ferry operators*
- ▶ *Lay out next steps for system development plan and financial plan*

STUDY ADVOCATES:

The Chesapeake Bay Passenger Ferry Feasibility Study was led by a consortium of counties, including Anne Arundel, Calvert, Queen Anne’s, Somerset, and St. Mary’s.

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